



“...Let us run with patience the race that is set before us.” Hebrews 12:1

by Eric S. Hadik

# Destiny 2011:

## A.G.E. Regression

### An INSIIDE Track 2011 & Gold Analysis Recap

#### Destiny 2011 III

2011/Gold Analysis Recap

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#### A Golden Era Gives Way

*Gold Bulls in for Major Surprise:*

*Drop to 1308.0/GC (& 1943--1981.0/SI) Likely.*

**Nov. 2011** - The following is a compilation of recent **Weekly Re-Lay** excerpts, expounding on the downside targets for what is expected to be a 1-2 year decline in Gold & Silver. As conveyed for almost a year, **2011** was projected to be a **Date with Destiny** that would pinpoint a crescendo in many of the markets and Indices that are associated with commodity price inflation. Those markets/complexes that were forecast to peak include Gold & Silver (and Copper), Energy Markets and the CRB Index.

Almost all of these are validating this analysis and setting the stage for major declines into **2013**. The **May 2011** peak in Silver and **August/Sept. 2011** peak in Gold (as well as **Feb. - May 2011** peaks in Copper, Cotton, Sugar, Coffee, CRB, etc.) have powerfully validated that analysis and set the stage for an ultimate drop in Gold to **1308.0/GC** & in Silver to **1943--1981.0/SI**.

These should be viewed as the primary, 1-2 year downside objectives, although additional downside could be signaled by intervening price action. That would be addressed in future publications. The purpose of these targets is to let traders know when this decline has run a normal course, allowing the potential for a 1-2 year bottom to take hold. There are key cycles when this *could* take hold - as early as **1Q 2012** or as late as **2014** - but price action, as always, must validate. Until these downside objectives are met, the correction will likely remain in force.

The following is some of the recent analysis, detailing these price targets...

*09/28/11 Weekly Re-Lay Alert - **Gold** & **Silver** remain negative and on track for declines into early-October, 90 degrees from the early-July lows. In the case of Gold, it could also retest the price level (1481.0/GCZ) of the July 1<sup>st</sup> low.*

*Silver has nearly reached its primary downside objective - the 4<sup>th</sup> wave of lesser degree (and intra-year low) at **2630.0/SI** - and could see some consolidation once this is tested."*

#### 10/01/11 Weekly Re-Lay:

**"Gold & Silver** dropped further, reinforcing the scenario - and wave pattern - that has been unfolding in Silver. Since completing a 5-wave advance in **May 2011**, Silver has been in a corrective mode with 3-6 month support at the '4<sup>th</sup> wave of lesser degree' - the late-January 2011 low of **2630.0/SI (2641.0/SIZ)**.

After giving its initial, 'A' wave decline in May 2011, Silver rebounded .618 of that drop and set its 'B' wave peak in late-August. From that point, Silver's first downside objective was a 1/1 ratio in comparison to the 'A' wave decline. In other words, the new wave down - from the late-August peak - should be at least the same magnitude of the May 2011 decline.

This projected a drop to **2698.0/SIZ**.

Then, there is the analysis that Silver was setting a major peak and should see at least a 6-12 month correction. The best validation of this scenario would be a drop to new intra-year lows, creating an Intra-year Inverted V and potentially triggering an intra-year downtrend.

In order to accomplish this, Silver would need to drop below **2641.0/SIZ** (and ultimately give a weekly close below this intra-year low).

Silver just spiked down to **2615.0/SIZ**, fulfilling all these key objectives and initially holding this critical level of support. In doing so, Silver reaffirmed cycle analysis for an overall decline into **late-January/early-February 2012** - the next convergence of monthly & weekly cycles.

While the recent low does reinforce the support found near **2630.0/SI**, most of my longer-term work (1-2 year & 3-5 year expectations) anticipates further downside at some point in the

coming year. So, this level is likely to be broken at some point in the coming months.

This could be showing that the recent decline is only the first wave of a larger 'C' wave down. This means that Silver could bounce from

this support and consolidate for several weeks - or even a couple months - before the next sharp decline. Ultimately, Silver should spike below **2000.0/SI**, with important support at **1943--1981.0/SI**.

Gold has twice neutralized its weekly uptrend, while dropping back to its previous (May 2011) peak - a critical level of

resistance turned into support.

This also had Gold testing its weekly 21 High MARC - a key level of weekly 21 MAC support. Gold now needs a weekly close below **1535.0/GCZ** to reverse the weekly trend to down and to take this correction to the next level."

#### 10/08/11 Weekly Re-Lay:

**"Gold & Silver** have traded sideways following the steep drop that allowed Silver to reach 3-6 month support at the '4<sup>th</sup> wave of lesser degree' - the late-January 2011 low of **2630.0/SI (2641.0/SIZ)**.

This drop also allowed Silver to reach a primary wave target and the intra-year low. All of this corroborated ongoing analysis that Silver had reached a major peak in **May 2011**... and would likely decline for 1-2 years...Ultimately, Silver should spike below **2000.0/SI**, with important support at **1943--1981.0/SI**.

Gold has neutralized its weekly uptrend multiple times, but has congested since dropping back to its previous (May 2011) peak - a critical level of resistance turned into support. This also had Gold testing its weekly 21 High MARC - a key level of weekly 21 MAC support.

