

INSIIDE Track

“Metals, Miners & Merging (Cycles)”

Aug. 1 - 5 Signals

08-06-19 - The action of Aug. 1 & 2, in Gold, Silver and the XAU, has signaled another phase of an unfolding bull market that was/is expected to last from Aug./Sept. '18 into **late-2020** or even **early-2021**.

After consolidating for over 5 weeks, Gold spiked to its lowest level in over three weeks and held a critical level of ascending support (daily *21 Low MAC*) while failing to turn its daily trend down, even as Silver is holding its ascending daily *21 High MAC*.

This portends a rally to new highs in Gold, leading into a 3 - 4 day period when XAU cycles project (at least) a 2 - 4 week peak - on **Aug. 6 - 9**.

Monday's close in Gold, above its July 19 high, came on the heels of the latest daily trend signal and indicated the end of two overlapping corrections (one from the June 25 high and a second from the July 19 high) and the entry into a new up phase.

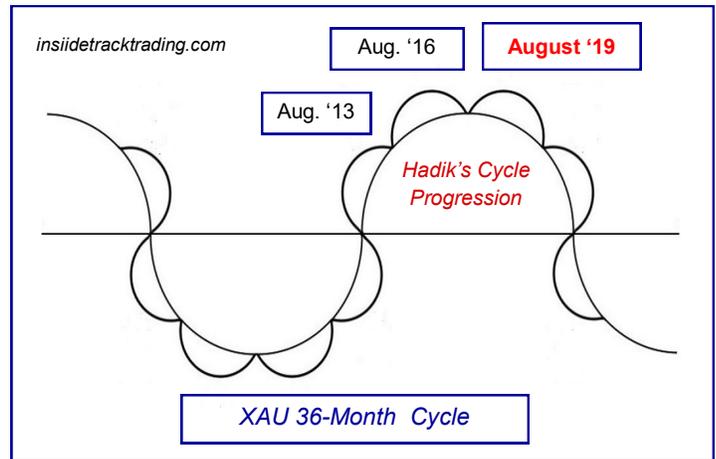
The action of 2 - 3 trading days ushered in an abrupt shift in Gold's evolving uptrend, indicating it would not be producing any larger-magnitude corrections until after another rally. *More on that to follow...*

XAU Approaching Cycle Peak

Throughout the past decade, gold and gold stocks have often peaked and bottomed at different times. There are many reasons for this that will be further addressed separately. 2010 & 2011 gave larger-scale examples while late-2015 - 3Q 2016 provided a perfect intermediate example...

Gold bottomed in Dec. '15 while the XAU waited until Jan. '16. Gold surged into July '16 while the XAU rally lasted into Aug. '16. More recently, Gold bottomed in Aug. '18 while the XAU bottomed in Sept. '18 (and Silver waited until Nov. '18).

From those lows, Gold was forecast to surge into late-Feb./early-Mar. '19, then into **July '19** (+ or - 1



month)... followed by successive highs in **late-2019** and then **Mar./Apr. '20**.

The XAU was forecast to surge into **Aug. '19** (as part of an overall advance into **late-2020** and up to **140.0** or higher). Silver & Platinum also forecast new multi-month rallies into **Aug. '19**. *Some cycles aligned and some diverged (or at least spread out).*

The intervening lows took the same tact with Gold bottoming in late-April/early-May '19 while Silver and the XAU waited until late-May '19 to bottom. So as not to lose the forest for the trees, it is critical to view this in the overall context of the powerful advance projected to begin in 3Q '18 and last into **late-2020/early-2021**.

Cycle Context

That context begins in Aug./Sept. '18, when a myriad of cycles, wave objectives (being fulfilled) and other technical indicators projected multi-year lows in Gold (Aug. '18) and the XAU (Sept. '18)...

08-31-18 - *“In late-Jan. '18, Gold fulfilled 27 - 29 week and 55 - 59 week cycles that projected a future peak for **March 2019** (with an intervening phase of the 27 - 29 week cycle arriving in **August 2018**). Gold has sold off into that cycle - also the midpoint*

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of the 55 - 59 week cycle - the same time that Copper could be producing a multi-month low.”

