



-GCRU-

Weekly Trading Strategies



Achieves gains by trading commodities, currencies and stocks

Omar Ayales

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IN ITS 19th YEAR - Nº 898

S&P 500 RISES TO NEW HIGHS!

GOLD & MINERS UNDER PRESSURE, BUT HOLDING STRONG

SILVER STILL SHINING

CASH DIVERSIFICATION IS KEY

Trading on technical can be nerve-racking. And it shouldn't be done exclusively. The reality is there is no easy way to beat the market. But the key is the analysis of price movement and patterns. And especially if you're correlating that asset or market to others.

The rise and fall in gold, be it long, medium and short term, is very telling about the social, political and economical environment around the world.

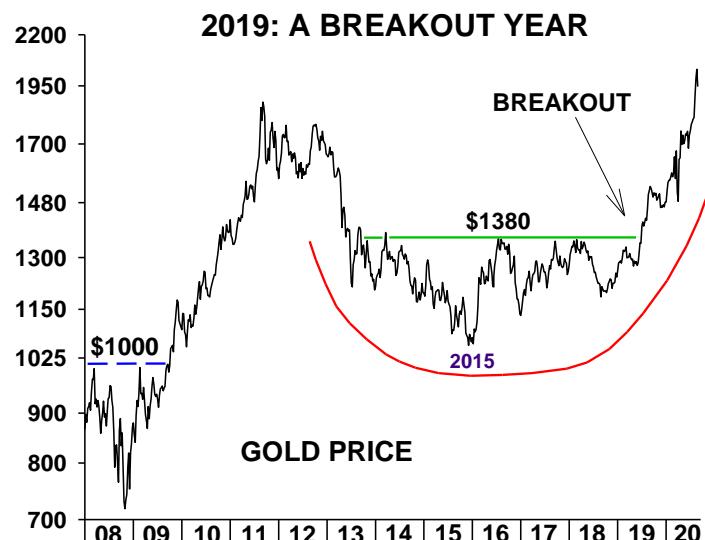
“Gold gets dug out of the ground in Africa, or someplace. Then we melt it down, dig another hole, bury it again and pay people to stand around guarding it. It has no utility. Anyone watching from Mars would be scratching their head.” – **Warren Buffet**

It's the same with the movement in global currencies, the stock markets and commodities. They're constantly re-shaping the macro consumer trends of society.

Identifying the primary trend will always give you an edge. It tells you the general direction of an asset.

It guides you when buying the dips or selling at tops.

Going against the sentiment can be hard, which is why discipline, patience and keeping an open mind are so important.



Gold is in a primary bull market that began in Dec 2015, and that was after a brutal bear market coming off the all time highs in 2011-12.

In a speech earlier this year, I called gold's breakout above \$1365 the most relevant macro-economic event of 2019 due to the implications.

Back then, as gold was breaking key resistance, it wasn't loved as it is today. In fact, it was hated. Our indicators had reached low levels; sentiment was pretty grim.

GCRU readers bot gold then and started loading up on miners. We started buying "sleepy" silver in July last year.

Today, gold is loved by everyone... even its toughest critics.

It seems whatever the reason, gold will rise higher...

There's no doubt gold's primary bull market is very strong. Not only technically but the narrative fueling its rise too. Bullish sentiment and momentum are at extreme levels.

Yet my positions are now at the lowest they've been after trimming profits over the past weeks.

Exposure to precious metals is at under 15% of my total portfolio, with a reduced position in silver and in Hecla Mining (HL), since they've been our very best and remain favored. I have a smaller position in Bonterra Resources (BTR.V) due to its buy-out potential, as well as a full position in Novagold (NG).

We're in those times when following indicators and technical is the hardest. Going against the herd is not always fun or easy.

But it's making key decisions at critical turning points that prove to be the most profitable.

Mr. John Templeton said it best, "To buy when others are despondently selling and to sell when others are euphorically buying takes the greatest courage but provides the greatest profit" ...

A close analysis of price movements within precious metals and their relationship with resource metals shows precious metals have been grossly favored over the past couple of years. It also shows that sentiment feeding that relationship has reached an extreme and it's likely to unwind some.

Any positioning in gold and gold shares at current levels should be done carefully.

Notice the chart of HUI, side by side with our in-house Gold Share A/D Line. HUI is bouncing up from the Mar uptrend showing strength. But the A/D Line on the left side shows pressure remains down.





Weakness will become more evident if HUI breaks below the Mar uptrend on a 2dc below 325. If HUI breaks support, it could fall back to 250, allowing for yet another great buying opportunity.

