



-GCRU-

Weekly Trading Strategies



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Achieves gains by trading commodities, currencies and stocks

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IN ITS 19th YEAR – Nº 893

SILVER BREAKS OUT, CONFIRMS GOLD'S UPMOVE JUNIOR GOLD MINERS DUE TO CATCH UP THE DOLLAR IS FLIRTING WITH KEY SUPPORT AT 96 BOND YIELDS PRIMED FOR A REBOUND

Momentum continues to favor gold; copper is at new highs for the year... the doldrums of inflation are beating...

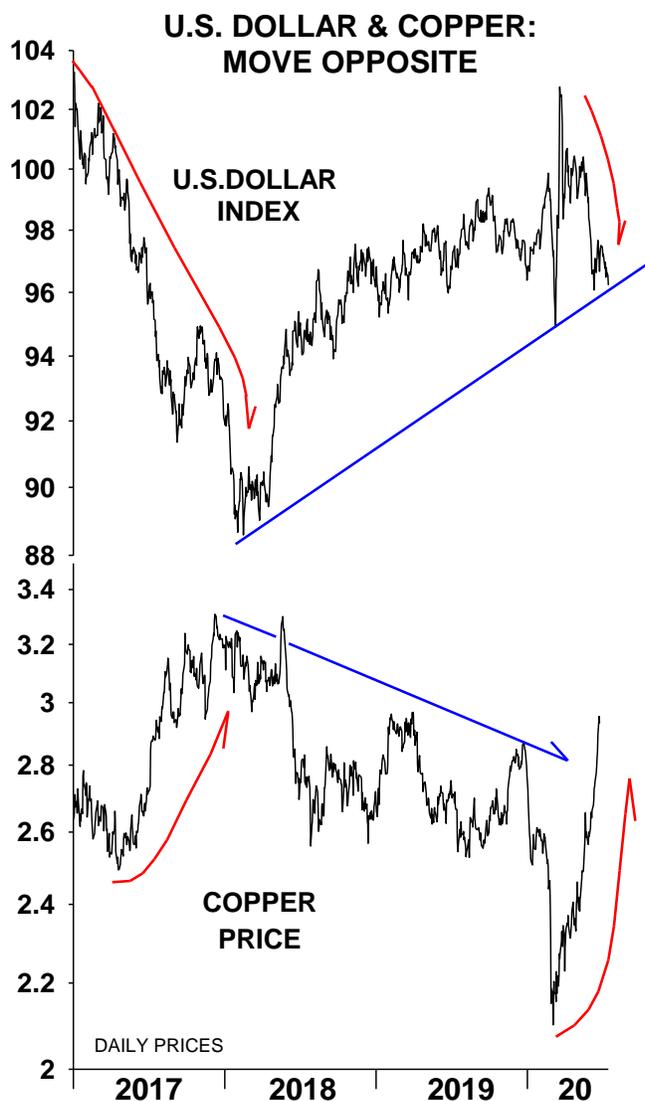
Fear is giving way to greed.

But the shift is still developing. A proxy for fear is the U.S. dollar index.

The dollar rose on safe haven demand for nearly 3 years (since 2017), peaking during the Covid-19 crisis.

It's now falling in the aftermath, just as global economies try to re-start.

"An investment in knowledge pays the best interest." – **Benjamin Franklin**



The line in the sand for the U.S. dollar index is 96.

Coincidentally, it's the 2017 uptrend & support, ever since the U.S.-China trade war began.

A break below 96 would trigger an intermediate shift; it's something that could shape the investment and trading dynamic for the next few years.

Copper, which tends to move opposite to the dollar is breaking out from a downtrend since 2017.

A sign of things to come?

U.S. treasuries have also been topy, falling with the dollar as sentiment shifts from safety to risk.

The decline in bonds was yet another indication sentiment was starting to favor risk over safety once again.

Yet again, inflation doldrums can be heard...

They're telling us long-term bond yields are now due to rise. They're not only at extreme historic lows, they're also oversold and poised to bounce back to a historical mean.

The 80-month moving average has been a great historical reference. It's captured the decline in LT rates since 1980. Interestingly, the 30-year bond yield has always risen to the 80-month MA, but the yield has essentially resisted at or near it.

Notice the indicator on the chart below completely bombed out. It's suggesting some upside is likely.