09-18-18 - “The Gold/Silver Index (XAU) is one component that often tops early (2010) and bottoms late (2016). So, it is not surprising that it has spiked to new lows in **early-Sept. 2018**. That has also allowed it to come within ~1.5 points of its multi-year, **54 - 59.00/XAU** downside price target - the ideal range for a bottom...”

In the case of the XAU, the rally into Aug. 2016 is perceived to be the ‘A’ wave of a larger-magnitude ‘A-B-C’ corrective advance (that could last into 2020). The subsequent decline - into Dec. ‘16 - had to be the ‘a’ wave of a smaller-degree ‘a-b-c’ decline (that would ultimately comprise the ‘B’ wave pull-back) since the monthly trend projected a subsequent drop to new lows (below the Dec. ‘16 low).

IF this is the correct wave interpretation (multiple indicators will need to corroborate that), then the Gold/Silver Index could enter a new advance in **4Q 2018** (the onset of the ‘C’ wave rally) - one that is capable of lasting into **late-2020/early-2021** and being related to the initial ‘A’ wave advance of Jan. - Aug. 2016 (rally = rally?)...

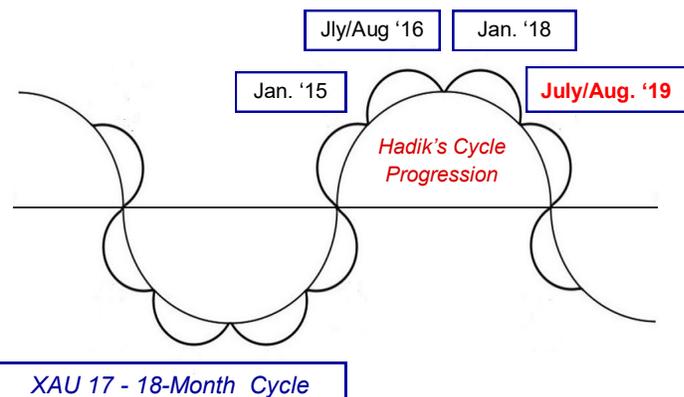
A low in **early-Sept. 2018** would also fulfill an over-arching ~180-degree high (Sept. ‘16) - low (Mar. ‘17) - high (Sept. ‘17) - low (Mar. ‘18) - low (**Sept. ‘18**) Cycle Sequence AND a larger-degree ~360-degree high (Sept. ‘16) - high (Sept. ‘17) - low (**Sept. ‘18**) Cycle Progression...

Long-term cycles could produce the next multi-year peak in **late-2020/early-2021**. The greatest synergy of cycles occurs in **4Q 2020**. That includes a recurring ~5-year cycle that dates back to early-1996 and late-2000. It would also fulfill a ~10-year low (4Q ‘00)- high (4Q ‘10) - high (**4Q ‘20**) Cycle Progression.”

Accelerating Cycle Peaks

As these advances got underway, the cycles began to shorten and the highs held for progressively shorter periods of time. That is the textbook definition of

Gold/Silver Index (XAU) Fulfilling Projected Surge into **July/ Aug. ‘19** & up to ~**90.0 - 100.0/XAU**.



an uptrend. Once the late-Feb./ear-Mar. ‘19 high took hold, metals entered a more trending phase of their overall uptrend - exiting the basing process (from Aug. ‘18 - Jan. ‘19) but not yet entering an accelerated trending phase (parabola).

The Feb. 20 highs were forecast to hold for 1 - 3 months and then give way to new surges into June/ July (Gold) and **Aug. ‘19** (XAU, Platinum & Silver)... and then into higher highs in the ensuing months.

That prompted the following warning - before and after the late-Feb. ‘19 peak (and reiterated ever since) - so that readers would not expect too much from each cycle high... and should expect progressively less from each ensuing one (as they held for increasingly lesser and lesser amounts of time while spurring shallower and shallower pullbacks):

01-31-19 - “Looking out a little farther in 2019, Gold has another consistent cycle that recurs in **June/July ‘19** and could time a subsequent peak. It is a 17 - 18 month high-high cycle that has timed five successive highs, including the July ‘16 & Jan, ‘18 highs.

It is important to keep in mind, however, that these

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could simply be a sequence of successive highs in an evolving uptrend - timing 1 - 2 month or 2 - 3 month peaks but ultimately yielding to higher highs.

