



# -GCRU-

*Weekly Trading Service*



Omar Ayales

Achieves gains by trading commodities, currencies and stocks

March 21<sup>st</sup> 2019

IN ITS 18<sup>th</sup> YEAR – N° 827

**NELSON PELTZ PUSHES ACB TO THE OLD HIGHS!**

**ACB'S PROFIT TARGET SURPASSED  
I SOLD HALF FOR 25% GAIN!**

**A REVELATION IN GOLD'S ABCD CYCLE THAT  
COULD BE A BULLISH CATALYST.**

**SOLD 2<sup>nd</sup> HALF OF BTG FOR 11% GAIN**

**WE'RE DOWN TO 3 GOLD SHARES  
BUT LOOKING TO BUY AN OLD WINNER...**

**THE FED TALKS, THE DOLLAR TANKS  
NOW WHAT?**

---

The Fed spoke and the markets reacted. The US dollar tumbled while the 10-year yield fell to a 15-month low. The Fed has taken another strong step in its affirmation to keep interest rates unchanged and plans no more rate hikes this year. Plus, they'll start tapering their balance sheet in May. The yield curve inverted on the news (10 year yield below the Libor rate).

“Bubbles are invisible to thos insude the bubbles.” - Jim Dines

And although a little stimulus is likely to be well received by financial markets, the reality is slower growth means slower sales and income as a whole.

It's as if the slack in emerging markets and Europe is finally pulling the U.S. back...

The U.S. dollar index (DXY) tanked on Fed dovishness.

It fell below ST support at 96 and it's approaching intermediate support near 95.25. If this level is broken, it'll signal continued weakness.



Interestingly, as strong as DXY has been, it has lagged most major currencies when compared together since late 2016.

Our **next chart** shows Gold, the Euro, the Canadian Dollar, the Chinese Yuan and the US dollar index compared since December 2016.

Notice DXY (black) has been the laggard. Currencies overall have been stronger, rising on dollar weakness.

And after seeing DXY's reaction to the Fed's dovish tone, it seems the relationship between the dollar and other currencies could continue ST - MT.

If the dollar weakens, it could act as a catalyst for inflation and global business activity.

## GOLD & CURRENCIES: GOLD IS BEST



We could maybe even see the U.S. trade deficit shrink for a change.

Longer term, however, DXY must fall below 90 to show any significant shift in longer term trends, particularly against most other currencies with gold being a regular exception.

Interestingly, since 2016, most asset classes have been rising. Our **next chart** shows the S&P 500, crude oil and the yield on a 10 year T-note.

Notice they all had solid rises since 2016. All three moved together in lock step. Rising inflation expectations (and a weaker dollar) had been pushing most asset classes up.

The recent fall has found support and the S&P 500 and crude oil have started to rebound. The S&P 500 is right around the corner from new highs, while crude is working to test critical 65wk MA near \$65.

Interestingly, the 10 year yield is parting ways. It's not rebounding, it fell to new lows for the move.

What could this mean? Are falling rates leading the path down or are interest rates decoupling from inflation expectations?

