

CHART OF THE DAY

September 6, 2017

Spotlight on : Gold

Our Chart-of-the-Day has been taken from our Kimble Charting report that we posted on our website yesterday (September 5).

We are reproducing the full Kimble report at the following link just in case you missed it:
http://www.eresearch.ca/wp-content/uploads/2017/09/Kimble_090517_Gold.pdf

From the Kimble report, here is the Weekly chart that was included yesterday, with some trend-lines drawn by eResearch:

CHART 1

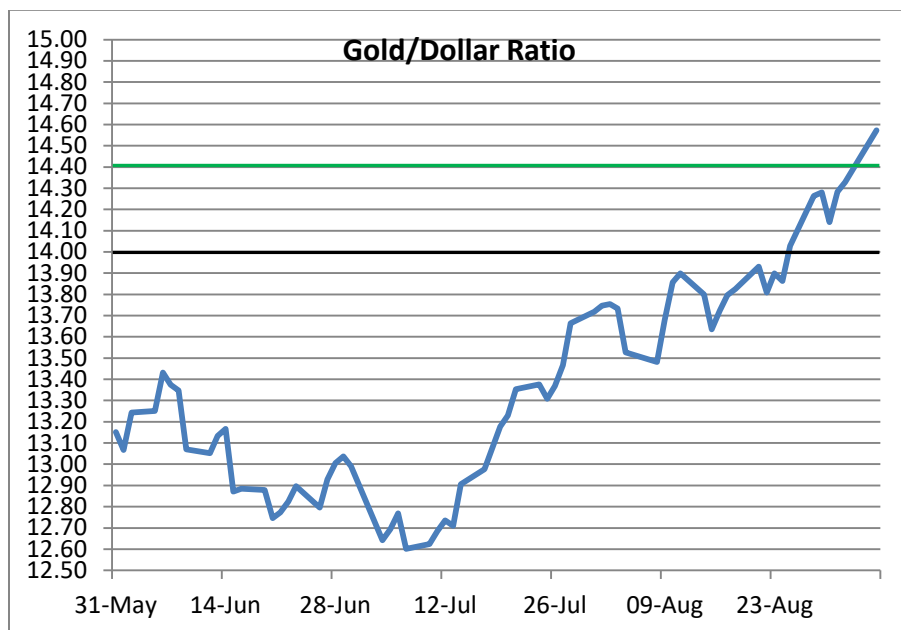


Source: Kimble Charting

COMMENT: After an initial break-out in Q3/2016 of the **light blue** down-trend line, which later proved to be a false break-out, the gold/dollar ratio broke this longer-term down-trend line again in Q1/2017 after having formed a double bottom as shown by the **green** line. The **orange** short-term down-trend line was decisively broken recently at about 14.00 as shown by the **black** arrow indicator.

The next chart shows the ratio of the gold/dollar ratio on a Daily basis since May 31, 2017.

CHART 2



Source: eResearch

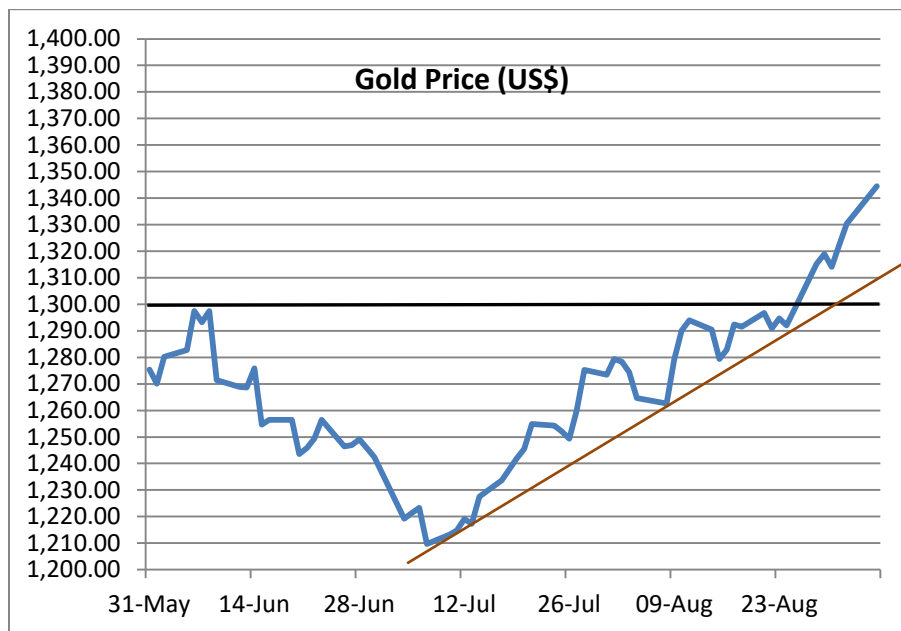
COMMENT: On the above chart, the **black** horizontal line at 14.00 corresponds to the break-out point declared on the first (i.e., Kimble) chart. The **green** line is at 14.40 and, again, corresponds to the break-out point illustrated at (2) on the Kimble chart.

