

- GCRU -

Weekly Trading Service



●●● GCRU #603

●●● September 03, 2014 (in its 13th year)



IN THIS EDITION

VOLATILE MARKETS 2

Open Positions 20

Abbreviations 21

MARKET LEADERS

Gold (futures) 7

Silver (futures) 8

US Dollar Index 9

Copper (futures) 10

Crude (futures) 11

D. Industrials & D. Transports 12

HUI & Adv/Dec Line 13

STOCKS

Canadian Dollar Trust (FXC) 15

iShares 20+ Year Treas Bond (TLT) 16

Power Shares NASDAQ (QQQ) 17

Palladium (PALL) 18

El Dorado Mining (EGO) 19

*"Beware of the law of
unintended consequences".*

- Jim Chanos -

VOLATILE MARKETS

Gold and silver got hit, closing at a 12 week low yesterday. The other metals and gold shares also felt the heat but their declines were mild in comparison.

The U.S. dollar was the star, as the dollar index jumped up to an over one year high. The bond market came down from 15 month highs posted last week. Palladium was similar after closing at another 14 year high on Friday.

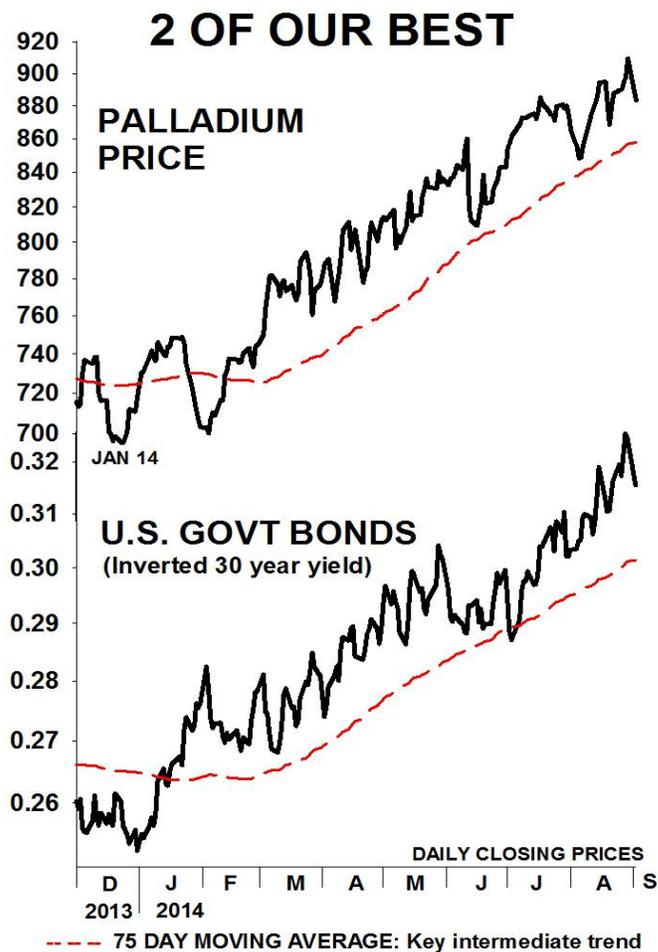
The stock market was mixed. The Transportations jumped to a record high while the Nasdaq rose further, but not all sectors rose.

Dollar bulls believe that better economic news will raise interest rates sooner than anticipated. This in turn has been making it a good safe haven. And this strength is pushing gold down in spite of an all-out war ready to break out in Ukraine.

Geopolitical tensions and growing crises have taken a back seat to the positive sentiment for the time being. U.S. manufacturing expanded at the fastest pace in 3 years in August adding to this sentiment.

And this better economic news boosted the expectation of higher interest rates, which has been keeping a lid on gold and silver this quarter. We could see these metals stay down a while longer, but we don't think this sentiment has legs.

Bonds have been one of the best investments this year. The **Chart Below** shows that even though bonds came down and could decline a bit further, they'll remain strong above their rising 75 day MA. They have plenty of room to rise further.



This means interest rates will stay under pressure this year and next. In fact, it looks like the 30 year yield could eventually test its lows once again.

This will bode well for bonds, gold, silver and the stock market.

Palladium has been in a league of its own. It's also been one of the best performers this year as the chart above shows. The growing tensions between Russia and Ukraine have given a strong boost upward to palladium.

An all-out war would cause it to soar much further. And with Putin saying Russia could take over Kiev in 2 weeks, you can see why palladium is so strong.

It'll remain very strong above its 75 day MA at \$860.

Gold and silver are a different story.

The **Chart Of The Week** on the front page shows they both looked promising when they first peeked above their 65 week MA in July. They then ended up resisting at this key MA and rolled over.

Yesterday's decline showed that this ST weakness could last awhile longer. This is especially so with gold breaking below its Dec uptrend.

We've been expecting some weakness, but now that silver is approaching its key closing price support at \$18.70, it's time to watch it closely.

Silver has been weaker than gold. And gold has been weaker than gold shares, especially this Summer. But with the Fall time period at hand, it'll be interesting to see if gold shares are leading the way up in an intermediate rise.

As you know, the Fall foliage time tends to coincide with a strong gold price. It's a

seasonally strong time for gold. So, let's keep an eye on our steps.

Note on the chart the first thing is for the key supports to hold. Gold has a ST support at \$1240. If this level holds, gold will be forming a strong bottom area and springboard base.

In a worst case, the Dec lows near the \$1180- \$1190 level is key support.

The gold and silver steps on the upside provide us with guidelines to see when they start to jump above the bullish levels.

First are the 65 week MAs. Once gold and silver rise and stay above \$1300 and \$20.50, the first bullish level will be surpassed. Then the March highs will be key for a strong intermediate rise, see step 1.

If gold can rise and stay above \$1340 (the July highs) and then move above \$1380, step 1 of the bull steps will have begun. This \$1380 level is a key juncture because it's also the 23 month MA, the mega gold trend.

Above this level would show great upside potential going forward. It could then shoot up to the \$1536 level. This use to be a strong support level in gold before the washout began last year. Once this level is surpassed, all the down bad days and months will be behind us.