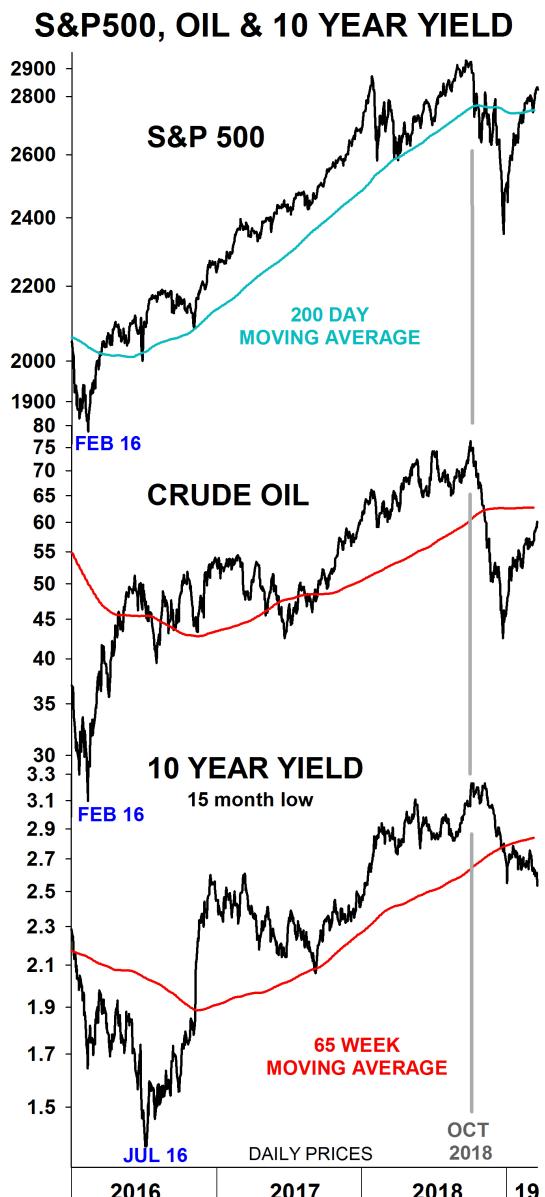
We'll soon see...

Noteworthy is crude oil's rise to new highs for the move. It regained the \$60 handle and it's showing more upside potential.

Crude recently broke above a bullish H&S bottom pattern suggesting a rise to its 65wk MA near \$65 is now likely. How strong oil will remain is yet to be seen.

The juggle between supply disruptions and economic growth tendencies remains. An oil glut continues to expand.

Slack in energy can be seen in sluggish energy shares.



We sold half of our position in crude oil on strength for a 7.5% gain. We continue to hold on to the second half of our position and will be looking to sell it near mid to higher \$60s.

And what about our cannabis stocks?



Aurora Cannabis (ACB.TO) got a boost after famed investor Nelson Peltz announced it was investing and backing Aurora Cannabis

But the reality is that ACB had been rising since before Peltz's announcement. We profited handsomely last year before recreational cannabis went legal in Canada.

Peltz or no Peltz, Aurora Cannabis is a stand alone company with a great business model that's starting to catch the attention of big time investors.

The news pushed ACB upward, breaking above our first profit target, allowing us to sell half and protect a 25% gain. We continue to hold half and are looking to sell at our second profit target near \$14.50 (ACB: \$11.25).

Don't get me wrong. Aurora is a great buy and hold company too. It's a great asset to own. But here at GCRU we're always searching for a profit. We like to buy low and sell high. We're just taking advantage of the froth surrounding the breaking news. If you feel like holding and riding thru weakness, go ahead.

Gold has also been up-trending since 2016 but it's yet to break above resistance levels that would push it out of the bear market that began in 2012.

Since Sept last year, gold has been up trending. It rose to its multi-year resistance near \$1365 but failed to surpass the resistance showing a sign of weakness. Gold has been pulling back since, but it's now showing support at the 23 month MA near \$1277.

Gold is looking good and we're holding (reduced) positions with an average buying price of at \$1235. I want to see more signs of intermediate strength before committing more.

Recently we went back to review gold's ABCD cycle. The choppy moves during mid-2017 to Apr 2018 needed hindsight to clarify the moves. After much research we made the decision to adjust it, and this new pattern on the chart below fits much better based on time and price. It's smooth and it's telling us an interesting story.

According to our reading, the current rise from the Sept lows was gold's 'C' rise, which tends to be the strongest rise within the cycle. 'C' rises are usually followed by 'D' declines, which tend to be the harshest declines.

However, after zooming out and analyzing the recent decline, we saw it was more characteristic of a 'D' decline than a 'B' decline. Going back, it also shows the decline in Dec 2015 as a 'D' decline as opposed to an



extended ‘B’. If this is the case, the recent rise would be an ‘A’ rise and the current decline would be a ‘B’ one.

And if gold holds at its 23 month MA (red line at 1277) and rises above the multi-year resistance (\$1365), it’ll prove to be the strong ‘C’ rise that is destined to push gold out a bear market that has been putting downside pressure since 2012!