Silver fulfilled major cycles that bottomed in Nov. 2018, setting the stage for a 3 - 6 month (and potentially a 1 - 2 year) rebound...

Long-term cycles continue to project the next multi-year peak in **late-2020/early-2021**. The greatest synergy of cycles occurs in **4Q 2020**. That includes a recurring ~5-year cycle that dates back to early-1996 and a ~10-year low (4Q '00) - high (4Q '10) - high (4Q '20) Cycle Progression.

On a 1 - 3 month basis, the initial upside target remains at **75.65 - 76.88/XAU**. As stated before, that is also the level that needs to be broken in order to signal a 3 - 6 month bottom...

On a 1 - 2 year basis, ~**110.0/XAU** is developing as an upside target. However, the XAU needs a weekly and monthly close above 76.88 to validate that scenario. **One other factor to consider: The ~360-degree high-high-low Cycle Progression could produce a subsequent, secondary low in **Sept. 2019**. Other factors would need to corroborate that.”

02-28-19 - “It is important to keep in mind, however, that these could simply be a sequence of successive highs in an evolving uptrend - timing 1 - 2 month or 2 - 3 month peaks but ultimately yielding to higher highs.”

That has been repeatedly highlighted in an attempt to keep readers focused on the evolving uptrend and the progressively higher levels expected from metals.

Accelerating Cycle Peaks II

There is a flipside to the accelerating cycle peaks. As the time frames between successive highs becomes shorter and shorter, it also ushers in the time for a blow-off advance - when a market surges into a high and then begins to expand successive cycle highs while a larger-magnitude correction takes hold.

It represents the constant ebb and flow of cycles.

With Gold closing above its late-June & mid-July peaks, it has extended this advance sooner than expected and shows that the **August '19** cycle highs - in Silver, Platinum and the XAU - could also time a peak in Gold.

There is at least one other cyclic reason why this is a possibility. It involves the most consistent weekly cycle in Gold, over the course of the past 3 - 5 years.

05-30-19 - “The Feb. 20, 2019 INSIIDE Track Report: **Gold & Silver 2019 - Cycle Crescendo?** revisited an uncanny 55 - 59 week cycle - unfolding since the major peak in Sept. 2011 - that was projecting a multi-month peak in **late-Feb./early-March** (the accompanying diagram is taken from that report). The next phase of that cycle comes into play in **March/April 2020** and should time another important peak....

A second pivotal peak is expected in **~July '19** (+ or - 1 month) - the latest phase of a 17 - 18 month high-high cycle that has timed five successive highs, including the July '16 & Jan. '18 peaks...

The **XAU** extended its decline and turned its weekly trend down before dropping into **May 22**, the latest phase of an 8-month high (Jan. '18) - low (Sept. '18) - low (**May '19**) Cycle Progression, which included a 5-month rally and 3-month decline (.618 ratio).

It bottomed after a 3-month/90-degree decline from the late-Feb. peak (which arrived after a ~3-month/90-degree advance from the Nov. '18 low), inverting related cycle expectations.

That **May 22** low set the stage for a 5-week rally that is expected to last into **June 24 - 28**, the first stage of an overall advance that could last into **July/Aug. '19** and fulfill a 17 - 18 month high-high-high-high-(high) AND a ~9-month high-high-high-high-(high) Cycle Progression. It would also fulfill a ~36-month high (Aug. '13) - high (July/Aug. '16) - (high) Cycle Progression...

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If the XAU can turn its weekly trend back up - while rallying into late-June - it would be positioned for a brief pullback and then another advance into the July/Aug. '19 cycles."

The 55 - 59 Week Cycle, cited in the beginning of this previous quote and discussed repeatedly over the course of the past few years, is the cycle in question. It timed the late-Jan. '18 peak, late-Feb. '19 peak and has been forecast to time another peak in **March/April 2020**.

In between, the corresponding 27 - 29 Week Cycle has not only converged on each of those peaks, but also precisely timed the intervening July '17 & Aug. '18 lows. A ~6-month high-high cycle from the Feb. '19 high would produce a multi-week (or multi-month) peak in **Aug. '19** and create the 55 - 59-Week Cycle midpoint between that late-Feb. '19 and forecast **Mar./Apr. '20** highs.