Silver's first step 1 is the \$22 level. Silver will look promising above this level. Then above step 2 at the \$ 24.70 level will confirm the key turnaround time for silver. Silver could then soar.

Gold shares are looking promising. They're poised to rise from their bombed out levels. They're already starting to break out of a bottom formation versus gold. And the HUI index is holding up well under the pressure.

HUI is holding above its 65 week MA. Unlike gold and silver, gold shares have stayed above its MA now at 230. This shows good strength.

Once HUI surpasses the 250 level and especially the 257 area, it's off to the races for the gold share universe.

Our positions

During the past two weeks, several of our gold shares triggered their stops due to tale-tale signs of further weakness. Although gold shares are holding better than gold, they're still vulnerable and could decline further if gold breaks below \$1265. Our downside target for HUI in case of further weakness, remains the Dec uptrend, currently near 208. That is, if 230 is clearly broken.

EGO is currently our Lone Ranger gold share. Although our indicators are showing weakness, it continues to hold up better than most. We bought more yesterday. If you didn't buy, buy below 8. We'll keep it as long as it stays above our key support near 7.50.

We've also been picking up more gold over the past few weeks and again today on weakness. We lowered our stop loss from 1265 to 1240 as technical indicators are telling us that gold could decline a bit

further before rising again. Gold did break below its Dec uptrend today showing key ST weakness. If the 1240 level is broken, we could see gold decline to test the Dec lows near 1180.

Silver is weaker than gold. It's approaching its key support level at 18.80. Our recent buy order has not been triggered yet. However, we recommend picking up more silver on weakness that holds above its 18.80 support level, if you do not have a full position in place.

We picked up some copper at the right moment over the last 2 week, just before it shot up to test its Jul downtrend and resistance. However, copper failed to break above its resistance and has declined as a consequence. It's still above its uptrend and support and we recommend keeping it while it holds. We've also raised our stop to protect our position.

The rest of our positions are doing great!

Most of them reached new highs this past week with the exception to QQQ that reached a new high yesterday! TLT and PALL have been pulling back but are still above bullish uptrends telling us that the upside is still open. QQQ reached our previous profit target and looks poised to rise further.

The loonie rebounded from its key support level. However, its strength was short lived as it was unable to break above its ST resistance near 92... As long as the loonie holds above its key support, it's poised to rise and re-test its resistance levels.

Our **strategy for this week** is to keep a close eye on the downside for gold and silver. They're both approaching key support levels that if violated, could enter into a new bear phase. Gold is entering a seasonally good time for an intermediate rise. Also, watch your winning positions

closely and be quick to take profits when targets are reached.

Good luck and good trading!

Omar, Pam and Mary Anne

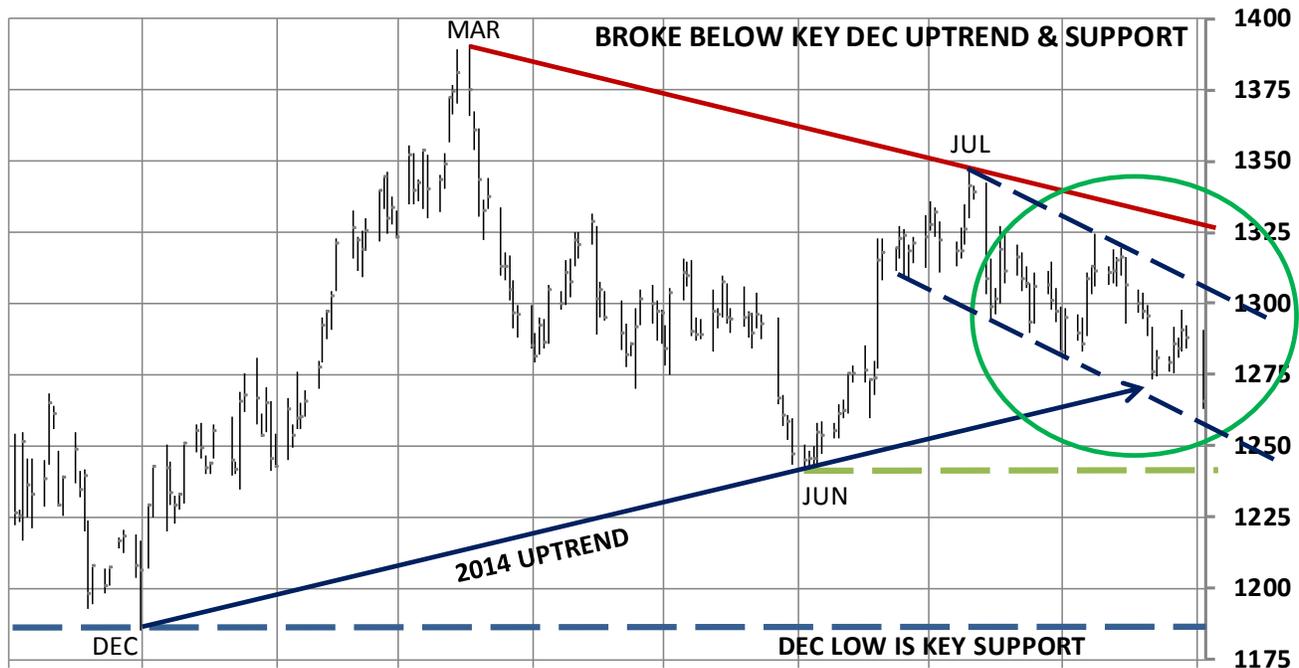
If it's Wednesday, it must be GCRU!

