

-GCRU-

Weekly Trading Service



GCRU #707

●●● September 28, 2016 (in its 15th year)

IN THIS ISSUE	
UNCERTAINTY IN THE MKTS	
DOLLAR AND RATES	
Open Positions	18
Abbreviations	19
MARKET LEADERS	
Gold (futures)	5
Silver (futures)	6
US Dollar Index	7
Crude (futures)	8
Interest Rate 10 Yr T No (TNX)	9
Copper (futures)	10
HUI & Adv/Dec Line	11
D. Industrials & D. Transports	12
STOCKS	
Agnico Eagle Mines Ltd (AEM)	14
Proshares Ultra 20+ Yr. Treasury (UBT)	15
Physical Platinum (PPLT)	16
Silver Wheaton Corp (SLW)	17

KEY PRICES			
Name/Symbol	Sept 28, 2016 price	Change	Sept 21, 2016 price
Gold (GCZ16)	1323.70	-7.70	1331.40
Silver (SIZ16)	19.12	-0.647	19.77
HUI (HUI)	235.01	-9.39	244.40
Copper (HGZ16)	2.19	0.0325	2.16
Crude Oil (CLX16)	47.05	1.71	45.34
S&P500	2171.37	8.25	2163.12
U.S.Dollar (DXZ16)	95.336	-0.329	95.665
30 Year T-Bond (ZBZ16)	169 - 08	2.21	166 - 19
10 Year T-Note Yield	1.567	-0.1010	1.668
13-week Treasury bill	0.263	0.0400	0.223

"... almost all accounts of the recent crisis are about the symptoms - the rise and fall of housing markets, the explosion of debt and the excesses of the banking system - rather than the underlying causes of the events that overwhelmed the economies of the industrialized world in 2008".

- Mervyn King (From "The End of Alchemy") -

UNCERTAINTY DRIVING MARKETS

The markets are going our way.

The bond market as well as platinum, gold, silver and their shares are holding up well. A low interest rate policy continues to give solid support to these markets.

The Fed, once again, pushed the can down the road when they left interest rates unchanged last week. And once again they said December is the likely time to raise rates. A 2015 repeat?

Just seeing this makes you understand why central banks are losing credibility. The Bank of Japan lowered their negative rates even further while the Fed maintained low rates, yet it hasn't helped their economies grow.

The most watched US presidential debate also gave a boost to these markets, and so did today's news about OPEC. Crude oil jumped up today when OPEC finally agreed to cut oil production. The full impact is yet to be seen as production outside OPEC producers remains high.

Stocks rose on the news even though a report shows Russia has continued to pump oil at record capacity. However, as you will see in the chart section below, crude still remains below key resistance levels. Until these are broken to the upside, downside pressure will continue putting a lid on crude.

The markets are uncertain. This level varies in degrees but it's always in the background.

And this could be why the precious metals and their shares are holding up near the highs. They've been in a correction since

reaching their peaks late-August, yet they've been holding stubbornly near the high areas.

The corrections are not over yet, but the key levels will continue to give us a heads up on the next move. Will we see more weakness before a new leg up begins? Or are the markets so strong, and the Dollar so vulnerable that a steep correction is unlikely?

The **Chart of the Week** shows gold and silver both holding above their January 2015 highs near \$1300 and \$18.40. Plus, both metals are holding near or above their 15 week MAs. This tells us gold and silver will remain strong above these levels.

If these MAs are clearly broken, we can then see a more normal type of decline develop. It's not too late; it can still happen, and we could then see the major supports tested.

On the upside, if gold stays above \$1300, the gray line, it'll be performing similarly to gold in 2009 when it rose back above the 2008 high above \$1,000. Gold never had a real correction at the time. Granted, gold hit a record high then, but even so, the movements are similar.

This means if gold now closes and stays above \$1380, another leg up in the bull market will be underway. And we want to be well positioned for this rise.