Gold needs to turn its weekly trend down, which would confirm a 3-6 month top and project

**"Ultimately, Silver should spike below 2000.0/SI, with important support at 1943--1981.0/SI.**

**...Gold needs to turn its weekly trend down, which would confirm a 3-6 month top and project a continued decline to 1308/GCZ - the corresponding '4<sup>th</sup> wave of lesser degree'/late-January 2011 low."**

a continued decline to **1308/GC** - the corresponding '4<sup>th</sup> wave of lesser degree'/late-January 2011 low. It would take a weekly close below **1535.0/GCZ** to reverse the weekly trend to down and to take this correction to the next level.

...In the near-term (2-4 weeks), Gold has the potential to wait until **late-October** and then enter another decline... that could force it down to **1481.0/GCZ**."

#### 10/12/11 Weekly Re-Lay Alert:

"**Gold & Silver** have traded sideways following the steep drop that allowed Silver to reach 3-6 month support at the '4<sup>th</sup> wave of lesser degree' - the late-January 2011 low of **2630.0/SI (2641.0/SIZ)**.

Gold has neutralized its weekly uptrend multiple times, but has congested since dropping back to its previous (May 2011) peak - a critical level of resistance turned into support. It remains in a daily downtrend - as does Silver - so a secondary peak could take hold at any time.

Gold needs to turn its weekly trend down - with a weekly close below **1535.0/GCZ** - which would confirm a 3-6 month top and project a continued decline to **1308/GC** - the corresponding '4<sup>th</sup> wave of lesser degree'/late-January 2011 low.

Until/unless this takes place, Gold is likely to remain in a period of volatile, sideways trading between (approximately) **1550--1750.0/GCZ**.

In the near-term (2-4 weeks), Gold has the potential to wait until **late-October** and then enter another decline... that could force it down to **1481.0/GCZ**."

#### 10/15/11 Weekly Re-Lay:

"**Gold & Silver** have traded sideways following the steep drop that allowed Silver to reach 3-6 month support at the '4<sup>th</sup> wave of lesser degree' - the late-January 2011 low of **2641.0/SIZ**.

This drop also allowed Silver to reach a primary wave target and the intra-year low. All of this corroborated ongoing analysis that Silver had reached a major peak in **May 2011**... and would likely decline for at least 6-12 months and potentially for 1-2 years. Monthly & weekly cycles point to **late-January/early-February 2012** as the likely

target for a significant low.

Gold has neutralized its weekly uptrend multiple times, but has congested since dropping back to its previous (May 2011) peak - a critical level of resistance turned into support. It remains in a daily downtrend - as does Silver - so a secondary peak could take hold at any time.

The ideal time for this to take hold would be in the coming week when Silver has a 7-8 week low-low-high-(high) Cycle Progression. A peak and reversal lower (which could stretch as late as **October 24<sup>th</sup>**) would set the stage for a subsequent drop into **mid-to-late-December**.

Gold needs to turn its weekly trend down - with a weekly close below **1535.0/GCZ** - to confirm a 3-6 month top. In the near-term (2-4 weeks), Gold has the potential to wait until **late-October** and then enter another decline... that could force it down to **1481.0/GCZ**."

#### 10/12/11 Weekly Re-Lay Alert:

"**Gold & Silver** have traded sideways following the steep drop that allowed Silver to reach 3-6 month support at the '4<sup>th</sup> wave of lesser degree' - the late-January 2011 low of **2641.0/SIZ**.

However, they are beginning to roll over to the downside (again)...If Gold & Silver confirm a reversal lower - with daily closes below their **Sept. 26<sup>th</sup>** lows - it would project a continued, overall drop into **mid-to-late-December**.

...Gold has neutralized its weekly uptrend multiple times, but has congested since dropping back to its previous (May 2011) peak - a critical level of resistance turned into support. This is typical action for Gold, which usually reverses its weekly trend in a different manner than most other markets (one of its unique nuances).

...Gold (& Silver) have more of a panic tendency in the way they trade. They will often give an initial, accelerated move (like the one between **September 6 & 26<sup>th</sup>**) and then congest for an extended period of time.

The ensuing move - in this case, the second decline - will again be accelerated and often occur in just a few short weeks. This allows it to reverse its weekly trend and then quickly enter another

extended period of consolidation.

This is why I have previously explained that Gold & Silver often see 80% of their trending moves in 20% of the time (in which that trend is unfolding) - a unique manifestation of the '80/20 Rule'. Sometimes, it is even closer to a 90/10 relationship.

...All of this is in the context of an evolving decline - particularly in Silver, which was expected to reach a major peak in **May 2011** and then decline for at least 6-12 months and potentially for 1-2 years." IT

**Nov. 2011** - Gold joined Silver & Copper in confirming ongoing expectations (from the past decade) for a major bull market into - and a serious decline out of - a **Date with Destiny** in **2011**.

On a near-term basis, the November 2011 INSIIDE Track explained how a secondary high was/is likely in the first two weeks of **November**. This should usher in another decline into **late-Dec.** Depending on what levels are reached at that time, Gold & Silver should begin to clarify what to expect out of cycles in **2012 & 2013**.

With expectations for some big surprises leading into - or through - **2013** (bear markets in Gold, Silver & Copper, the Euro and many commodities... and a strengthening Dollar), price action will be VERY important... and revealing.

Depending on *when* Gold & Silver reach these downside targets (**1308.0/GC & 1943--1981.0/SI**), it will help gauge how much longer these bear markets continue beyond then (and if they can make it down to secondary targets, including **1185.0/GC**).

As described earlier this year, the culmination of this commodity decline could *burst the bubble* in related ETFs & ETCs... similar to what occurred in QQQs in 2000--2002.

Please refer to current/future issues of INSIIDE Track & the **Weekly Re-Lay** for updated analysis on this decisive & momentous **Date with Destiny**. IT

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