Our positions are holding up.

Hecla Mining (HL) was hit the hardest with today's decline. But it has been among the strongest too. I recently protected handsome profits and have sizeable gains built into my open position. I'm waiting for more weakness to buy more.

HL is very bullish above the steeper Jul uptrend near \$6. A break below this level could push HL to its deeper support at the Mar uptrend below \$4.

If you are currently overexposed, consider taking profits. I've taken profits already and will be keeping a reduced position for now. Buy more on weakness, ideally below \$4.50.

Novagold (NG) is flirting with the Apr downtrend near \$9.50. It's struggling as Spinner shows momentum quietly rising. A break above this level would show strength and could then push NG to the Apr highs.

Most impressive has been NG's growing support level at \$8. Keep your positions as long as NG holds above this support.

Bonterra Resources (BTR.V) is also confirming support above the Mar uptrend by bouncing up. BTR is showing strength with more upside potential. As long as it holds above \$1.30, it'll rise with poise toward the top side of the Mar upchannel.

BTR.V still has lots of buy-out potential, particularly from cash heavy Kirkland Lake Gold (KL). Keep your positions.



Silver Still Shining

Silver continues to dazzle. It's near the recent highs, just below \$30, with new ST support at \$25. It's also undervalued compared to gold and remains the better value between both ST.

However, silver has deeper, stronger support at \$19, near the Mar uptrend and above a previous key resistance. I recently sold and I'm holding a smaller position.

I'm waiting for a decline below \$23 to buy new positions.

Strength keeping silver afloat could be in part due to continued strength in the resource sector.

Just yesterday, copper surged, bouncing up with strength from the Mar uptrend at \$2.80. Copper rose to new highs for the move, and it's flirting with the 2019 highs near \$3. A break above this level could push copper even higher, to possibly \$3.30.

This is a great sign for resources shares.



Higher prices will mean more profitability.

BHP Group's CEO, Mike Henry, came out on Bloomberg saying how rising prices in resources are contributing to the company's bottom line, practically keeping up with estimates, even during a pandemic.

BHP maintained its strong dividend policy too.

BHP remains a proxy for trading rising copper prices. BHP is very bullish above the Mar uptrend near \$55.

Keep your positions.

Crude oil has also inched higher, confirming strength behind resources.

Crude oil regained the \$42 handle and it's looking ready for more. Support at \$40 is looking stronger and a rise to the top side of the Apr upchannel near \$54 seems likely.

I bought some more crude oil last week, averaging in and ready for a continued rise. I'll keep it as long as crude oil holds above \$39.

Exxon Mobil (XOM) remains within a tight trading range. It's forming a symmetrical triangle, suggesting a trade squeeze is developing.



A break above \$45 could push XOM higher towards a critical resistance near \$51. A break below \$40 could push XOM lower, exposing increased downside pressure.

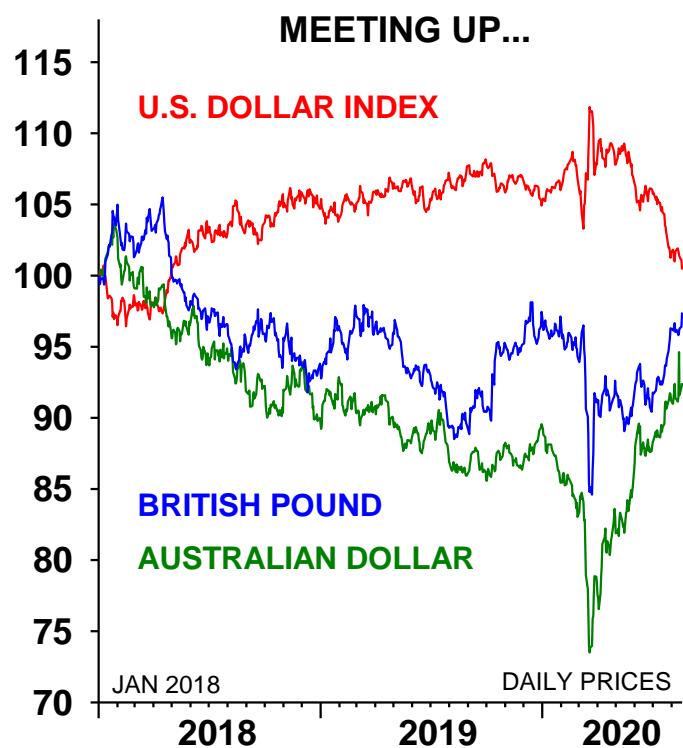
Keep your positions for now.