Will the 30 year bond yield return to the 80-month moving average? We'll see, but as long as the yield stays below the MA, the mega trend will stay down.

Interestingly, the dynamic fueling gold also shifted.

The past month gold reverted back to its condition as a hedge against inflation and has been rising in response to loose monetary policy globally. Plus safe haven buys continued.

Gold went from being bot on fear and uncertainty (having risen together with the U.S. dollar index for nearly 2 years) to being now traded on inflation expectations as well.

Don't be surprised if gold and the 30-year yield start moving together...

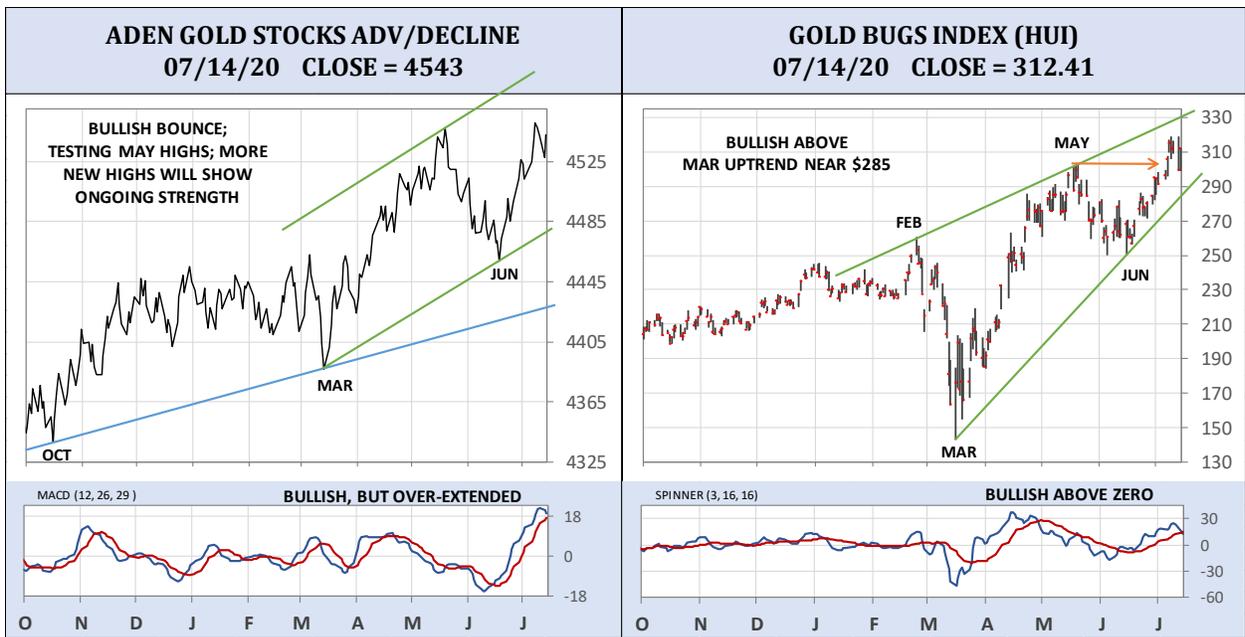
Gold recently surpassed \$1800, to nearly a 9-year high. More impressively, it's holding above \$1800 showing strength.

The door is open for gold to rise to new highs.

Gold must hold above the Mar uptrend near \$1790. If it breaks below, a rising wedge pattern would be confirmed signaling a decline to gold's support level at \$1680 would then be likely.

Keep your positions for now and as long as gold stays above \$1680. Don't buy new positions just yet, wait for weakness.





Gold shares have been most exciting

The HUI gold bugs index rose to a new high for the move, confirming recent renewed strength and seemingly poised for more upside. HUI is very bullish above the Mar uptrend and 5wk MA near 285.



Interestingly, the senior mines have outperformed the junior mines thus far. But the junior mines are starting to pick up the pace, and they're poised to continue.

This suggests junior mines could catch up to the seniors as the gold bull market gains steam!

Yet another bullish sign for the gold universe...

As per the trigger alert last week, I took partial profits on Silvercorp Metals (SVM), protecting a 35% gain above \$6. I'm still holding a smaller position and will continue to hold it as long as SVM stays above \$4.70.