Notice gold’s leading indicator below. The indicator has been falling fast, even though gold has held above key support. A very bullish sign.

Keep in mind, ‘B’ decline weakness remains, and more downside is likely before a renewed rise develops.

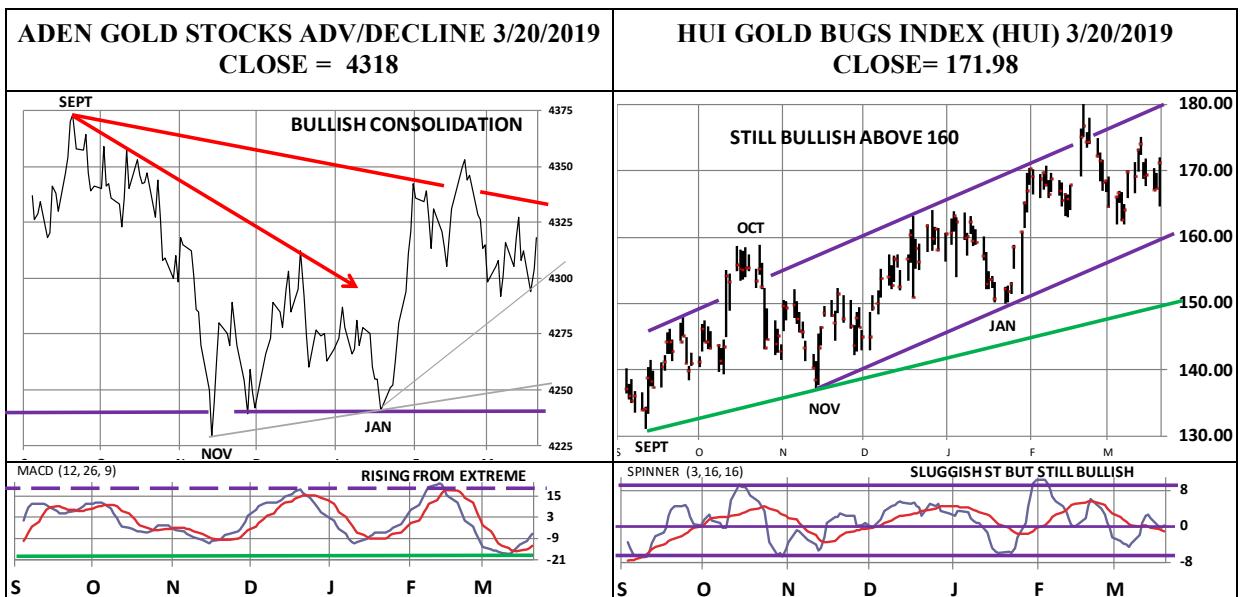


Silver is moving similarly to gold. It’s strong above the Nov upchannel.

Notice silver continues to hug to bottom side of the Nov up-channel. Moreover, notice Spinner, also bouncing up from extreme lows, breaking above zero, showing momentum could breakout any moment!

If silver can now break above the mid channel line on a 2dc above \$15.75, it’ll show strength that could push silver to the top side of the Nov up-channel and key “make or break” level at \$17-\$17.50.

Gold shares are also holding up strong. HUI's still up-trending, showing strength above 160.



The A/D Line confirms. However, notice the Sept downtrend continues to weigh in, suggesting downside pressure remains.

But when looking at the A/D Line's MACD indicator bottoming at extreme lows, one can't help but think of the upside potential from current levels.

MACD is telling us the A/D Line could likely surpass the Sept downturn and resistance on a renewed up-move.

We're currently down to 3 gold shares.



Our open positions are holding up well. I was looking to sell half of SSR Mining (SSRM) to protect handsome profits built, but it collapsed before getting the chance. It has since rebounded and it's back above \$13 with Spinner at an extreme oversold level.

SSRM is looking like a buy below \$13. Buy some below \$13.



