



## GOLD Swing Trade Week of Nov. 2, 2015

### 1. Futures prices (GCZ15) - LAST WEEK and PRIOR WEEK

Open	High	Low	Closing
1163.80	1183.10	1138.40	1141.40
<b>PRIOR WEEK</b>			
1176.90	1181.40	1158.60	1162.80

### 2. PIVOTS (based on Globex high-low)

	Weekly	Monthly	Yearly
R3	1243.70	1321.43	1760.10
R2	1199.00	1233.53	1497.90
R1	1170.20	1187.47	1341.00
<b>PPT</b>	<b>1154.30</b>	<b>1145.63</b>	<b>1235.70</b>
S1	1125.50	1099.57	1078.80
S2	1109.60	1057.73	973.50
S3	1064.90	10969.83	711.30

### 3. WEEKLY SWING TRADING NUMBERS

	Weekly
<b>2<sup>nd</sup> Sell level</b>	<b>1183.50-1181.50</b>
<b>1<sup>st</sup> Sell level</b>	<b>1172.50-1175.50</b>
<b>Key #</b>	<b>1147.00-1148.50</b>
<b>1<sup>st</sup> Buy level</b>	<b>1125.00-1128.50</b>
<b>2<sup>nd</sup> Buy level</b>	<b>1108.00-1110.00</b>

The key # is a control point for up or down moves. When price moves from one side of that line to the other and stays in the new range it often indicates a change in trend and the beginning of a stop run. Look for the price to move toward new support and resistance levels, often at/near our buy or sell range.

**How to trade the weekly swing trade focus numbers:**

Enter at or close to the focus numbers. The stops are activated by a close above (below) the stop. In that case place an order to exit the position at or near your entry as soon as the overnight session opens. Maintain the order in the day session if it is not hit overnight, and use a supplemental stop set for your maximum allowable daily loss. If you enter the trade and the market moves in your favor, take profits at 3, 5, 10, 15 or 20 point intervals. If the price does not approach the entry levels, stand aside.

**4. OUTLOOK FOR GOLD**

**Weekly chart**



**Last week**

Gold closed below its October mid-point level, but gained 2.4% net for the monthly close. On a weekly basis, GOLD actually lost almost 2% last week in a reaction to poor economic data and the Fed's hawkish statement on Wednesday about a possible rate hiking coming in December. In effect the Fed successfully talked gold down.

**This week**

Third quarter GDP missed expectations, reflecting existing growth risk. Employment cost index and personal income all missed their numbers. Those numbers are unlikely to improve over the next 7-weeks going into the December FOMC meeting. GOLD price

dropping last week was a short-term retracement due to overbought condition, using the prospect of a rate hike as an excuse. At this point it is difficult to imagine a scenario that would induce the Fed to tighter monetary policy.

If they do hike in December, essentially to prove that they still can, expect a “one and done” symbolic rate increase. Interest rates will not be “normalized” any time soon.

GOLD had already had 11 days on the downside after it made a high at 1191 on Oct. 15. The short-term indicators are moving into oversold territory, but are not extremely oversold.

But intermediate-term indicators remain in overbought territory. This week GOLD could have some ultra-short-term bounce, but it shouldn't change the short-term downtrend direction.

The 1168-1175 zone will be first major resistance zone to prevent the price from popping. Below the current price, the 1129-27 zone will be the first support zone. A break below 1123 level will be bearish. If it breaks, a further decline to test the major support around 1110-08 should be expected.

Once intermediate-term indicators move into oversold territory, we should see a decent rally again.

LONG-TERM SUPPORT at 1007.7-1033.90 - Yearly breakout level from Year 2008- 2009

LONG TERM Trend line SUPPORT at 1009.50 this week.

INTERMEDIATE TERM SUPPORT at 1045-1035 zone

SHORT-TERM SUPPORT at 1072-1095 zone.