So, Gold does have at least two consistent weekly cycles that could also produce an important peak in **August 2019**. And that would still be in the one-month range of error for the 17 - 18-month overriding cycles ('**July 2019... + or - 1 month**'). On a monthly basis, **Aug. 2019** is also the culmination of the 2 - 3 month buy signal that Gold triggered on May 31.

Bigger Picture

Gold's close above its July 19 high confirms the next upside target at **1525.0/GC**. The June 29, 2019 **Weekly Re-Lay** summed up Gold's first two price targets in this manner:

***06-29-19** - "Gold & Silver surged into this past week with Gold testing the upper end of its primary (1 - 2 year) upside target at **1445.0/GC**."*

This came in the week after Gold & Silver turned their weekly trends up - signaling the time for an initial (1 - 3 week) top while also increasing the odds for another rally after a brief correction.

With these uptrends accelerating, the same is expected from corresponding corrections. That appears to

have been the case as Gold dropped 40.0+/GCQ from its high - testing and holding its daily HLS and daily trend support. Based on that action, Gold could see a rally to new highs in the coming week...

The intra-year trend concurred and projected a rally into late-June/early-July (mid-year). That was reinforced by the monthly 2 Close Reversal higher Gold triggered in May - confirming its late-April/early-May buy signal (~1270.0/GC) and projecting 1 - 3 months of bullish follow-through...

*Gold also attacked a pivotal upside target on a 6 - 12 month and 3 - 6 month basis, as well. ~**1445.0/GCQ** is the first 1 - 2 year upside target and is also a doubling of Gold's intra-year trading range.*

*That range, from **1275 - 1360.0/GCQ**, lasted from Jan. - mid-June. A close above it turned focus to **1445.0/GCQ** - a doubling of that ~85.0/GCQ trading range that had previously prevailed...*

*A spike above it is possible, but Gold would need a daily close above it to signal a breakout. (The next key level, and second 1 - 2 year upside target, is around **1525.0/GC**.)"*

Not only is **1523 - 1525.0/GC** the second 1 - 2 year upside target (from Aug. '18), but it is also just below the next phase of Gold's range-projection targets. **1445.0** plus 85.0 (the magnitude of the ranges between 1275 - 1360 and 1360 - 1445) is **1530.0/GC**.

That is similar to how Silver has been trading for over 5 years, moving in approximate 2.50-point ranges with boundaries at 13.50, 16.00, 18.50, 21.00 and so on. When Silver ultimately gives a weekly close above **16.00/SI**, it will target **18.50/SI** as the next upside objective.

The XAU is also similar, trading between ~**60.60 - 80.60** from July 2018 into June 2019. Once it broke above that range, and then came back to retest it in early-July before resuming its advance, it targeted a range-projection objective at ~**100.60/XAU** - a doubling of that ~11-month range.

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Since those are general ‘brackets’ around trading ranges, price will usually spike through them when testing. So, other technicals need to be used for more specific price targets.

With regard to cycles, **early-August** remains the time when daily cycles intersect monthly cycles in the XAU. However, metals like Platinum still focus on **late-August** for a potential peak.

That is why price action - and key short-term technicals like the daily trend pattern - must be relied upon for ultimate validation (or negation) and to clarify if daily cycles morph into something larger... or just remain as daily cycles. That harkens back to the recurring warning, reiterated in the late-June report:

6-28-19 - *“Each successive peak is likely to hold for briefer amounts of time... Based on short-term trend patterns, cycles and other technical indicators, there is the potential for a final spike high in early-July. That would then be expected to usher in a*

multi-week correction, reinforced by the weekly trend pattern in Gold.

However, the wave structure in these markets is reinforcing what was warned in late-Feb. - “these cycle peaks are expected to be a sequence of successive highs in an evolving uptrend - timing 1 - 2 month or 2 - 3 month peaks but ultimately yielding to higher highs.”

In sync with that, each successive correction is likely to be shorter and shallower than the one that precedes it. So, Gold & Silver could reverse lower in early-July, trigger a 1 - 3 week pullback, and then be in a position to rally to new highs.”

As all the metals enter this pivotal cycle period, the **Weekly Re-Lay** will continue to update the near-term and intermediate trends, strategies and outlooks, while longer-term & higher magnitude analysis will be elaborated in future issues of *INSIIDE Track*.



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