We still managed to reduce our overall position which was our strategy. B2Gold (BTG) hit our stop loss on Tuesday, triggering a sell. I sold the rest on Wednesday's rebound protecting a 11% profit (18.5% total return).

I'm now out of BTG but will continue to watch closely for further weakness to buy back some. BTG is one of my favorites.

Another one of my favorites is Agnico Eagle Mines (AEM). It's holding up better than most as it's at a stone's throw away from new highs since Jul last year.



AEM is very near our first profit target at \$46. We still recommend selling half when reached to protect an approximate 20% gain since Dec.

Spinner is holding near the zero line. If it holds and rises from current levels, we could see AEM's upmove extended further.



Our Junior Miner ETF (SGDJ) is also showing strength. It's holding on to a 10% gain since the end of Jan. A break above the recent highs at \$29.50 could be the catalyst for it to rise to the Jul highs near our first profit target.

Spinner is bullish, holding and bouncing up from its MT MA. A sign showing momentum could start picking up steam soon.

Given the Fed's dovish stance and the U.S. dollar's reaction, gold and gold shares could extend their rise.

I'm adding an old favorite, Kirkland Lake Gold (KL). The past two years we had done great. I sold in December and have been waiting a meaningful pull back since to buy back.

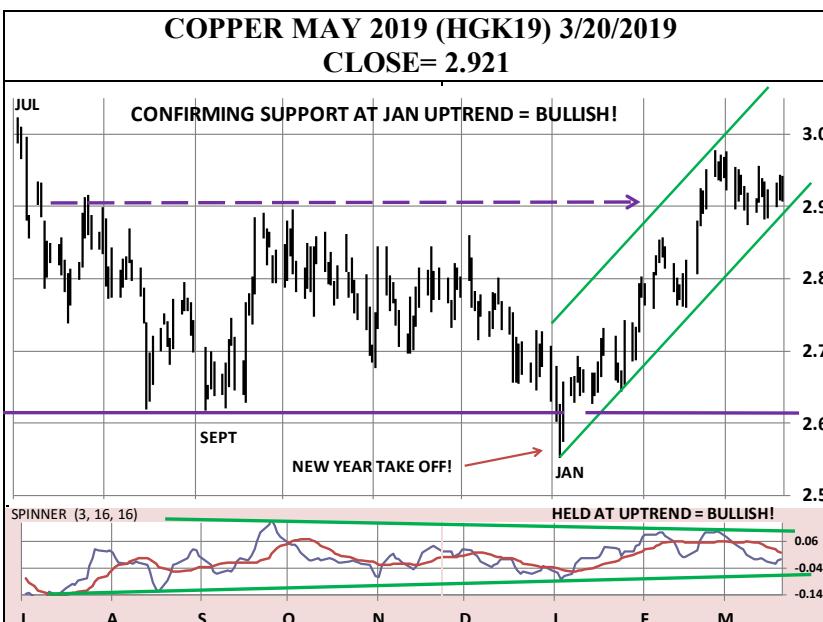
It hasn't really happened. KL seems to defy gravity!

More recently however, it has pulled back from the highs. It's down nearly 10% since the Feb highs and it's holding at an uptrend since Nov. Spinner is also starting to form a bottom at an extreme.



KL's chart tells us it could still fall to the longer Nov uptrend near \$26. However, I don't want to miss the boat on KL again so recommend buying some at mkt, ideally below \$33 and more again on a further decline below \$29. Place stops at 2dc below 25 with profit target at \$40.

Dr. Copper continues to show resilience. It held above previous resistance at \$2.90. It's now starting to rise again.



Copper held on to its uptrend since Jan, showing impressive strength with more upside potential. Spinner has also been rising, showing momentum build up since Jul last year. Copper's Spinner is bullish and it's telling us a continued up-move is now likely.

Inflation expectations could start to creep up from behind...



We're still holding a reduced position in Caterpillar (CAT) too. We have profits built on the second half of our position and also took an 18% profit on the first half earlier this quarter.

CAT is also holding above the Dec uptrend and could continue rising with copper.

Keep your reduced position.