KEY PRICES							
Name/Symbol	Sept 02, 2014 price	Change	Aug 26, 2014 price	Name/Symbol	Sept 02, 2014 price	Change	Aug 26, 2014 price
Gold (GCZ14)	1265.00	-20.20	1285.20	S&P500	2002.28	2.26	2000.02
Silver (SIZ14)	19.152	-0.307	19.459	U.S.Dollar (DXU14)	83.010	0.331	82.679
HUI (HUI)	236.70	-3.32	240.02	30 Year T-Bond (ZBZ14)	138 - 22	-0.13	139 - 03
Copper (HGZ14)	3.1550	-0.0575	3.2125	10 Year T-Note Yield	2.419	0.028	2.391
Oil (CLZ14)	91.74	-1.39	93.13	13-WEEK TREASURY BILL	0.020	-0.005	0.025

MARKET LEADERS

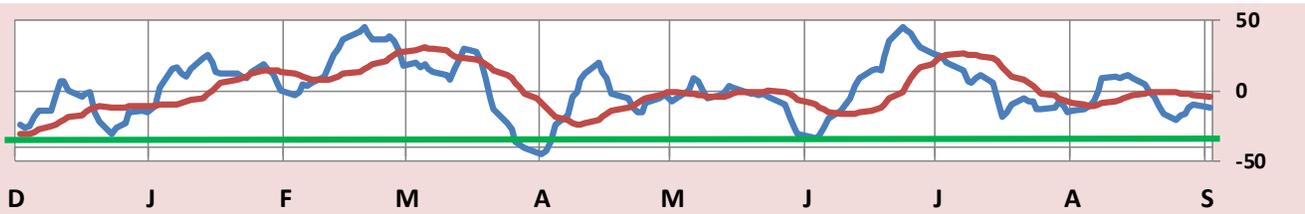


GOLD DECEMBER 2014 (GCZ14) 9/2/14 CLOSE = 1265



SPINNER (3, 16, 16)

RESISTING BELOW ZERO & MT MA = WEAKNESS



Long at:	1300 (Aug-15-14), 1275 (Aug-21-14), 1270 (Sept-2-14).
Stop:	2dc below 1240 (adjusted).
Profit Targets:	1380, 1425 & 1536
New Recom:	Keep your positions.

Gold rose to test the 1300 level, forming a bear flag, and fell after failing to break above this ST resistance. Bear flag downside target converging with the Jun lows near 1240 exposing gold's next ST support. Spinner showing more downside is likely as it resists below both zero and its MT MA. On the upside, gold must break above the Mar downtrend on a 2dc above 1325 to see renewed strength. We recommend lowering your stop loss to 1240 as weakness could be short lived.

**CALL OPTION
SPREAD #1**

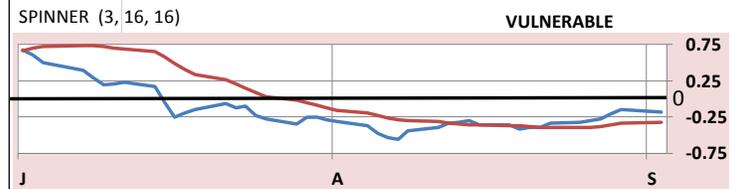
Bought Dec 2015 1600/1700 COMEX gold call spreads for approx. \$1,300 (Nov-20-13)

**CALL OPTION
SPREAD #2**

Bought Dec 2015 1500/1600 COMEX gold call spreads for approx \$875 (Jan-8-14)

SILVER SEPTEMBER 2014 (SIU14) 9/2/14 CLOSE= 19.152

!SHARES SILVER TRUST (SLV) 9/2/14 CLOSE= 18.41



Long at: SILVER: 19.75 (Mar-31-14), 19.75 (Apr-2-14), 19.70 (Apr-9-14), 18.95 (May-1-14), 19.10 (May-9-14), 19.50 (Jun-17-14), 20.50 (Jul 30, 14), 20 (Aug-5-14), 19.40 (Aug-19-14).

Long at: SLV: 18.70 (Aug-19-14).

Stop: 2dc below 18.70 (SLV: 2dc below 18).

Profit targets: 22 & 24 (SLV: 20.40 & 21.50).

New Recom: **Keep your positions. Buy Silver below 19.**

Silver declined to a new 12 wk low today after failing to rise above its Jul downtrend & key resistance level near 20. Spinner bearish showing more weakness could be expected ST. Silver's next real support is the May lows near 18.70. A break below this level would add to downside pressure and a decline to the 16 level or lower would be likely. On the upside, silver must rise above the Jul downtrend on a 2dc above 20 to see signs of strength. Keep your positions for now, but be quick to sell if support is broken.