Cash Diversification Matter

Recent profit taking has increased our cash position to a high level. And with the U.S. dollar index having triggered a trend reversal recently showing more downside risk, I've diversified my cash position away from dollars even more.

I diversified into British pound sterling (BPS) earlier this year and just recently added Australian dollars ("Aussies").

The main purpose of the trade is to counter wealth erosion thru cash diversification.



You'll see on the chart above that the strategy has worked.

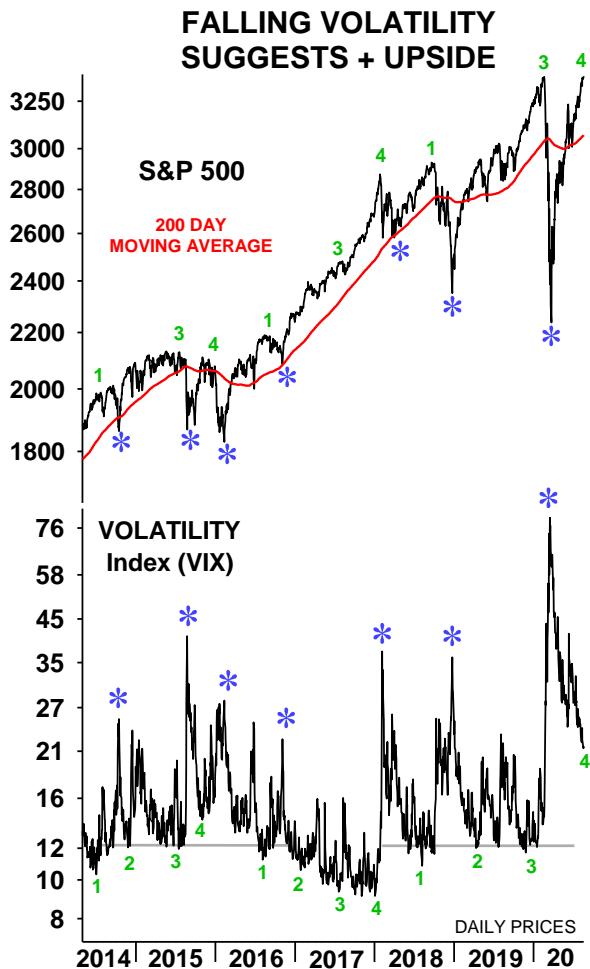
Both BPS and Aussies have been rising with strength from the pandemic-led lows in March. The dollar has been instead falling.

Both BPS and Aussies could rise further, to more historical means in the year ahead.

S&P 500 Rises to New Highs

The weaker dollar could prop up stocks too.

The S&P 500, led by tech stocks, broke above its all time highs yesterday!



S&P 500 index. I've showed how it's showed how it's been lagging the index and that in a continued upmove, the ETF was poised to catch up.

SPXL rose to a new high for the move. Keep your positions for now, especially if they hold above the Mar uptrend near \$45.

Citigroup (C), together with banks, took a hit today. They clearly didn't contribute to the rise to new highs in the S&P 500.

One of their biggest cheerleaders, Warren Buffet, just dumped banks.

But I'm not ready just yet...

The rise to new highs seems shaky. Sentiment remains uncertain with many skeptics around.

Nevertheless, my next chart tells us stocks could continue to rise further ST as volatility declines.

The asterisks on the chart show that volatility spikes tend to coincide with bottoms in the S&P 500. The most recent volatility spike being in Mar during the pandemic.

Volatility has been coming down from the highs, but it still remains high and it could continue falling further, which is fueling a continued rise in stocks. Strength in resources and energy are also validating the upmove.

I recently bot positions in SPXL, an ETF that triples the action on the





C continues to move within a symmetrical triangle, showing a trade squeeze developing. A break below \$49 or above \$55 will give a clear indication of C's next intermediate move.

Keep your positions for now.

Shopify (SHOP) is holding up strong. It's back above \$1000 and looking ready for more upside. SHOP is a great company offering solutions to small and medium business owners. A company that is poised to thrive during lockdowns and in their aftermath.

We averaged in by buying at the lower \$900s and we're already sitting on a 10% profit. Keep your positions.

I also picked up some TBT. Remember TBT is an inverse ETF to long term U.S. gov bonds. This means TBT moves with long term U.S. interest rates.

The recent rise above the Mar downtrend has confirmed support above \$14.50 and it's showing some upside potential.

A break above \$16 is a first key resistance, but a break above \$18 could suggest a deeper trend reversal.

Keep your positions.