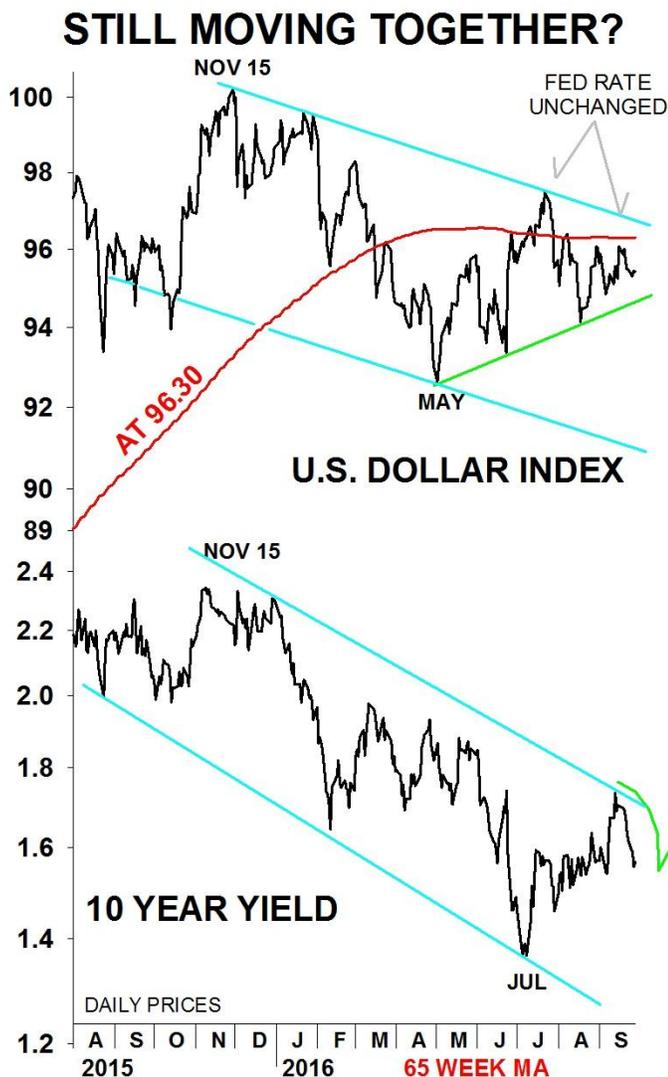
We're keeping our gold, silver and platinum positions. And we continue to have an open order to buy more at specific prices. If you don't have PPLT yet, buy some at market.

Gold shares are in a league of their own. They rose much more than the metals and they've also declined more as well. The chart shows HUI resisting below its 75 day MA (250) in

spite of today's jump up. And our in-house A/D line dropped to a new low for the current decline.

Our gold and silver shares are limited to AEM and SLW. They're both holding strong above their 2016 uptrend. AEM approached our target level this week, and some of you may have sold half.

Interest rates and the Dollar are key to today's market moves. You can see on the **Chart** how they've generally been moving together since last November. Almost a year now.



The dollar index is also holding below its 65 week MA (96.30). And as you can see, the Fed's policy is keeping a lid on the dollar. If the dollar index declines and stays below the May uptrend, the 1 ½ year topping area will strengthen.

You bought more bonds (UBT) at the lows and it's doing well by bouncing up above the 5 week MA. Keep them. It looks like the 10 year yield could decline further, while bond prices rise.

Our strategy for the week is the same... Keep your eyes on the key levels, and continue buying when our open orders are triggered, or if a profit target is reached. The key levels this week are: \$1300 for gold, \$18.40 for silver, 250 for the HUI index, 96.30 for the dollar index and 8100 for the Dow Jones Transportations.

Good luck and good trading, and until next week!

Omar Ayales
Chief **Trading** Strategist
GCRU

www.goldchartsrus.net

A division of Aden Research Group

MARKET LEADERS



GOLD DECEMBER 2016 (GCZ16) 9/28/2016 CLOSE = 1323.7



Long	1260 (Mar-4 & 7 - 16) (GLD: 121), 1208 (May-31-16) (GLD: 115.50). Sold half at 1335 (GLD: 126.85) for an average 8% gain. 1306 (Sept-1-16).
Stop	2dc below 1200 (GLD: 115.50)
Profit Targets	1400 & 1500 (GLD: 133 & 143).
New Long Recom	Keep positions. Buy again near 1300 and more below 1250.

Gold held and bounced up from its Jan uptrend last week after the Fed's announcement. Gold rose and tested the Jul downtrend but failed to break above its ST resistance showing signs of continued weakness despite its bullish surge. Our indicators continue to show gold in a correction mode and more downside is still likely as the decline we call 'D' develops. On the upside, gold remains extremely resilient showing impressive strength within a longer term trend. Gold will remain very bullish by staying above the Jan uptrend near 1320 but it would also continue to show a heavy bias to the upside even if it nears its strong support at 1200. Spinner is chugging, and its longer term downtrend shows waning momentum. A Spinner break above this downtrend would be necessary to see a clear shift in momentum which could push gold above its key resistance at 1380. We recommend keeping your positions and buying more on weakness.