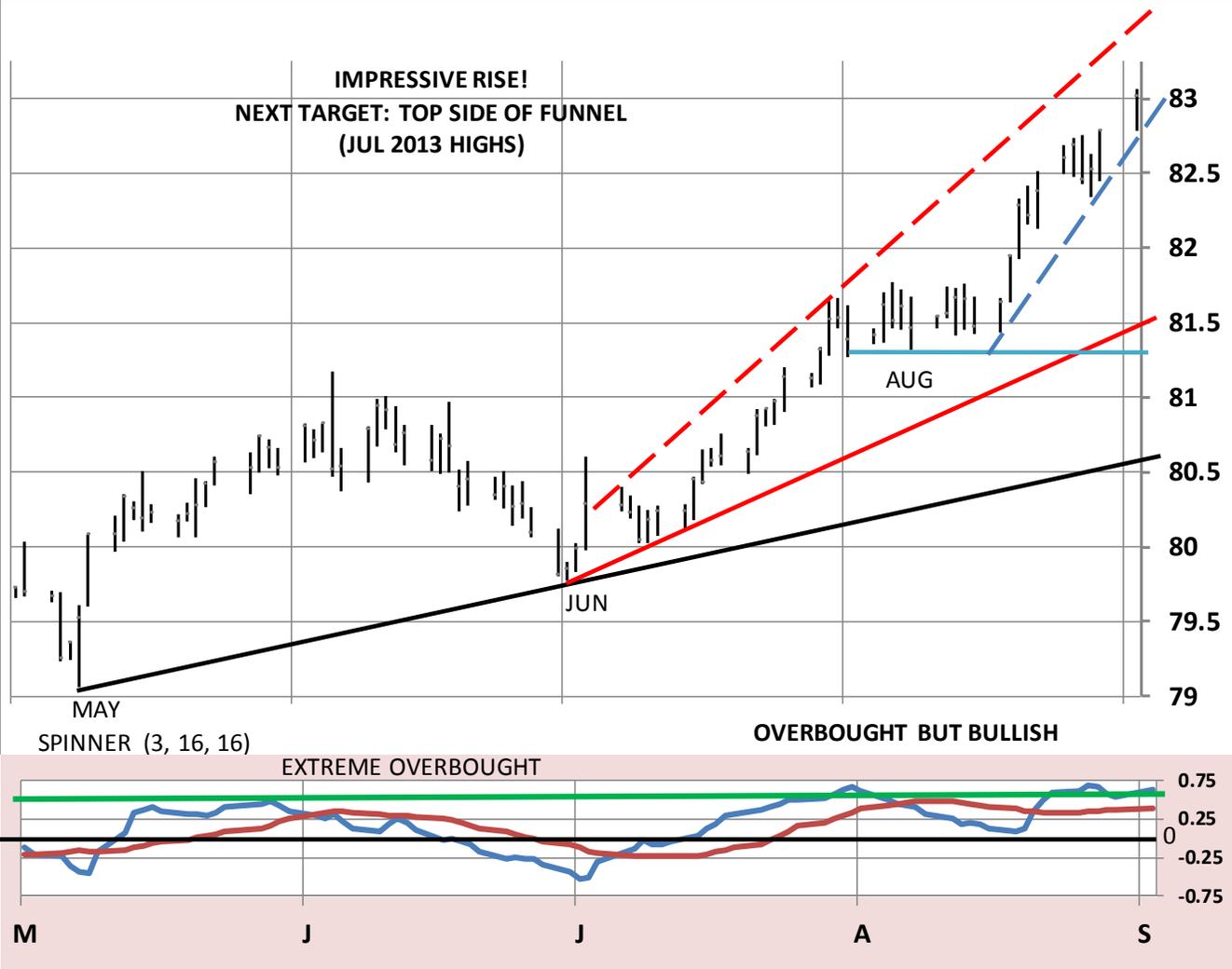
CALL OPTION SPREAD #1

Bought Dec 2015 26/27 COMEX silver call spreads for approx. \$1,010. (Nov-20-13)

CALL OPTION SPREAD #2

Bought Jul 2014 23/24 COMEX silver call spreads for approx. \$725. (Dec-24-13)

U.S. DOLLAR INDEX SEPTEMBER 2014 (DXU14) 9/2/14 CLOSE= 83.01



New Recom: **Stay out for now. We'll be looking to buy on weakness, ideally on a decline near 81.50.**

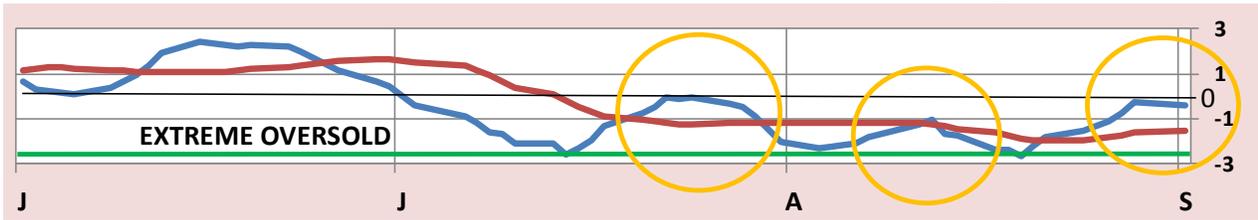
The US dollar is getting lots of safe haven demand, pushing it to yet another 13+ mo high today! The dollar continues to rise towards its next key resistance, the Jul 2013 highs at the 84-85 level. A break above this level would be super bullish. However, Spinner showing signs of caution ST. Although it tells us the 84-85 level is likely to be tested, it might not rise above it ST. On the downside, the key levels to watch are: Jun uptrend near 81.50 (ST), the May uptrend near 80.50 (MT) and the May lows at 79. A break below the first of these two levels would show weakness. However, a break below the latter would be bearish. Keep in mind, a stronger dollar will put downward pressure on gold.

LIGHT CRUDE OIL DECEMBER 2014 (CLZ14) 9/2/14 CLOSE= 91.74



SPINNER (3, 16, 16)

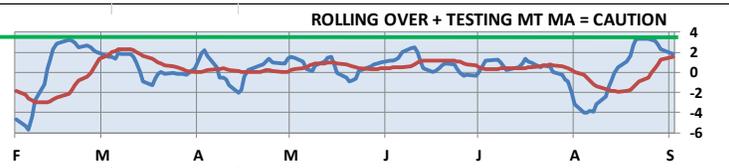
RESISTING BELOW ZERO, YET AGAIN



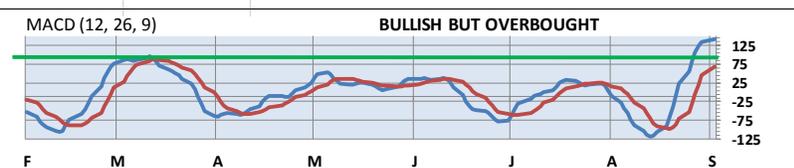
New Recom:	Stay out for now.
------------	--------------------------

Crude collapsed as it lost upside momentum after failing to break above the Jun downtrend & resistance (95). Spinner resisting below the zero line for the third time in 6 wks. This is telling us we'll likely see crude decline to the Jan low near 87-88 level before testing its resistance level near 95 once again. We'll be looking to buy on further weakness that holds at the 87-88 level.