Last but not least is DTE Energy (DTE). It continues to ease off from the highs. However, it remains uptrending and a solid company to weather the storm in. We've already secured some gains earlier this quarter and are keeping the rest as part of our diversified approach.

Our strategy this week is to hold on to your positions. Increase exposure to gold shares. Add to your position in SSRM and buy new positions in KL. Take profits if targets are reached. Remember, profits are the name of the game. Next week we'll have our traditional quarterly review. It'll be a good one!

Good luck and good trading,



Omar Ayales  
Chief Trading Strategist/GCRU  
[www.goldchartsrus.net](http://www.goldchartsrus.net)  
A division of Aden Research

KEY PRICES			
Name/Symbol	Mar 20, 2019 Price	Change	Mar 12, 2019 Price
Gold (GCJ19)	<b>1301.70</b>	3.60	<b>1298.10</b>
Silver (SIK19)	<b>15.318</b>	-0.10	<b>15.413</b>
HUI (HUI)	<b>171.19</b>	-1.98	<b>173.17</b>
Copper (HGK19)	<b>2.9210</b>	-0.0075	<b>2.9285</b>
Crude Oil (CLK19)	<b>60.13</b>	3.26	<b>56.87</b>
S&P500	<b>2824.32</b>	32.80	<b>2791.52</b>
U.S.Dollar (DXM19)	<b>95.201</b>	-1.698	<b>96.899</b>
30 Year T-Bond (ZBM19)	<b>146.900</b>	0.49	<b>146.406</b>
10 Year T-Note Yield	<b>2.535</b>	-0.07	<b>2.605</b>
13-week Treasury bill	<b>2.408</b>	0.013	<b>2.395</b>