SILVER DECEMBER 2016 (SIZ16) 9/28/2016 CLOSE= 19.121



Call Spread:	Dec 2016 bull call spread 24.50/27 at \$500 (Aug-12-16).
Long at:	20.15 (Jul-12-16) (SLV: 19.10), 19.75 (Aug-8-16) (SLV: 18.90), 18.50 Aug-29-16) (SLV: 17.60), 18.70 (Sept-1-16) (SLV: 17.75).
Stop	2dc below 18 (SLV: 2dc below 17.05).
Profit Target	25 & 28 (SLV: 24 & 27)
New Recom:	Keep your positions. Buy again near 18.25.

Silver rose stronger than gold breaking above 20 after the Fed's announcement. Spinner had been showing growing momentum, but silver failed to break above the Jul downtrend showing downside pressure is still strong. Keep in mind, silver remains very bullish above the May uptrend near 19 and it has strong support at the Jan uptrend near 17.75. Silver's two key levels at 20.25, on the upside, and 17.75 on the downside, must be watched closely. A break in either direction will confirm silver's trajectory. If silver breaks above the resistance, it'll easily reach the Jul highs. If these are broken, a surge to our first profit target would then be likely. But if silver breaks below the Jan uptrend on a 2dc below 17.75, we could see further weakness and the start of a trend reversal. Keep your positions as silver is positioned to continue rising. Be quick to buy at key support levels.

U.S. DOLLAR INDEX DECEMBER 2016 (DXZ16) 9/28/2016

CLOSE= 95.336



More symmetrical triangles narrowing... The dollar has shown strength by holding its ground above the May uptrend but it continues to resist below its longer term downtrend since Dec. Spinner also remains on the rise since Feb, but its strength seems lackluster. Dollar weakness is likely due to recent weakness in the 10 year yield as it failed to break above its own resistance near 1.74%. The 10 year yield declined to its more recent lows after it failed to rise further. Interestingly, the dollar did not fall much and remains above its May uptrend. This tells us the dollar could follow the 10 year yield and decline below the May uptrend to its next support level near 92.75. A dollar break below the May uptrend, would be very bullish for currencies and commodities, especially gold and silver. Yet another indicator is telling us to continue holding on to our gold and silver.

LIGHT CRUDE OIL NOVEMBER 2016 (CLX16) 9/28/2016

CLOSE= 47.05



Put Spread	Nov 2016 33/30 Bear Put Spread at \$600 (Mar-30-16) & at \$275 (Aug-12-16).
Recom:	Keep put spread for now.

Crude is bouncing up from its Jan uptrend widening its symmetrical triangle. Crude's key levels are now at 48 on the upside and 43 on the downside. A break below the Jan uptrend could trigger the H&S top pattern with a downside target in the lower 30s, near the Jan lows. Conversely, if crude rises above the Jun downtrend, it'll show surging strength that could push it above 50 completing the longer term H&S bottom with upside target near 70. Spinner is looking better as it peeks above the zero line. We'll continue to hold on to our put spread as long as crude stays below 48.

CBOE Interest Rate 10 Year T No (^TNX) 9/28/2016 CLOSE= 1.567



CBOE Interest Rate 10 Year T No (^TNX) - Chicago options

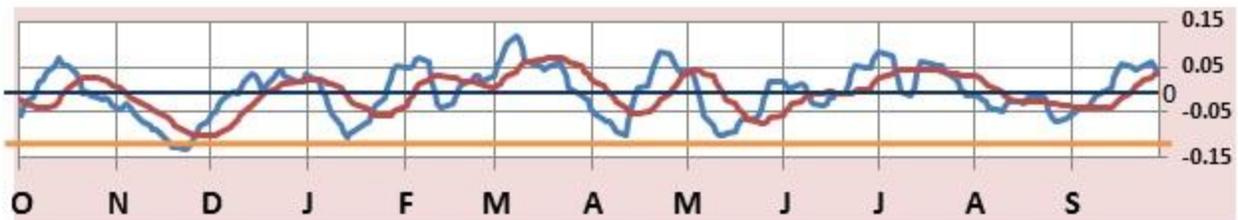
The 10 year yield failed to break above its key resistance near 1.74%, the Mar downtrend as Spinner declined from an overbought level, breaking below the zero line. This tells us the 10 year yield remains extremely vulnerable below the Mar downtrend. It's now sitting near an (adj) Jul uptrend at 1.58%. A break below this level would be bearish and a decline to the Jul lows near 1.38% would then be likely. Weakness in the 10 year yield is putting a lid on the dollar. Continued weakness in the 10 year yield could push the dollar lower, which in turn would be bullish for currencies and commodities alike. Hold on to your precious metals and bonds as they're poised to rise ST on dollar weakness.

