



Chart News Daily

High-Probability **GOLD** Forecasts

Friday February 18, 2011

Daily Order Flow Briefing:

► **Review:** Wednesday evening we said: "The most important price event for the Wednesday session was an **intermediate trend change** from down to up... "Tactical traders should be **buyers** on a correction to D62/T31—if validated by intraday price rejection."

► After Wednesday's Globex re-open, Gold was well-bid in both Singapore and London going into New York. In New York, Gold gapped higher on the open then **congested** around T32 for 3-4 hours prior to a spike up to D67 offers which was rejected.

► **Performance Demands:** The **minor** trend is **UP**—until proven otherwise. The performance demand to reverse the minor trend from down to up is a **multi-day** decline with price acceptance **below** T30 bids.

► The **intermediate** trend is **UP**—until proven otherwise. The performance demand to reverse the intermediate trend from up to down is consecutive daily closes **below** S19 bids.

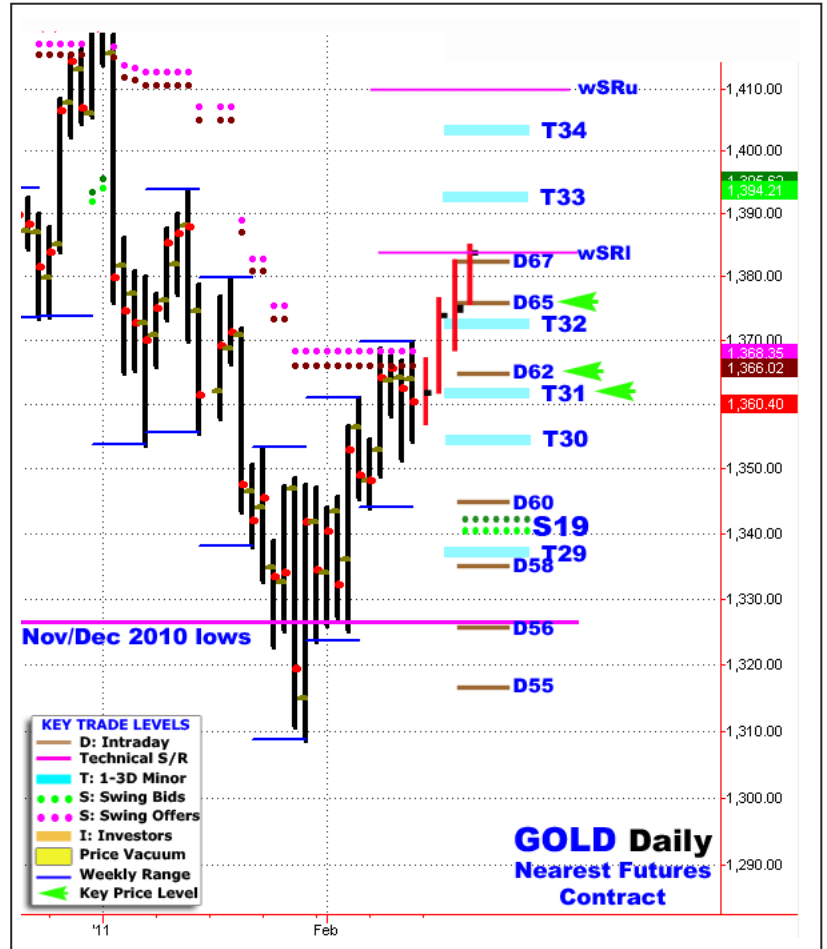
► **Foreground Perspective:** The foreground trends are both **bullish**. Gold buyers have managed an **intermediate** trend change back up from the bottom of a multi-month trading range.

► **Tells of the Tape:** Gold is bumping up into overhead resistance at D67 and wSRI. Buyers will have to gain price acceptance **above** wSRI in order to extend higher.

► **For the near-term,** tactical traders should be **buyers** on a correction to D65 or D65/T32—if validated by intraday price rejection.

► **Strategic** buyers from below \$1330 have taken partial profits against previous offers above \$1365—and should be waiting for an opportunity to add.

► **Technical S/R:** Clear weekly technical resistance is now defined overhead at wSRI and wSRu.



Actionable Price Levels

Intraday swings reverse at D-Levels:

D67 = 1382.50
 D65 = 1376.20
 --prev close--
 D62 = 1365.00
 D60 = 1345.90

1-3 Day swings reverse at T-Levels:

wSRu = 1409.50
 wSRI = 1386.60
 T33 = 1393.40
 --prev close--
 T32 = 1372.60
 T31 = 1360.50
 T30 = 1356.30
 T29 = 1337.90

Intermediate swings reverse at S-Levels:

--prev close--
 S19 = 1341.10

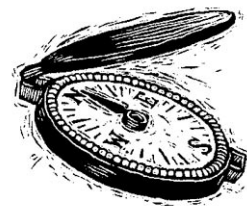
► **Counter-Trend:** No comment.

► **Background Perspective:** The operative higher time period reality is supported by **both** cyclical and secular bull markets and the foreground is currently **bullish**.

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Intermediate Trends (weekly swings):

The intermediate trend turned **up** on 2/16/2011. The **performance demand** to reverse the intermediate trend back down is consecutive daily closes **below** S19 bids.



Intermediate swings reverse at S-levels:

-- prev close --
S19 = 1341.10