



Gold Futures Turning Friendly?

By Teddy Sloup (Oct 20)

December gold futures have turned slightly friendly despite last week's false breakout above \$1300. The market backed off following the "stop run" above \$1300, but has stabilized above critical support at \$1280. Technically the market flipped to intermediate term neutral/bullish with that close above \$1300, however the bull camp ultimately needs to see a close above \$1325 to breathe easy. From our perspective the biggest bull detractor is the *stretched* out Commitment of Traders report which we have been noting for weeks.

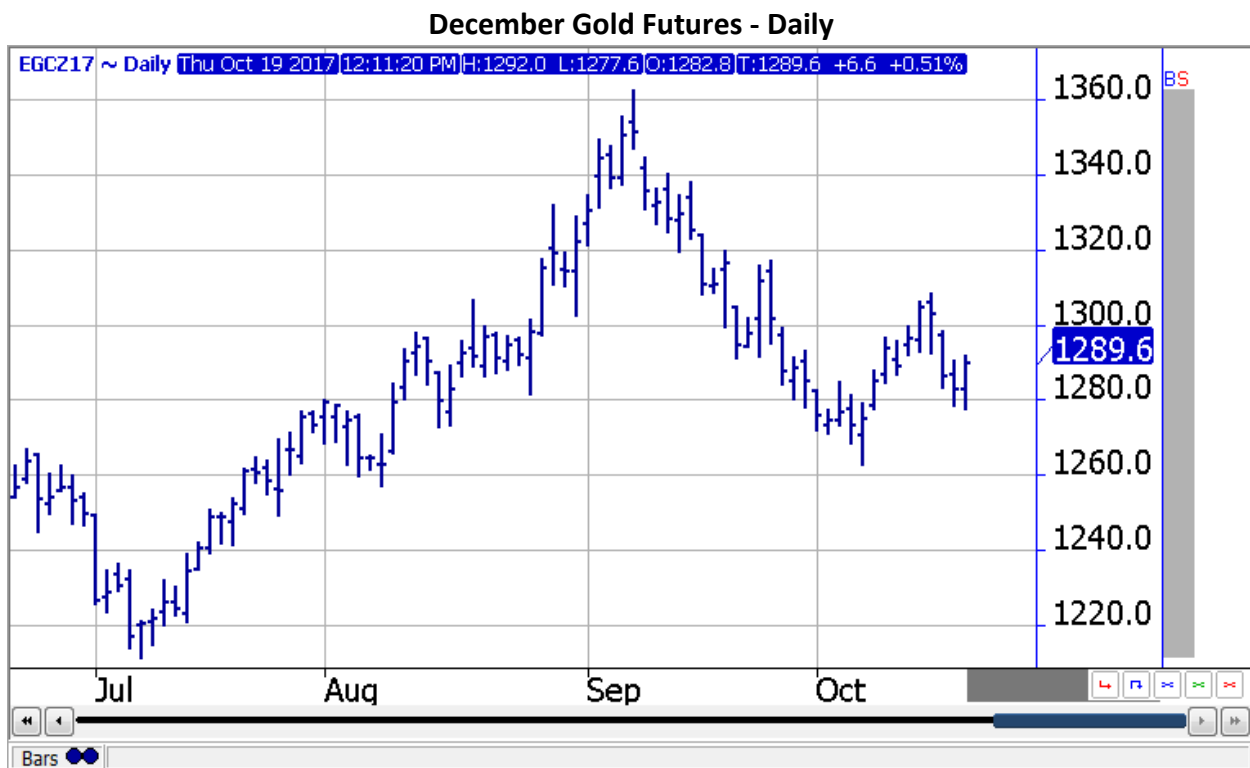


Chart from QST

The opportunity to establish fresh long positions is risk/reward friendly, while using a close below \$1280 to exit. A close below this price point rekindles the bearish forces and re-opens the possibility for a major selling wave that the gold market has been hinting at over the last dy weeks. Getting down to \$1280 appears to be the line in the sand and we believe traders will be keying off of this level, as well for the next move.

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

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