SPDR DOW JONES INDUSTRIAL (DIA) 9/2/14
CLOSE= 170.58 US\$



DOW JONES TRANSPORTATION AVERAG (^DJT) 9/2/14
CLOSE= 8516.25 US\$

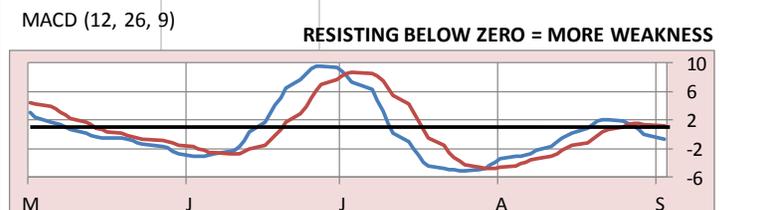
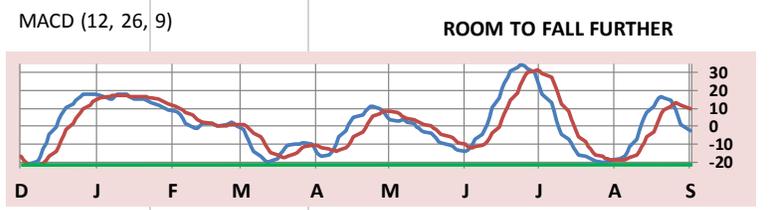
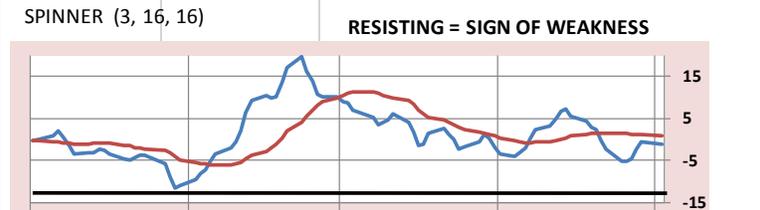
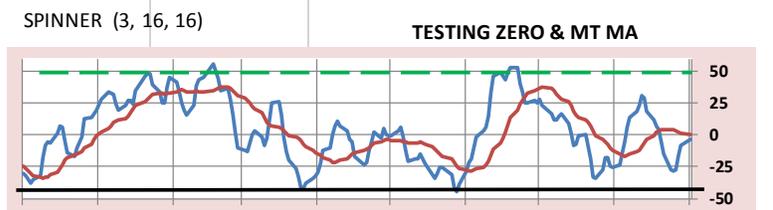
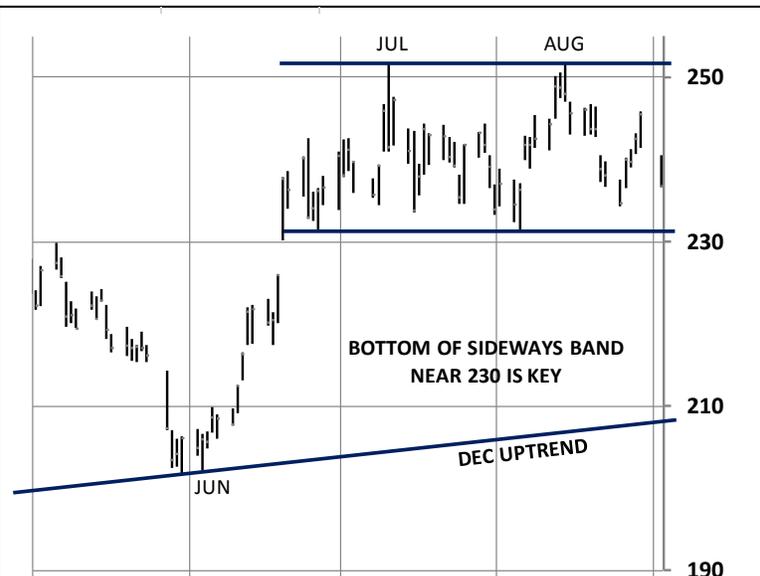
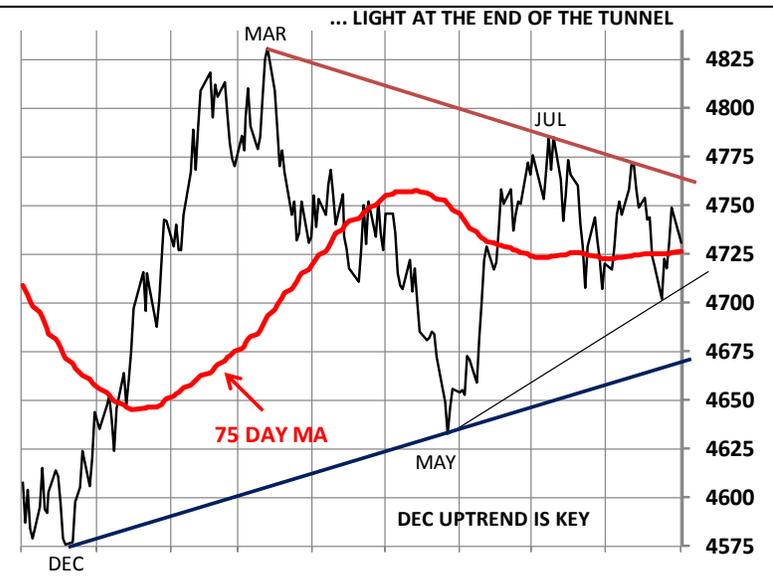


New Recom **Stay out.**

DJT reached a new closing high today showing impressive strength. Indicators for DJT are bullish. Spinner pulling back, but likely to hold above zero. MACD overbought, but still very bullish! On the downside, DIA did not reach a new high, thereby failing to show a bullish Dow Theory confirmation. Indicators for DIA are not as bullish as the DJT's are, showing some weakness that could put downside pressure on DJT. Remember a bearish Dow Theory confirmation would occur when both averages break below their Feb uptrend on a 2dc below 164 (DIA) and 8050 (DJT). Stay out for now.

ADEN GOLD STOCKS ADV/DEC LINE 9/2/14 CLOSE=4731

HUI GOLD BUGS INDEX (HUI) 9/2/14 CLOSE= 236.7



Gold shares continue to consolidate their rise since Jun. However, indicators suggest we could see some weakness before a renewed rise. Notice HUI's 2+ mo sideways band between 230 and 250 showing strong support and resistance at those levels. A break in either direction will give us a good hint to the next move. Spinner and MACD are both tilting towards more downside as both resist below the zero line and their MT MA. Moreover, the A/D Line is also showing weakness as it's been unable to break above the Jul downtrend & resistance while its Spinner and MACD look sluggish. On the upside, HUI and the A/D line's intermediate trend (Dec uptrend) is still intact and strong. This tells us that HUI's downside target could be 230, and possibly near this uptrend near 208. We're currently out of most gold shares with the exception of EGO. We'll look for more weakness to buy again or on a clear break out above the sideways band on a 2dc above 250.

