

## **GOLD UPTREND TARGETS**

*By Daryl Guppy*

The breakout in the gold price confirms our analysis in February. The first most important feature on this chart is the breakout from the fan trend line pattern.

The second feature is the breakout confirmation from the Guppy Multiple Moving Average relationships. The long term group has compressed and decisively turned upwards.

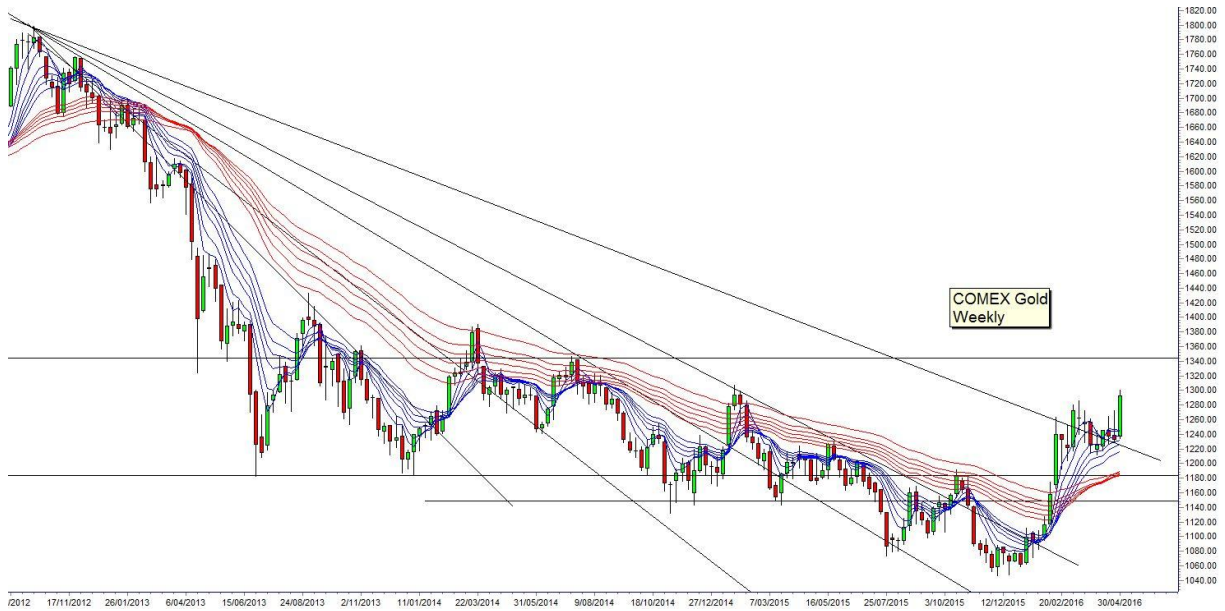
The third feature is the way price has remained above the critical resistance level near \$1200 and used this as a support point.

Gold is a proxy for the entire commodity complex and we see this behavior reflected in oil and silver charts.

The upside target for gold is now the historical resistance level near \$1340. This is the short term target and the fan trend line breakout behavior suggests this target can be quickly achieved.

Gold has a very strong resistance band between \$1150 and \$1180. This level was decisively broken with a rally to \$1240. Any new trend breakout requires a sustained move above \$1180 and a compression in the long term GMMA averages to show that investors have become buyers. These conditions have developed and confirmed the breakout.

The weekly gold chart shows a series of fan downtrend lines. This is a very long term trend reversal pattern. The four downtrend lines have a common starting point from the high in 2012 October. These are not Fibonacci fan lines. These are a series of downtrend lines with a common starting point. The pattern usually contains between four and five downtrend lines. This has been a dominant feature on the gold chart since 2013 so the pattern cannot be ignored. This is a long term trend reversal pattern. It was seen on the Dollar Yen chart prior to the very powerful breakout in 2012 November. This pattern often ends with a very fast and strong breakout as has been also shown on the gold chart



We use the [ANTSSYS](#) method to trade this breakout continuation. Investors now have proof that the price can stay above \$1200. This signals a new sustainable uptrend and this will be confirmed by increased separation in the long term GMMA as investors become more determined buyers.