Our strategy for this week is to sit tight. Be patient. We've been taking profits and repositioning. We have ample cash reserves, well diversified. We're out of gold waiting for weakness to buy and are holding a minimum amount of gold shares and silver.

And remember, if it's Wednesday, it's Gold Charts R Us!

Good luck and good trading,

Omar Ayales
Chief Strategist/GCRU
www.goldchartsrus.net
A division of Aden Research



TRADER SHEET PAGES 11 & 12

KEY PRICES			
Name/Symbol	Aug 18,20 Price	Change	Aug 11,20 Price
Gold (GCZ20)	2013.10	66.80	1946.30
Silver (SIU20)	28.08	2.03	26.05
HUI (HUI)	350.55	29.99	320.56
Copper (HGU20)	2.98	0.10	2.88
Crude Oil (CLV20)	43.12	1.51	41.61
S&P500	3389.78	56.09	3333.69
U.S.Dollar (DXU20)	92.26	-1.34	93.60
30 Year T-Bond (ZBU20)	178.81	-0.31	179.13
10 Year T-Note Yield	0.669	0.011	0.658
13-week Treasury Bill	0.100	0.000	0.100

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 (14%)						
GOLD (GCZ20)	Holding at ST support! Gold's holding at the Mar uptrend & support after last week's \$100+ collapse. Today's pull back to \$2000 is a perfect 50% retracement. If gold fails to hold above \$2000 and falls below \$1900, it'll confirm weakness and could then decline to deeper support near \$1685. Indicators continue to show gold's upside is overdone for now and some consolidation or downtime is likely. Stay out for now. Wait for a decline below \$1800 to start buying new positions.	O	Bot: 1485 (Mar-18-20). Sold via alert for 35% gain (Aug-11-20).	2013.10	-	-
PHYS	Stay out for now.	O	11.75 (Mar-18-19). Sold via alert for 35% gain (Aug-11-20).	15.90	2dc below \$11.20	-
SILVER (SIU20)	Near the highs! Silver is holding at the top side of the Mar upchannel, in the higher \$20s showing strength. Indicators are also showing silver is grossly overbought and a pull back to the Mar uptrend is likely. Silver remains undervalued compared to gold which is why we've kept some exposure. I'm waiting for a deeper pull back, below \$25 to add to my position.	L	Bot: 15.80 (Jul-17-19), 16.50 (Aug-7-19), 16.80 (Nov-8-19), 12 (Mar-18-20), \$15.20 (May-6-20). (AVG: \$15.275) Sold half at \$18 for 17% gain (Jun-22); Sold more at \$26 for a 70% gain (Aug-4-20).	28.075	2dc below \$21 (adj)	50
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.	9.82	2dc below \$5.25	-
HUI Index	HUI held at the Mar uptrend & ST support near 325. It's now bouncing up, ready to re-test the recent Aug highs near 375. A clear break above 375 will confirm strength and it'll open the door for a continued rise to the top side of the Mar upchannel near 450. However, our Gold Share A/D line tells us momentum peaked in Aug and could continue winding down while spinner continues to wane. This is also echoing our leading indicators that have been shouting... expensive for now. I have a small position in Bonterra Resources (BTR.V), a reduced position in Hecla Mining (HL) and a full position in NovaGold (NG). Exposure to precious metals is at the lowest. I'll be looking to increase positions later on weakness.	--	-	350.55	-	-
HL	Bullish! Continues to rise with strength. HL is holding near the recent highs, poised to rise further. A break above \$7 shows renewed strength with an open upside. If HL fails to rise above \$7 and declines below \$6, it'll show ST weakness that could push HL to the Mar uptrend near \$4. I'm waiting for a decline below \$4.50 to add to my position.	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). Sold half at \$6 for 105% gain (Aug-4-20).	6.17	2dc below \$3.5	8
NG	NG continues to show support above the Jul lows near \$8. NG is now bouncing up, testing the Apr downtrend near \$9.50. A clear break above this level would show renewed strength that could push NG to the Apr highs near \$13. Keep your positions for now.	L	8.30 (Jul-15-20), 8.70 (Jul-22-20), 8.99 (Aug-7-20) (AVG: 8.65).	9.44	2dc below 8, but allow leeway	12
BTR.V	Up trending... BTR continues to trend up, above the Mar uptrend near \$1.30. BTR owns great assets with great potential. Kirkland Lake (KL), a main shareholder of BTR, recently picked BTR.V's President & CEO to serve as CEO for KL. The move shows the growing relationship between both and BTR's take-over potential. I have a small position and keeping it through weakness.	L	1.32 (Jul-23-20).	1.42	2dc below \$1	\$2.20 & \$3

