

# **Oversold in Hell, Overbought in Dreams**



July 4, 2011

## **GOLD**

**May 29, 2011**

"Elliott and other forms of technical analysis of the chart on the next page suggest a possible bottom at a 140, but every time I come up with alternatives (as I must), it seems that the correction was already done...consistent with an ever-accelerating bullish pattern."

As the chart below illustrates, for now, gold's smash at week's end left a positive divergence in the stochastic. There has been neither a break of its trend-channel nor its 200-day moving average.

Given my comments in the silver section below, there is nothing that would surprise me to the upside in this one true currency.

### **GOLD daily 1-year chart:**

Please scroll down.



## ASSET ALLOCATION

The breakdown remains:

- 50% gold
- 25% Swiss Franc
- 25% US Dollar

Sid Klein