COPPER DECEMBER 2016 (HGZ16) 9/28/2016 CLOSE= 2.1875



SPINNER (3, 16, 16)

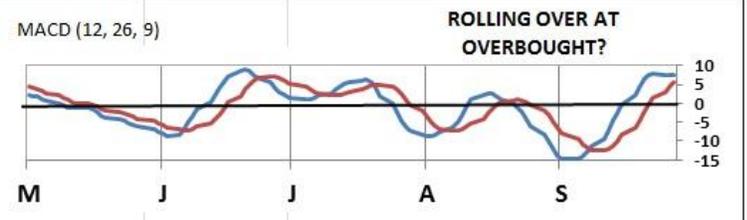
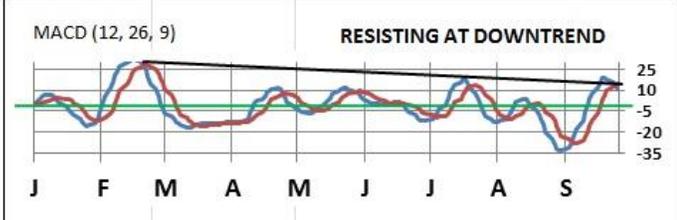
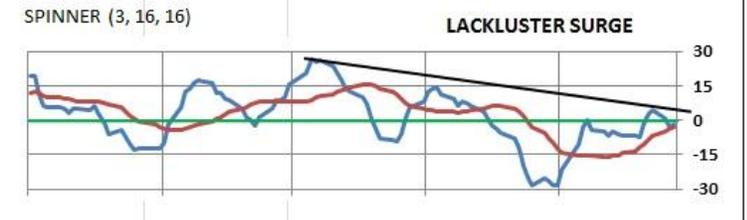
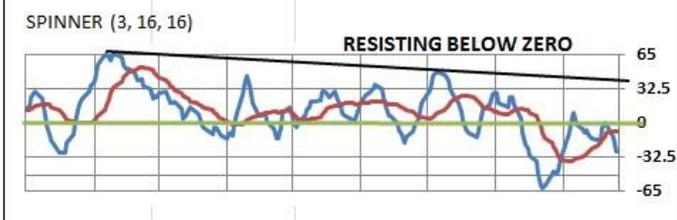
ON THE RISE



The ebb and flow of deflationary forces... Copper surged with impressive strength after it held above the Jan uptrend earlier this month as Spinner turned bullish. However, copper once again failed to maintain upside momentum and was pushed down after failing to break above its strong resistance at the Oct downtrend. This tells us deflationary forces remain strong.

ADEN GOLD STOCKS ADV/DECLINE 9/28/2016
CLOSE = 4485

HUI GOLD BUGS INDEX (HUI) 9/28/2016 CLOSE= 235.01

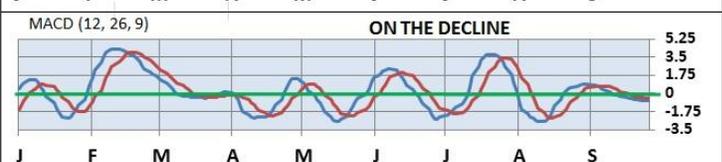


Gold shares spiked up last week after the Fed's announcement. However, HUI remains lackluster in spite of today's rise. Notice the A/D Line declined to a new low for the move, and it remains below its resistance at the 75 day MA while it forms a bearish descending triangle. A break below the support level at 4470 would push the A/D Line lower opening the door for further weakness in gold shares. Spinners for both HUI and the A/D Line are showing weakness while MACDs are topping near overbought levels. This tells us upside is limited ST. Keep in mind, however, HUI is holding on to an uptrend since May at 226. If it continues to hold above this level it could show potential for more upside ST. To confirm upside potential, HUI must break clearly above 250 on a 2dc. We're currently holding AEM as our only gold share. It's been stronger than most but we'll refrain from adding more at this moment to limit exposure and risk. Our strategy is to buy at key levels to take advantage of weakness.

SPDR DOW JONES INDUSTRIAL (DIA) 9/28/2016
CLOSE= 183.1



Shares Transportation Average (^IYT) 9/28/2016
CLOSE= 143.88



New Recom **Stay out.**

The stock market continues to hold near the highs. The Industrials are holding above the Feb uptrend and the Transports continue to flirt with its now triple top resistance. Both the Industrials and the Transports will remain bullish if they can hold above the Feb and Jun uptrend, respectively. Notice Spinners and MACDs showing weakness in both Averages. If weakness persists and both Averages break below their uptrends, we could see a stronger decline continue to develop. We remind you that per Dow Theory, the stock market remains bearish and both averages must break above their highs to show a reversal and bullish confirmation. Stay out for now.