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 (46%)						
U.S. DOLLAR (DXU20)	The U.S. dollar index remains under pressure. It failed to build up momentum and it's bearish below the Mar downtrend at 95. Any meaningful leg up rise requires a clean break above the Mar downtrend. Any rise to this resistance, however, could put downside pressure on gold, currencies and other assets. Keep cash in U.S. dollars, diversified with Australian dollars and British pound sterling.		-	92.26	-	-
FXB	British Pound Sterling (BPS) is flirting with new highs for the move. It recently formed a bullish flag pattern with upside target at \$1.40 (FXB: \$133.50) and could now rise higher. A break above \$1.35 (FXB: \$130) confirms strength. Keep some cash in BPS.		-	128.14	-	-
FXA	The Australian dollar ("Aussie") continues to rise against the U.S. dollar. It's flirting with new highs for the move since Mar and has even more upside potential. I recently bot some to diversify my growing cash position. A way to trade the Aussie would be thru its ETF: FXA.		-	72.25	-	-
RESOURCES AND ENERGY (20%)						
Crude (CLV20)	Continues to inch higher. It broke resistance above \$42 confirming the bullish ascending triangle with more upside potential. However, a trade squeeze continues to develop at the Apr uptrend. If crude oil now holds above \$40, it could continue rising to the top side of the Apr upchannel near \$54.	L	35 (Jun-15-20), 42 (Aug-12-20) (AVG: \$38.50).	43.12	2dc below \$39	54
XOM	Continues to base at the bottom side of a 4+ mo sideways band. The Jun downtrend is gaining momentum, but support at \$40 is firm. To show renewed strength XOM must rise above the Jun downtrend on a 2dc above \$45. If XOM fails and falls clearly below support at \$40, it could then fall further. Keep your positions. XOM has maintained a steady dividend policy which allows for stability with great dividends.	L	61.90 (Feb-6-20), 61 (Feb-12-20), 50 (Mar-5-20), 32 (Mar-18-20) (AVG: \$51)	42.43	2dc below 40	65 & 75
COPPER (HGU20)	Copper is rising from the Mar uptrend & support level near \$2.80. It's bouncing up confirming strength. A rise above the recent Jul highs near \$3 would be very bullish, and it's allowing for a continued upside to possibly the top side of the Mar upchannel near \$3.20. I'm out of copper, but I'm overweight BHP Group (BHP).	O	-	2.9750	-	-
BHP	BHP continues to hold above the Mar uptrend near \$55 with impressive strength. It's at a new high for the move, having broken above the 2020 highs already. A clear break above \$59 would push BHP into an all time high, confirming recent strength shown. Keep your positions as long as BHP holds above the Mar. Keep your positions.	L	54.75 (Jan-15-20), 52.50 (Jan-30-20), 43 (Mar-5-20), 31.50 (Mar-18-20) (AVG: 45.40).	56.90	2dc below 54 (adj)	\$64 & \$72
MELT UP RISE PORTFOLIO (20%)						
C	Symmetrical triangle narrowing between \$49 and \$55. A break in either direction will tell us C's next intermediate move. If it holds at \$49, it'll show strength. Otherwise, it could re-test the Mar lows.	L	73.75 (Nov-20-19), 40 (Mar-25-20), 50 (May-27-20), 50 (Jul-1-20) (AVG: \$55).	50.34	2dc below \$49	\$65 & \$85
SPXL	SPXL continues to rise. It's at a new high for the move and it's poised to catch up to the S&P 500 index. Keep your position for now, and as long as SPXL holds above the Mar uptrend near \$45.	L	53 (Aug-11-20), 54 (Aug-12-20) (AVG: 53.50).	54.74	2dc below 45	75
SHOP	Weakness seemingly developing. The drop from the recent highs shows downside pressure. A break below the Apr downtrend on a 2dc blow 950 shows weakness that could push SHOP down further. Keep your positions for now, allow for some weakness.	L	930 (Jul-16-20), 900 (Jul-24-20).	1024.71	2dc below \$800.	1200
TBT	TBT is an ETF that rises with U.S. long term rates. It's like shorting bonds... and it's bouncing up, confirming support at \$14.50. TBT is on the rise and could now reach \$18 if it holds above the Mar lows near \$14.50. A break above \$18 could propel TBT to the Jan highs near \$26. Keep your position.	L	15.40 (Aug-12-20).	15.55	2dc below 14.50	\$18 & \$26

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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, i.e., 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

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