SVM is very bullish above \$5 with more upside likely. I'll be looking to buy more on any weakness.

Hecla Mining (HL) has been among our best. It broke above resistance at \$3.50 and jumped off the charts!

It's above \$4, rising a full 10+% today alone.

We took a juicy 45% profit in May. We then bot again during weakness below \$3, and we're now sitting on new 40+% gains!

HL posted great quarterly results. It continues to reduce debt and it's now building up cash reserves.

My profit target for HL is higher since recently having taken juicy profits, and have rebuilt the position.



Let it ride thru gold and silver's bull market.

And although the strongest have been the silver shares, we also started buying gold shares back at the right time.

Kirkland Lake (KL) confirmed rising support above the Mar uptrend at \$39. It almost reached the 2020 highs and resistance level, near our profit target.



An issue pertaining to a shareholder lawsuit could put downside pressure ST. KL hasn't shown any weakness because of it yet.

KL is up double digits since we re-bot, less than a month ago. KL's quarterly results were good too. It's showing a huge cash position with hardly any debt.

Keep your positions for now, and as long as KL holds above \$39. I'll be taking advantage of weakness to buy more, ideally near \$40.



B2 Gold (BTG) also rose with strength. It broke above a bullish ascending triangle showing strength. It's telling us more upside is likely.

Moreover, BTG also posted strong quarterly results, showing record production

during the first half of 2020 and a large cash position.

BTG is also up double digits since we bot under a month ago. BTG is very strong above the Mar uptrend. Keep your positions.

On the Radar



Fortuna Silver Mines (FSM) has also been doing great. It continues to rise with strength, approaching the top side of the Mar upchannel.

Many of you own this stock. I've been waiting for weakness to buy, but FSM seems to defy gravity.

Its next key resistance is the 2018 highs near \$6. Keep your positions if you have FSM.

Agnico Eagle Mines (AEM) also rose with strength. It tested support at \$62, and held above it. I have a buy order near deeper support, below \$60.

I'll consider buying then.

I'm including two junior mines that have lots of room to catch up.

NovaGold (NG) is not new to GCRU. We made great profits last quarter and have been out since.

NG has great assets and great management but still fell to a recent support near \$8 (nearly 50% from the recent high).

NG was affected in May by a short seller report. It has filed a lawsuit countering the allegations and could regain some of the lost ground.

I recommend buying some at mkt and more below \$8.

Another junior with lots of potential, given its high-quality assets, is Bonterra Resources (BTR.V on the Vancouver exchange).

Interestingly, Kirkland Lake (KL) owns a big stake in BTR.V. It's actually considered one of KL's gems. It makes BTR.V an easy takeover target from a cash cow such as KL.



BTR.V has been rising since Mar, though not as strongly as others. But that's ok, it's a laggard that could catch up quickly providing a great opportunity for a profit. Buy some at mkt.

Silver Breaks Out!

Until recently, silver had been the laggard. Although it was the obvious candidate to rise given strength fueling the metals, particularly gold and copper.

But it wasn't until this week that silver finally surpassed a key resistance at \$19. It's showing strength now with more upside potential. The breakout could fuel a continued rise to \$25, our second profit target.



This next chart showing a ratio between the HUI index and silver suggests silver is poised to outperform gold shares moving forward.

This would be very bullish for the entire gold universe.

Keep your positions for now.

With copper leading, resources continue to tick up.

Copper reached a new high for 2020. It's a stone's throw away from \$3.

Supply destruction or increasing demand?

It's yet to be seen. As shown last week, emerging markets are following copper; this could be telling us strength fueling copper might be demand driven, rather than supply destruction.

Crude oil is also holding above \$40.

It has strong resistance below \$45, but it's holding stubbornly above \$40. Crude oil remains strong above the breakout level near \$36.

Although a supply glut remains, production cuts are likely to remain while global demand is seemingly on the rise.



Our recent positions already have double digit gains built in.

I'm also holding Exxon Mobil (XOM) and BHP Billiton (BHP). They're both leaders in their industries, with solid and diversified global operations.

BHP has been stronger and looks primed for more upside. A break above the \$52 could be the catalyst.

Conversely, downside pressure is keeping a lid on XOM. However, XOM looks good above \$40. I'll continue to hold on to it as resources and energy continue to gain ground.