# 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
<b>PRECIOUS METALS PORTFOLIO</b>						
GOLD	Resisting at the 5wk MA. Gold's rise came seemingly to a halt today as it fell back below its 5wk. Moreover, remember 'B' decline weakness continues to put downside pressure. On the upside, gold remains above its Sept uptrend at \$1290 showing strength. Spinner is rising, breaking above zero suggesting a shift in ST momentum. Gold is bullish above the uptrend, but it remains in no traders land. We're still holding half of our position during current weakness.	L	Bot: 1170 (Jan-5-17), 1220 (Mar-16-17). <b>Sold half at 1287 for 8% gain.</b> Bot: 1225 (Jul-3-17). <b>Sold half at 1345 for 11% gain.</b> Bot 1289 (May-16-18), 1265 (Jun-21-18), 1258 (Jul-5-18), 1205 (Aug-30-18). <b>Sold half at 1290 for 5% gain.</b>	<b>1301.70</b>	2dc below \$1247	1365, 1536
PHYS	Sold half. Holding reduced positions. Waiting to buy again.	L	Bot: 9.63 (Jan-5-17), 10.12 (Mar-16-17). <b>Sold half at 10.54 for 7% gain.</b> Bot: 9.98 (Jul-3-17). <b>Sold half at 10.95 for 10% gain.</b> Bot: 10.58 (May-1-18), 10.15 (Jun-28-18), 10.20 (Jul-5-18), 9.65 (Aug 30, 18). <b>Sold half for 5% gain.</b>	<b>10.48</b>	2dc below 10	10.85, 12.75
SILVER	Silver continues to uptrend. It's holding above \$15 showing signs of strength. Spinner moving up, breaking zero, hinting towards a shift in momentum. Keep your positions.	L	Bot: 17.35 (Mar-16-17), 17 (May-1-17), 16.35 (May-4-17), 17 (Jun-12-17), 16.30 (Jun-26-17), 16.15 (Jul-3-17), 15.75 (Jul-13-17). Sold half at 16.65 for a small gain. Bot: 16.40 (Nov-30-17), 15.95 (Dec-6-17), 15.80 (Dec-13-17), 16 (Jun-28-18) 14.60 (Aug 30, 18), 15.35 (Jan-22-19), 15.25 (Mar-15-19).	<b>15.32</b>	2dc below 15	17.5, 21
PSLV	Keep your positions.	L	Bot: 6.60 (Mar-16-17), 6.40 (May-1-17), 6.20 (May-4-17), 6.55 (Jun-11-17), 6.23 (Jun-21-17), 6.15 (Jul-3-17), 6.03 (Jul-13-17). Sold half at 6.27 for a small gain. Bot: 6.23 (Nov-29-17), 5.98 (Dec-6-17), 5.92 (Dec-13-17), 5.90 (Jun-25-18), 5.27 (Aug 30, 18), 5.52 (Jan-22-19), 5.60 (Mar-15-19).	<b>5.62</b>	2dc below 5.47	6.25, 8
HUI Index	Gold shares continue to uptrend. HUI fell today, but quickly reversed action, rising handsomely. If HUI stays above the Nov uptrend, it'll confirm strength behind the upmove that started last year. Our A/D Line is also rising, showing support near 4300 and ready to test the Sept downtrend. Notice MACD rising from an extreme, picking up steam, suggesting renewed upswing is in the making. The A/D Line's true test will be surpassing the Sept downtrend. BTG fell below our adjusted stop and we sold the second half of our position on today's bounce up, protecting a 22% profit on the second half of our position. We wanted to sell half of SSRM last week, but it unexpectedly fell, leading gold shares in a dip. We're still holding SSRM, AEM and SGDJ, all with profits built in.	--	N/A	<b>171.98</b>		
BTG	BTG broke below our stop yesterday and sold today (Mar-20-19) on a bounce up, protecting profits built. BTG broke below the Sept uptrend showing weakness. Although Spinner is near an extreme low telling us the downside may be limited. It also suggests BTG is showing weakness below the Feb downtrend near \$3.10. Stay out for now. We'll be looking to buy again on further weakness.	O	Bot: 2.68 (Oct-16-18), 2.55 (Oct-30-18), 2.50 (Oct-31-18), 2.75 (Jan-23-19). <b>Sold half via alert averaging 26% gains. Sold second half via stop for 11% gain!</b> (18.5% real gain in 5 months)	<b>2.91</b>		
AEM	Steady rise.... AEM continues to rise with strength, above a bullish uptrend since Nov. Spinner lackluster but above zero suggesting momentum remains up. Keep your positions. Sell half at our first profit target... it's getting closer!	L	38.60 (Dec-11-18), 38.95 (Jan-4-19)	<b>44.40</b>	2d below 41	46 (almost reached), 52
SGDJ	Still uptrending. Keep your position as long as it holds above the Nov uptrend near \$26.50.	L	26.65 (Jan-30-19)	<b>29.08</b>	2dc below 26	31.5
SSRM	SSRM didn't allow us to take some profits last week as it unexpectedly collapsed from new high territory. SSRM is holding at the Oct uptrend showing strength. Spinner at an extreme low, forming a bottom, possibly suggesting downside is limited. Buy some more at or below \$13.	L	12.25 (Jan-4-19)	<b>13.04</b>	2dc below 12	14.70, 15.25 & 20
KL	We've been waiting to buy back this position. Recent weakness is now allowing us to pick up some. Buy some at mkt and more near \$27. Place stops at 2dc below 25. Profit targets at \$40.	O		<b>33.16</b>		

