

GOLD TRUMPED

By Daryl Guppy

The US election is not as scary as some gold bugs imagined. After a fall, and rebound rally, the gold price resumed its downtrend. Weeks ago we asked Who stole the gold? Now we know the answer.

We re-assess the extent of the damage and the now limited potential for recovery.,

We start with damage assessment. The fall below the historical resistance and support level near \$1290 is critical.

The rally was a dead cat bounce, and yes we were caught on the wrong side of it.

The uptrend with gold was well defined using a Guppy Multiple Moving Average indicator. The long term GMMA was well separated and this generally shows strong buying support from investors. The upper edge of the long term GMMA was a little above the historical support level near \$1290. The first fall below the upper edge of the long term GMMA was a warning. The second fall below this level is a decisive change in the direction of the trend. It cannot be ignored.



A continued fall below the edge of the long term GMMA has support near \$1180. This is the current downside target. Failure to hold at this support level sets a target near \$1050.

This is now a change in the trend. Aggressive traders used the [ANTSSYS](#) method to trade the rally rebound and to cover and go short as the market collapsed below \$1300.

Chart analysis was Trumped, but traders survived by using good stop loss conditions. Chart analysis now gives the downside and support targets.