COMMENT: Is this the conclusive break-out that the gold pundits have been waiting for?

<continued>

The next chart shows the trend in the price of gold, also since May 31, 2017.

CHART 3



Source: eResearch

COMMENT: The **black** line on the above chart is an arbitrary but psychologically important price level for gold of US\$1,300. The **brown** up-trend line that started on July 7 at US\$1,210 is still in-tact.

COMMENT: Political tensions, particularly regarding North Korea, should keep gold in a positive spotlight for a while.

<continued>

Here is a two-year chart for gold.

CHART 4

Gold Price (Two Years: September 2015 –September 2017)



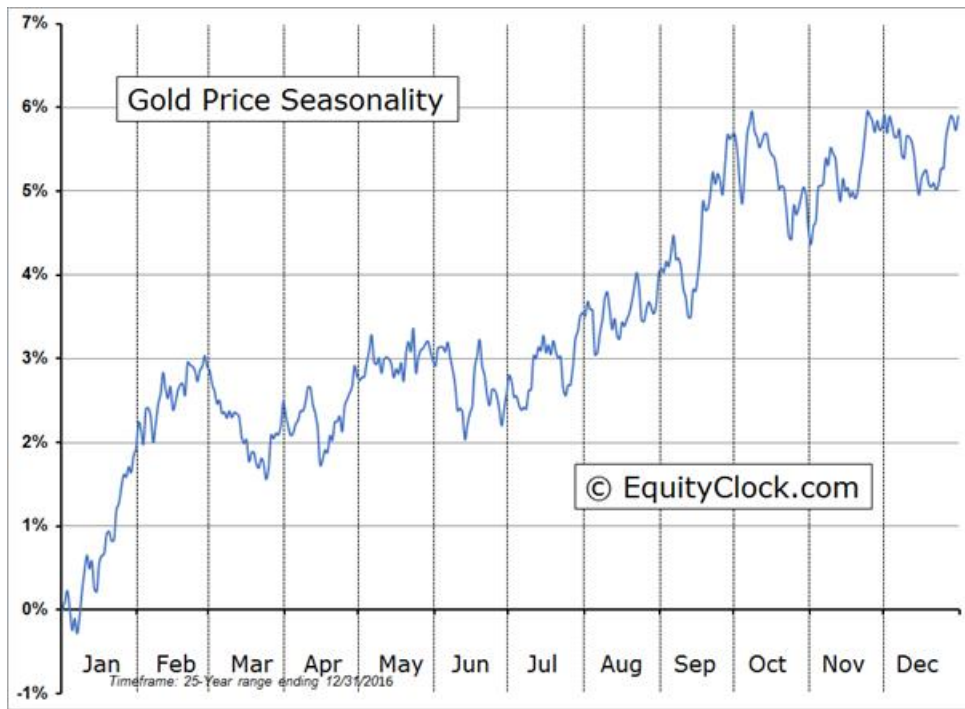
COMMENT: Trend-lines drawn on the above chart are a **black** support/psychological line at US\$1,300; a long-term **light-green** up-trend line; an intermediate-term **dark-green** up-trend line; and a short-term **brown** up-trend line (the same up-trend line shown on Chart 3 above).

<continued>

The next chart shows the typical seasonality of gold.

Gold usually shows price appreciation beginning in July. It has another resurgence in mid-September, for about another three weeks.

CHART 5



Source: Equity Clock

CONCLUSION: *Gold should continue to perform well in the short-term.*

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