STOCKS



Agnico Eagle Mines Limited (AEM) 9/28/2016 CLOSE= 55



Agnico Eagle Mines Limited (AEM) - Nyse

Long at:	52 (Jun-27-16), 52 (Jun-28-16) Sold half at 59.50 for a 14.5% gain! 52 (Aug-24-16), 51 (Sept-1-16).
Stop:	2dc below 50.
Profit Target	58 (almost reached!), 60 & 70
New Recom:	Keep your position. Sell half near 58.

AEM showed strength by holding and bouncing up after testing its neckline-support at the 50 level last week. The rebound rise was swift but AEM quickly exposed a strong resistance below the Aug highs near 58. Spinner above zero with room to rise further. Some may have sold last week as AEM approached our profit target at 58. If you didn't, keep your positions as long as the 50 neckline-support level holds.

PROSHARES ULTRA 20+Year Treasury (UBT) 9/28/2016 CLOSE= 97.68



ProShares Ultra 20+ Year Treasury (UBT) -NYSEArca

Long at: 96.50 (Sept-8-16), 93.50 (Sept-9-16), 92.25 (Sept-14-16).

Stop: 2dc below 89

Profit Target: 106 & 120

New Recom: Keep your positions.

UBT held at its key Jan uptrend, allowing us to add to our positions. It has rebounded with strength and it's currently testing the Jul downtrend near 98. A clear break above this level on a 2dc would show renewed strength that could push UBT to the Jul highs or higher! Notice Spinner turning bullish with room to rise further. A sign that momentum is shifting to the upside. Keep your positions.

ETFS Physical Platinum (PPLT) 9/28/2016 CLOSE= 98.76



ETFS Physical Platinum (PPLT)

Long at: 104 (Aug-24-16), 100.50 (Sept-1-16).

Stop: 2dc below 95.

Profit Target: 115 & 135

New Recom: **Keep your position. If not in, buy at mkt.**

PPLT is showing signs of weakness as it failed to rise above its 5wk MA and Aug downtrend. Spinner is resisting at zero showing weakness. However, PPLT is showing solid support above its 65wk MA which coincides with the Jun uptrend. If PPLT now can hold above this level, it'll show resilience and potential for more upside. Interestingly, other in house indicators are showing room for more upside and limited downside. We recommend buying some at mkt if you're not in already.

Silver Wheaton Corp. (SLW) 9/28/2016 CLOSE= 27.84



Silver Wheaton Corp. (SLW)

Long at:	27 (Aug-24-16), 25.25 (Sept-1-16).
Stop:	2dc below 24.
Profit Target	31 & 40
New Recom:	Keep your positions.

Holding near the highs... SLW remains well above its bullish Jan uptrend near 26. SLW will continue to show strength with potential for more upside by staying above this trend. A break below it could show signs of a reversal that could push SLW to the lower 20s or even the Jun lows near 18, where it's converging with SLW's 65 wk MA. Keep your positions for now.

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									
AEM	Keep your position. Sell half near 58.	L	June-27-16	52.00	52, 51	55.00	2dc below 50	58.00	60.00
SLW	Keep your positions.	L	Aug-27-16	27.00	25.25	27.84	2dc below 24	31.00	40.00
UBT	Keep your positions.	L	Sept-8-16	96.50	93.50	97.68	2dc below 89	106.00	120.00
PPLT	Keep your position. Buy more at 97.50.	L	Aug-24-16	104.00	100.50	98.76	2dc below 95	115.00	135.00
MARKET LEADERS									
Gold - GCZ16	Keep positions. Buy again near 1300 and more below 1250.	L	Mar-4 & 7-16	1260.00	1208, 1306	1323.70	2dc below 1280	1400.00	1500.00
Crude-CLV16	Keep put spread for now.	P				47.05			
Silver SIZ16	Keep your positions. Buy again near 18.25.	L	Jul-12-16	20.15	19.75, 18.50, 18.70	19.12	2dc below 18	25.00	28.00
US Dollar DXU16	Stay out.	O				95.34			
COPPER HGU16	Stay out.	O				2.19			

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

All charts in *GCRU* are daily prices.

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 mkts than in trading ranges where indicators such as Stochastic & Williams %R should be used.

ABBREVIATIONS	
1dc	1-day close (the share price must close above or below the indicated price level, before our recommendation is activated)
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

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@goldchartsrus.net

- 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* does 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!