## 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
<b>CURRENCIES</b>						
U.S. DOLLAR (DXZ18)	At a crossroads... The U.S. dollar index continued to slide after reaching new highs earlier this month, breaking above a bullish ascending triangle suggesting even more upside. But sentiment since has turned and a series of lower lows has followed. Today, after the Fed's testimony, the dollar fell further. It's now testing key support at the Sept uptrend near 95.25. A break below this level could push DXY to a longer term support level near 90. Weakness in the dollar could be supportive of higher precious metals and resources.		Holding cash reserves mainly in U.S. dollars.	<b>95.20</b>		
<b>RESOURCES AND ENERGY</b>						
Crude- CLF19	Crude oil extended its gains this week, breaking clearly above the neckline resistance of a H&S bottom pattern with an upside target near \$66, coincidentally the Oct highs and top of channel. Spinner is bouncing up from the zero line showing momentum rising. We sold some of our position and protected a 7.5% profit. We're keeping the rest and recommend selling near the H&S profit target at \$66.	L	Bot: 60.75 (Nov-8-18), 47.50 (Jan-4-19). <b>Sold half for 7.5% gain.</b>	<b>60.23</b>	2dc below 55	66
COPPER HGZ18	Copper confirmed support at 2.90, the previous resistance level showing resilience and upside potential. If copper now breaks above \$3, it's off to the races! If you're looking for exposure, consider buying at mkt. Longer term readers should have a full position.	L	Bot: 2.97 (Sept 20-17). <b>Sold half at 3.20 for a 7.5% gain!</b> Bot: 2.95 (Dec-6-17). <b>Sold half at 3.26 for a 10% gain!</b> Bot: 3.06 (Feb-9-18), 2.95 (Mar-26-18). <b>Sold half at 3.30 for 10% gain!</b> (Jun-7-18). Bot: 2.99 (Jun-27-18), 2.75 (Aug-1-18), 2.65 (Jan-10-19).	<b>2.92</b>	2dc below 2.85	3.10 & 3.30
JJCTF (JJC)	Keep your positions. Buy some at mkt if underexposed to copper.	L	Bot: 33.60 (Sept 20-17). <b>Sold half at 37 for a 9.5% gain!</b> Bot: 33.50 (Dec-6-17). <b>Sold half at 37.30 for a 11% gain!</b> Bot: 34.50 (Feb-9-18). <b>Sold half at 37.25 for 9% gain</b> (Jun-7-18). 33.40 (Jun-27-18), 30.40 (Aug-1-18), 28.75 (Jan-10-19).	<b>32.33</b>	2dc below 28.20	33.5 & 36.50
CAT	CAT continued to hold above the Dec uptrend showing strength. A break above the recent high near 141 is necessary for CAT to show renewed strength. We continue to hold a reduced position with profits built in. Keep your positions for now.	L	Bot: 115 (Oct-24-18), 125 (Nov-28-18). <b>Sold half via alert for an average gain of 18%.</b>	<b>133.01</b>	2dc below 120	150
<b>OTHER STOCKS</b>						
ACB.TO	Blast off! ACB.TO (ACB) exploded to the upside after news Nelson Pelz came to an agreement to invest and work with Aurora Cannabis moving forward. Nelson Pelz endorsement is a strong one. I took advantage of the bullish news and sold half above our first profit target, near CA\$12 for a 25% gain. I'm keeping the rest and looking to sell above \$14. Aurora Cannabis is a great company. It's a great buy and hold too. But as for traders goes, we're approaching an intermediate top.	L	Bot: 9.90 (Nov-8-18), 9.40 (Nov-9-18) (ACB: 7.60 Nov-8-18, 7.15 (Nov-9-18). <b>Sold half for 25% gain!</b>	<b>13.03</b>	2dc below 9.50 (ACB: 2dc below 7)	11.50 & 14.50 (ACB: 8.75 & 12)
DTE	Pulling back after reaching new highs. Spinner on the decline showing weakness developing. However, DTE is strong above the Jan uptrend near 120. You should have half of your position. Keep the rest for now.	L	117 (Nov-21-18), 108 (Jan-4-19). <b>Sold half via alert for average gain of 9%.</b>	<b>122.40</b>	2dc below 120.	150

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](http://www.bigcharts.com). To view Canadian stocks please use CA as prefix (i.e., to view Agni Eagle (Toronto) you must use CA: AEM).

**Note:** U should NOT feel our recommended prices are set in concrete. If markets 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 markets than in trading ranges where indicators such as Stochastic & Williams %R should be used.

NOTE: payments for *GCRU* services should be made payable to **MAP CUSTOMER SERVICE**. *Gold (& mks) 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](mailto: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 (& mks) 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 (& mks) 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 (& mks) 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 (& mks) 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 involve 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!

<b>ABBREVIATIONS</b>	
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