



## Gold Back on Defense Temporarily

By Teddy Sloup (June 16)

The gold bulls were left locked out yet again as the market failed to close with any kind of conviction above the old April highs of \$1298. This price level also coincided with “line in the sand” weekly trend line resistance. The bulls were caught celebrating a bit early as the market has since not only turned south, but reversed the intermediate term trend entirely back in favor of the bears.

This long term trend line was of great debate on Twitter as it appeared initially that gold had indeed closed above crucial trend line resistance, which was to pave the way for the next leg higher and a surge above \$1300.



*Chart provided by Investing.com*

Going forward we are looking at \$1246 as crucial support, which reflects a 61.8% Fibonacci retracement. A close below here indicates a lot of room for the market to run to the downside. The \$1215 level on the high end and \$1150 would be in play. From our perspective the biggest concern at the moment for the bear camp is the increasing volatility and daily ranges in the stock markets; specifically in the NASDAQ.

We have had multiple days over the last week where the equity indexes felt like they could absolutely fall out of bed, but have ultimately held their own, relatively speaking. For now, stock index futures continue to be the “kid in the driveway,” playing hoops against the invisible team, that is able to rally from incredible deficits in the final minutes for the win every game of the season. If this dynamic changes, gold has the potential to catch major bids based on the perceived “flight to safety.” The \$1290-\$1300 area continues to be the line in the sand resistance level.

My many years of trading futures markets does make a difference. Feel free to call or email me if you have any questions at 312.242.7986 or [teddy.sloup@archerfinancials.com](mailto:teddy.sloup@archerfinancials.com). If you would like to open an account with Teddy, go to our interactive New Account application at [Open An Account](#). It is fast, saves on postage and it's green.

*Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. The risk of loss in trading futures and options can be substantial. Past results are not indicative of future results or performance. The views and opinions expressed in this letter are those of the author and do not reflect the views of ADM Investor Services, Inc. or its staff. Research analyst does not currently maintain positions in the commodities specified within this report. The information provided is designed to assist in your analysis and evaluation of the futures and options markets. However, any decisions you may make to buy, sell or hold a futures or options position on such research are entirely your own and not in any way deemed to be endorsed by or attributed to ADMIS. Copyright ADM Investor Services, Inc.*