STOCKS



CurrencyShares Canadian Dollar Trust (FXC)-NYSE 9/2/14 CLOSE= 90.96 US\$



CurrencyShares Canadian Dollar Trust (FXC) - NYSE

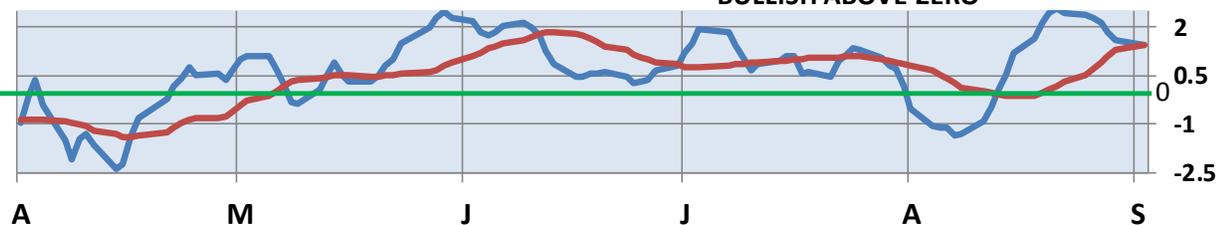
Long at:	91.25 (May-7-14), 91.19 (May-14-14), 91.05 (May-21-14). Sold half at 93.30 for a profit. May have sold balance via stop loss at 91. 90.70 (Aug-8-14).
Stop:	1dc below 90.50.
Profit targets:	93.50 (adjusted) & 97.
New Recom:	Keep your positions.

Up like a rocket, down like a stick! The Canadian dollar jumped up from its support to test its July downtrend near 92 as Spinner broke into bullish territory showing strength. However, strength may have been short lived as the loonie was unable to overcome its resistance. Spinner still in bullish territory. If it holds, we could see a renewed rise surpass the Jul downtrend and test FXC's key resistance near 93.50. Keep your Canadian dollars as long as it holds above its key May/Aug support near 90.50.

Power Shares QQQ (QQQ) 9/2/14 CLOSE= 100.07 US\$



SPINNER (3, 16, 16)

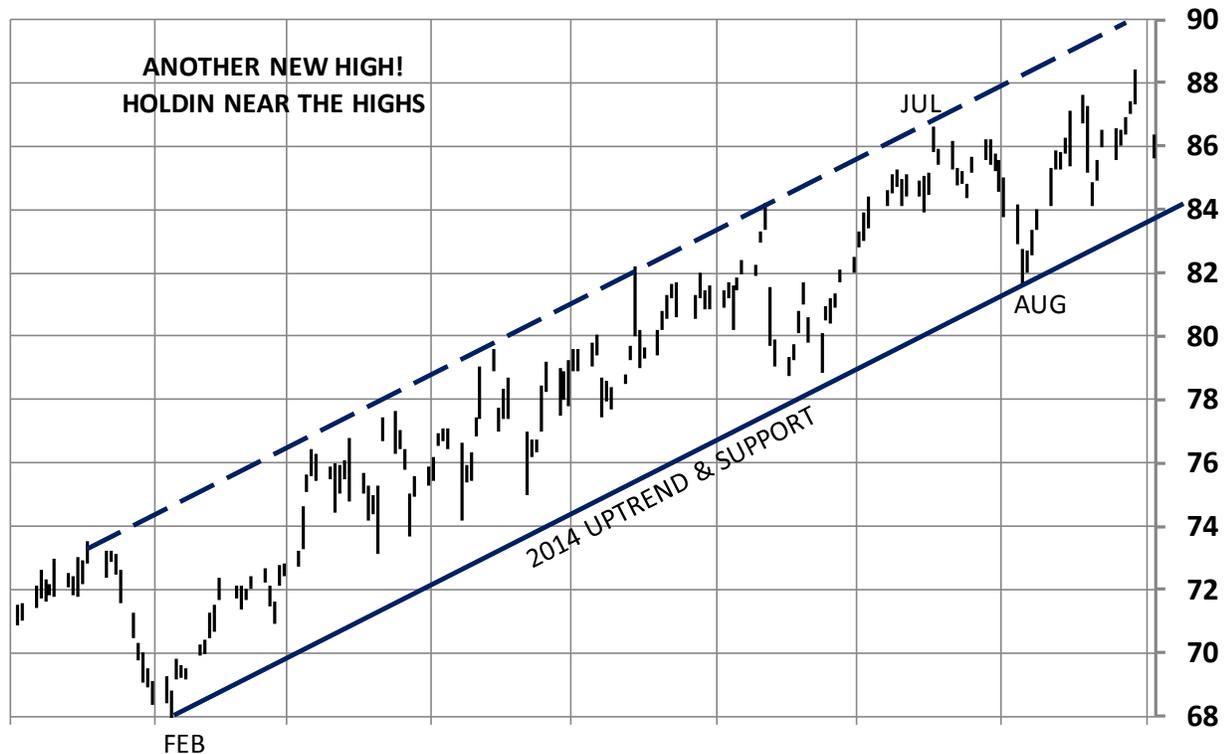


Power Shares QQQ (QQQ) -NasdaqGM

Long at:	95 (Jul-2-14)
Stop:	2dc below 95.
Profit Target:	105 & 110.
New Recom:	Keep your position. Sell half at first profit target. Buy again near weakness, ideally near 95-96

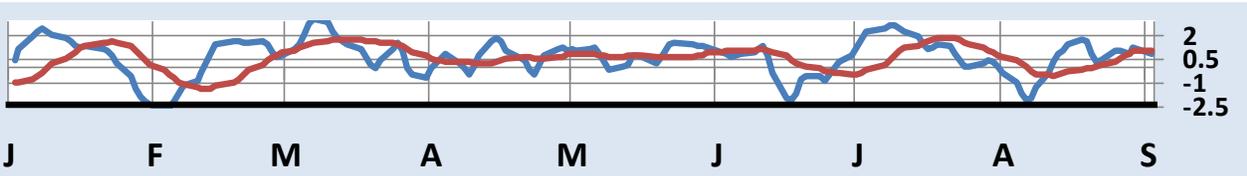
QQQ finally broke above the 100 resistance level today as it edges closer to an all time high! Spinner retracing from overbought, but curbing above its MT MA. This shows QQQ could resume its rise, if Spinner holds above its MT MA. Moreover, QQQ is very strong above its Apr uptrend near 96.50. As long as QQQ holds above this level, it'll be poised to continue rising.