U.S. Equities Near Highs

The S&P 500 is near its all-time highs. The Industrials are not far behind.

Transportations are still lagging. There's just too many questions fueling uncertainty within the industry. Clearly business and tourist transportation will need to adapt; but it also seems certain that it will not disappear.

I had a small exposure to transports thru JETS. Just after we bought it, it rose to our profit target.

Some may have sold; but I kept it, thinking it would rise further.

To my disappointment it didn't and ended up falling below support. I allowed leeway by lowering the stop once. The line in the sand was the break below \$16.50. I'm out for now.

I'm holding a full position in Citigroup (C). C posted very decent quarterly results, amid a pandemic. Citi didn't perform as good as JP Morgan (JPM), but it's still among the best banks.

C continues to show its uncanny ability to generate gang busting profits in all circumstances.

Keep your positions.



Semiconductors had a great week. Unfortunately, Broadcom (AVGO) wasn't able to capitalize on the upmove. It continues to resist at \$320.

I'm tempted to cash out and protect profits since the upside seems capped. Keep your positions for now. It's a good company, but I'm looking to sell.

TBT continues to bottom at extreme low levels. But as we've seen in our chart of the week,

long term bond yields are poised to pick up as investors shift from safety to risk assets.

Keep your positions as long as TBT holds above \$15.

I'm bring back Shopify to our table of charts. We did great last quarter, cashing in over 90% gains in just a short period of time.



SHOP provides solutions to small and medium businesses. It provides a platform for businesses to communicate to their end customers online. A service that seems more of a necessity given today's post Covid-19 reality.

SHOP has risen viciously, non-stop since the Mar lows. The current pull back has been among the strongest. Buy some SHOP below \$900 and more on further weakness.



Our strategy for this week is to continue keeping an eye on the U.S. dollar index's support at 96.

It holds the key. If the dollar breaks below, it could spur broad asset inflation, pushing prices up. If it holds and rises, it could cripple recent optimism.

Good luck and good trading,

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A division of Aden Research



TRADER SHEET PAGES 13 & 14

KEY PRICES			
Name/Symbol	Jul 14,20 Price	Change	Jul 07,20 Price
Gold (GCQ20)	1813.40	3.50	1809.90
Silver (SIU20)	19.53	0.83	18.70
HUI (HUI)	312.41	6.25	306.16
Copper (HGU20)	2.93	0.14	2.80
Crude Oil (CLQ20)	40.29	-0.33	40.62
S&P500	3197.52	52.20	3145.32
U.S.Dollar (DXU20)	96.21	-0.63	96.84
30 Year T-Bond (ZBU20)	180.28	1.28	179.00
10 Year T-Note Yield	0.615	-0.035	0.650
13-week Treasury Bill	0.133	-0.007	0.140

TRADER SHEET

Symbol	Trade Update &/or Current Position	Status L=Long S=Short O=Out P=Put C=Call	Long or Short	Last Closing Price	Stops	Targets
PRECIOUS METALS PORTFOLIO (18%)						
GOLD (GCQ20)	Bullish rise to new 9 year highs! Gold is very bullish above \$1800, with intermediate support at \$1680. ST, a bearish rising wedge pattern is forming with downside target near gold's key support (\$1680). A clear break below \$1800 will confirm the bearish pattern. Keep your positions. I'll wait for a deeper pull back, near \$1700, before buying more. Keep your positions for now.	L	Bot: 1485 (Mar-18-20).	1813.40	2dc below \$1680	1900
PHYS	Keep your positions. Sell when gold reaches profit target.	L	11.75 (Mar-18-19).	14.53	2dc below \$11.20	Open
SILVER (SIU20)	Breakout! Silver broke above \$19! It's finally catching up to the strength in both gold and copper. Silver is very strong above \$19, but it has stronger support at \$18.50, the Mar uptrend. Momentum is rising. Keep your positions.	L	Bot: 15.80 (Jul-17-19), 16.50 (Aug-7-19), 16.80 (Nov-8-19), 12 (Mar-18-20) (AVG: \$15.275) New members bot at \$15.20 (May-6-20). Sold half at \$18 for 17% gain (Jun-22).	19.530	2dc below 16.50 (adj).	19 (reached!) & 25
PSLV	Keep your positions.	L	Bot: 5.50 (Jul-17-2019), 6.25 (Aug-7-19), 6.19 (Nov-8-19), 4.65 (Mar-18-20) (AVG: 5.65). Sold half for 17% gain.	6.54	2dc below \$5.25	-
HUI Index	Gold shares pushed higher with HUI rising above the May highs confirming strength. Gold shares are pulling back, likely on some profit taking. HUI remains very strong above the Mar uptrend near 285. We've been adding gold shares recently and have great profits built in. But we're seeing signs of a possible top forming in gold shares. I'm holding a healthy pile of cash, and taking advantage of any weakness to add to my positions. Sell only partial positions if profit targets are reached.	--	-	312.41	-	-
AEM	AEM failed to surpass the May highs and it's testing the Mar uptrend, showing weakness ST. AEM's next key support level is at \$57. Buy some below \$58.	O	Sold recently for total average return of 35% (80% annualized).	65.09	-	-
KL	KL broke clearly above Nov downtrend & approaching the Nov high. Our profit target at \$50 was nearly reached. KL is very strong above the Mar uptrend near \$40. Adjust stops. Keep your positions for now. Sell if target is reached. Buy more on dip to lower \$40s	L	Sold for average gain: 34%; 80% annualized (May 2020). New Positions: 38.50 (Jun-24-20).	44.99	2dc below 39 (adj)	50 (almost reached)
HL	Bullish! HL broke above resistance surpassing the Dec/Feb highs and reaching the top side of the Mar upchannel near \$4.40. Spinner at high area but still could rise further. Keep your positions for now.	L	2.96 (Jan-28-20), 2.65 (Mar-4-20), 1.65 (Mar-18-20). Sold half at \$3.50 (May-20-20) for 46% gain. New Positions: 2.90 (Jun-24-20) (AVG: \$2.85)	4.23	2dc below 3 (adj)	6
SVM	Sold a bit more SVM at our profit target for a handsome gain. Reduced from overweight to full position for a small loss; now to underweight for a handsome profit. SVM remains very bullish above the Mar uptrend near \$5. Keep your reduced position and wait for weakness to buy new positions.	L	5.49 (Jan-6-20), 4.92 (Feb-4-20), 3.40 (Mar-4-20), 3.45 (Apr-7-20) Sold half at \$4.10 for 7% loss. (AVG: \$4.40). Sold half at \$6 for 35% gain!	6.02	2dc below \$5 (adj)	6+ (Reached!)
FSM	Continued its bullish rise, nearing the top side of the Mar upchannel. Spinner sluggish. The chart suggest FSM could retrace to the Mar uptrend near \$4.50 and remain bullish. Keep your positions, buy more on weakness.	O	New Subs Bot \$3.25 (May-13-20). Some may have sold part for 30% gain.	5.12	-	-
NG	NG is a solid junior stock. It has great assets and great management. It recently declined given certain allegations from a short seller report. NG recently filed a defamation suit given the damage caused. The decline is pushing NG to a key support level since Dec near \$8. Spinner below zero showing weakness but quickly approaching a low area. Buy some NG at mkt and more below \$8. Place profit targets at \$13 & 20.	O	-	8.42	-	-
BTG	Bullish break to new highs with continued upside potential. BTG is strong above the Mar uptrend near \$5.75. But, if support is broken, BTG could fall, to possibly \$5 initially. Keep your positions. Buy more on weakness.	L	5.25 (June-25-20).	6.03	2dc below 5	8
BTR.V	Buy below \$1.20. Profit targets CA\$1.90 & CA\$2.30. Stops: 2dc below CA\$1. BTR is a junior Canadian mining company with great assets (one of the largest mines in Canada and great management). BTR is partially owned by Kirkland Lake Gold (KL) and considered one of KL's best investments and future assets. BTR is under pressure with growing support at the Mar uptrend. Buy below \$1.20.	O	-	1.25	-	-