ETFS Physical Palladium Shares (PALL) 9/2/14 CLOSE= 85.86



SPINNER (3, 16, 16)

TESTING MT MA & ZERO = SIGNS OF CAUTION ST

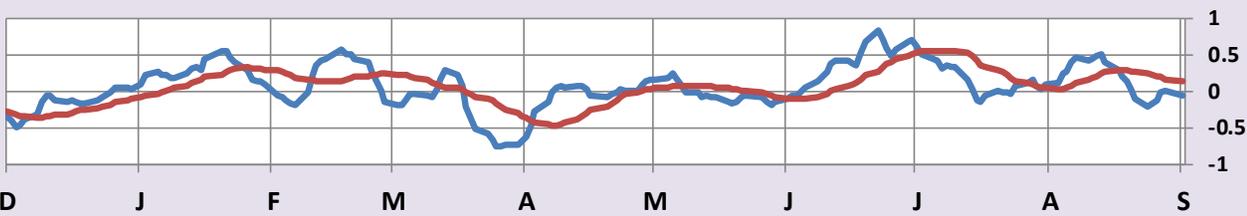
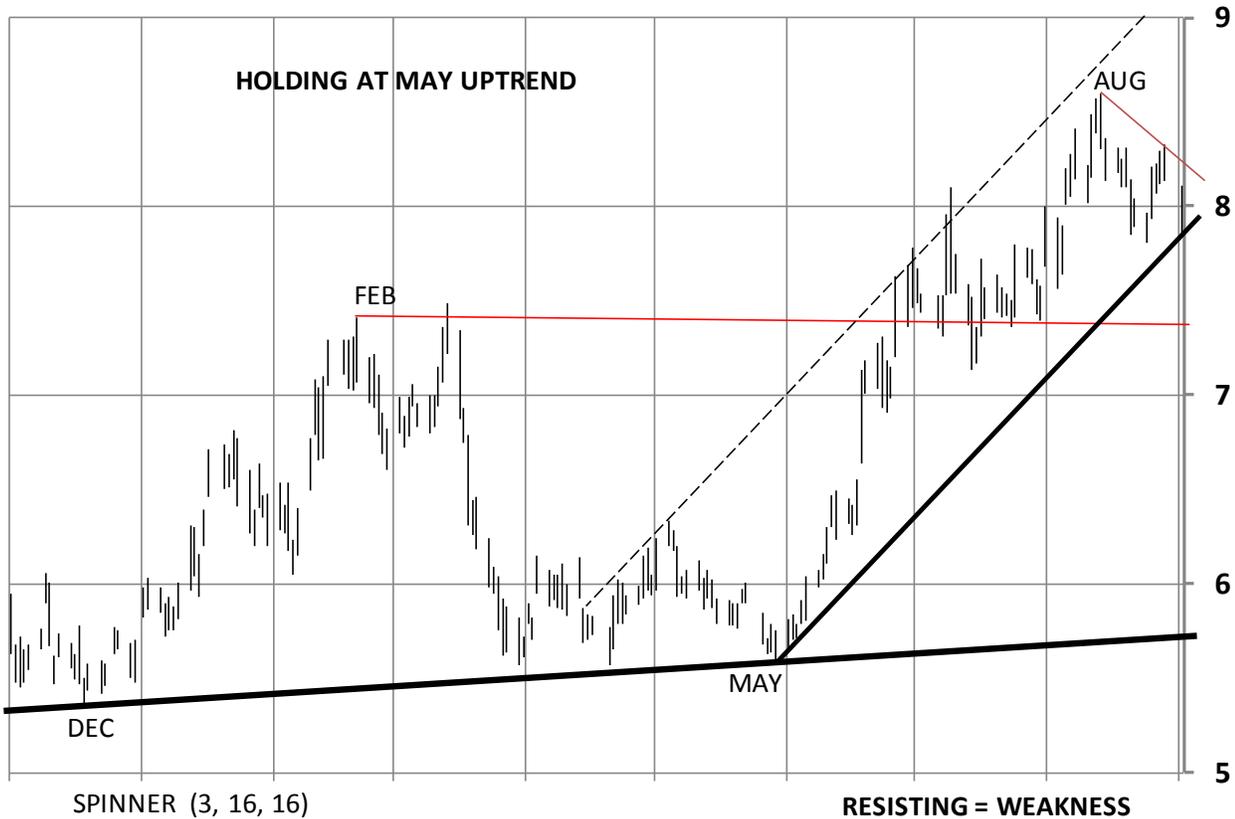


ETFS Physical Palladium Shares (PALL) - NYSEArca

Long at:	82 (830) (Jun-12-14), 79.50 (813) (Jun-17-14), 80.60 (820) (Jun 25-14)
Stop:	2dc below 82 (835).
Profit Target	90 (almost reached!) & 98 (925 & 1000)
New Recom:	Keep your positions.

New 14 year high! PALL continues to dazzle as it reaches new highs. Concerns over a restraint in supply due to trade restrictions between the west and Russia (largest palladium producer in the world) is fueling higher prices. On the downside, Spinner is showing some weakness as it tests its MT MA and zero line. A Spinner break below these levels would put downside pressure on PALL. It could push PALL to test the Feb uptrend, but PALL will remain very strong above this uptrend at 84. Keep your positions.