TRADER SHEET CONTINUED

Symbol	Trade Update &/or Current Position	Status L=Long S=Short O=Out P=Put C=Call	Long or Short	Last Closing Price	Stops	Targets
CURRENCIES (49%)						
U.S. DOLLAR (DXU20)	The U.S. dollar remains weak by staying below the Mar downtrend at 97. It's best hope lies on support at 96. The gap between 97 and 96 is narrowing. A squeeze is developing. A break below 96 means an intermediate trend reversal would be confirmed and more downside for the dollar would be likely. But, if the dollar holds above 96, and rises above the Mar downtrend, it could rise to re-test the Mar highs. Keep most sidelined cash in dollars or highly liquid, low interest, U.S. dollar denominated instruments.		-	96.21	-	-
FXB	Pound sterling rose to key resistance level where the top side of a 3+ mo long sideways band and the Dec downtrend, converge. A break above this resistance would show continued upside potential. This resistance could also coincide with the dollar's support at 96. Keep some pound sterling.		-	121.49	-	-
RESOURCES AND ENERGY (18%)						
Crude (CLQ20)	Above Apr uptrend & support level near \$37.50. Crude oil is forming a bullish ascending triangle between the Jun highs and the Apr uptrend. The gap is narrowing, and crude will either break the uptrend or the support. A break above \$43 on a 2dc opens the door for further upside (possibly to our target near \$54). But, if crude oil falls below the Apr uptrend, a decline to deeper support at \$36 would be likely. Keep your positions as long as crude holds above support at \$36.	L	35 (Jun-15-20)	40.29	2dc below 36.	54
XOM	XOM remains under pressure. However, it's very near rock bottom. If XOM holds above \$40, as I suspect it could, a rise to the Jan downtrend near \$50 would be likely. Skeptics may unload then. I will likely sell some, but keep positions a bit longer.	L	61.90 (Feb-6-20), 61 (Feb-12-20), 50 (Mar-5-20), 32 (Mar-18-20) (AVG: \$51)	44.07	2dc below 40	65 & 75
COPPER (HGU20)	Copper hit new highs for 2020. It's breaking above the top side of the Mar upchannel, and now forming a stronger May upchannel. Spinner is very bullish showing more upside likely. Copper continues to show the global economy is chugging along, stronger than expected.	O	-	2.9325	Out	-
BHP	BHP is showing strength. It held above the mid channel line (\$50) during weakness. It's now back on the upmove, testing resistance near \$53.50. A clear break above this level opens the door to the top side of the Mar upchannel near \$60. Consider a break-out above \$53.50 is a bullish C&H with upside target at \$72. Change profit targets.	L	54.75 (Jan-15-20), 52.50 (Jan-30-20), 43 (Mar-5-20), 31.50 (Mar-18-20) (AVG: 45.40)	52.36	2dc below 48 (adj).	60 (adj) & 72 (adj)
MELT UP RISE PORTFOLIO (15%)						
C	C continues to trend up. Higher lows since Mar are a clear trend, with support at \$44. This means, keep your positions as long as C holds above \$44. On the upside, a rise to the top side of the Mar upchannel near \$65 is probable. A break above resistance at \$68 will be harder. Keep your positions; sell half at first profit target.	L	73.75 (Nov-20-19), 40 (Mar-25-20), 50 (May-27-20), 50 (ul-1-20) (AVG: \$55)	50.15	2dc below \$44	\$65 & 85
AVGO	AVGO continues to struggle to surpass resistance at \$320 area. It's testing the bullish ascending triangle suggesting the bulls are struggling. We have double digit gains built up to today, sell at mkt to protect gains. Stay out for now.	L	282 (May-27-20)	315.08	2dc below 295 (adj)	360 & 400
TBT	Bond yields remain under pressure. TBT has growing resistance at \$16. If it fails to rise above this level, TBT could fall below support near \$15 or lower. Keep your positions as long as TBT holds above \$15.	L	16.15 (May-27-20), 16.75 (Jun-10-20), 15.90 (Jul-2-20).	15.23	2dc below 15	20 & 25
JETS	Uncertainty surrounding the airline industry continues to keep a lid on prices. Although usage continues to grow, levels are still far from pre-covid era. Stay out for now.	O	16.50 (Jun-3-20). Sold at \$16 for small loss.	16.00	2dc below \$16.50.	30
SHOP	Bullish rise from the Mar lows. We did great trading SHOP last quarter, but may have sold a bit early. I've been waiting for weakness to buy. Spinner suggest SHOP could pull back a bit further. The Mar uptrend is SHOP's first buy area and support level near 900. Buy some at the lower 900s but be ready to buy lower too, near 750.	O	-	974.41	-	-

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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

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