Eldorado Gold Corp. (EGO) 9/2/14 CLOSE= 7.9



Eldorado Gold Corp. (EGO) - NYSE

Entry Level:	8.20 (Aug-19-14), 7.90 (Sept-2-14).
Stops	2dc below 7.50.
Profit Targets	10 & 12.
New Recom	Keep your positions.

Remains as one of the strongest gold shares. EGO declined with the rest of the gold universe. However, it has managed to hold above its May uptrend near 7.85. EGO has support above the previous Feb high near 7.50. As long as EGO stays above this level, it'll show strength. On the downside, Spinner unable to break into bullish territory, resisting below its MT MA and zero line. Signs of upcoming weakness. However, we recommend keeping your positions unless 7.50 is violated. We bought more today. If you didn't buy, buy below 8.

OPEN POSITIONS

Symbol	Trade Update &/or Current Position	Status (L=Long, S=Short, O=Out P= Put C= Call)	Initial Entry Date	Initial Entry Price	Traders re-bot/ -sold at	Last Closing Price	Stops	Target #1	Target #2
SHARES									
FXC	Keep your positions.	L	May-7-14	91.25	91.19, 91.05, 90.70.	90.96	2dc below 90.50	93.50	97.00
TLT	Keep your positions. Buy again on weakness that holds above 113.	L	May-28-14	114.50	111.50, 111.50, 110.96	116.73	2dc below 112.50	120.00	130.00
QQQ	Keep your position. Sell half at first profit target. Buy again near weakness, ideally near 95-96	L	Jun-2-14	95.00		100.07	2dc below 95	105.00	110.00
EGO	Keep your positions.	L	Aug-9-14	8.20		7.90	2dc below 7.50	10.00	12.00
PALL	Keep your positions.	L	Jun-12-14	82.00	79.50, 80.60	85.86	2dc below 82 (835)	90.00	98.00
MARKET LEADERS									
Gold - GCQ14	Keep your positions.	L, C	Nov-20-13 Dic-19-13	1275 Dec 2015 Gold 1600/1700		1265.00	2dc below 1265	1425.00	1536.00
Crude- CLZ14	Stay out for now.	O				91.74			
Silver SIZ14	Keep your positions. Buy Silver below 19.	L & C	Dec-13-13 Nov-20-13	Dec 2015 Silver 26/27; 19.75	19.75, 19.70, 18.95, 19.10.	19.15	2dc below 18.80	22.00	24.00
US Dollar DXU14	Stay out for now. We'll be looking to buy on weakness, ideally on a decline near 81.50.	O				83.01			
COPPER HGU14	Keep your position.	L	Aug-14-14	3.09	3.1	3.16	2dc below 2.95	3.25	3.40

Quoting *GCRU* is permitted provided *GCRU* name, website address & subscription price are given.

All charts in *GCRU* are daily prices.

Fax subscribers please note this week's password to access *GCRU* daily edition via our website is: (*goldsteps*).

Subscribers can obtain free online chart updates for all gold shares in *GCRU* via: www.bigcharts.com. To view Canadian stks please use CA as prefix (ie, to view Agnico Eagle (Toronto) you must use CA:AEM).

Note: U should NOT feel our recommended prices are set in concrete. If mkts suddenly feel hot or cold to U, or dramatic news occurs, U can buy or sell, or stop at slightly higher or slightly lower prices. It also hinges on your experience level. Some people can use our prices as guides & know when they can take bigger risks.

Spinner: Spinner is an in-house momentum indicator (not always shown on charts). Momentum indicators use the rate of change in price to determine predominant energy flows. Spinner trading signals are generated when the faster timing line crosses above or below the slower confirming line. Upside crosses in the lower range of positive territory offer the most reliable signals for longs; downside crosses in the top range of negative territory for shorts. Avoid trading against the timing line, ie, buying/selling if the timing line is in corrective mode (against direction of trade) unless the confirming line is positioning for a new 'confirming cycle'. It's important to always be aware of location, direction & cycling phase of the confirming line. Spinner signals are more effective in trending mkt's than in trading ranges where indicators such as Stochastics & Williams %R should be used.

NOTE: payments for *GCRU* services should be made payable to **MAP CUSTOMER SERVICE**. *Gold (& mkts) Charts R Us* is published weekly. You may sign up for 3-mos at \$300, 6-mos at \$585, 9-mos at \$855 or 12-mos \$1,110.

E-mail: gcru@adenforecast.com

ABBREVIATIONS	
	1-day close (the share price must close above or below the indicated price level, before our recommendation is activated)
1dc	
2dc	2-day close (consecutive)
bot	bought
CAD\$	Canadian dollar
H&S	head & shoulder
LOC	line on close
LT	long term
MT	medium term
NL	neckline
PF	portfolio
PO	price objective
Recom	recommended
RH&S	reverse head & shoulder
RS	relative strength
ST	short term
Sym/tri	symmetrical triangle
Tgt	target
Unch	unchanged
Vol	volume
Wk	week
Ystdy	yesterday
C	close

- DISCLAIMER -

Due to the electronic nature of e-mails, there is a risk that the information contained in this message has been modified. Consequently *Gold (& mkts) Charts R Us* can accept no responsibility or liability as to the completeness or accuracy of the information. Whilst efforts are made to safeguard messages and attachments, *Gold (& mkts) Charts R Us* cannot guarantee that messages or attachments are virus free, do not contain malicious code or are compatible with your electronic systems and does not accept liability in respect of viruses, malicious code or any related problems that you may experience. Information in *Gold (& mkts) Charts R Us* is for general information only & is not intended to be relied upon by individual readers in making specific investment decisions. Appropriate independent advice should be obtained before making any such decisions. *Gold (& mkts) Charts R Us* do not guarantee or assure that readers will make money, or accept liability for any loss suffered by readers as a result of any such decision. Futures and share trading involves risk and is not for all investors. Past performance is NOT indicative of future results. Trading involves risk and should be pursued with risk capital only!