

(GC #F - GOLD,D) Dynamic,0:00-24:00

MA(10,C)s
 MA(20,C)s
 MA(40,C)s
 MA(50,C)s
Comex Continuous Gold
Daily Chart September 9



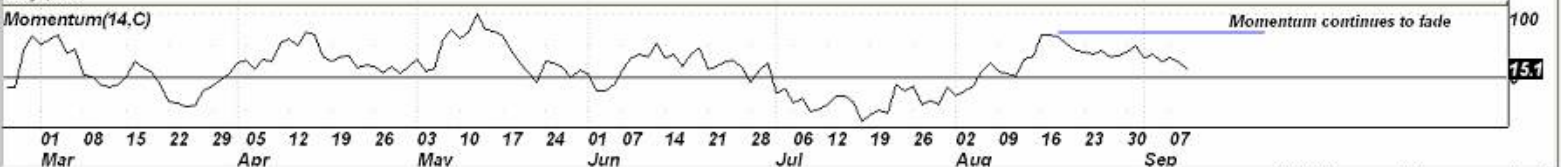
Yesterday's failure to break into new record high territory and today's inability to make any further upside progress early in the session generated selling by stale longs and opportunistic short sellers looking to pick a top.

The bogus unemployment numbers had a majority of investors feeling euphoric to the point of believing that the worst of the economy's woes are now behind us so gold was dumped and equities were bought. Bonds also were unloaded.

The level near \$1260 has now been reinforced as major chart resistance which will require a strong penetration on the part of the bulls to kick off the next leg higher.

We are watching to see where support develops to the downside. So far the rising 10 day moving average is providing some light support but stronger support lies closer to the 1238 - 1235 region.

The waning momentum indicator indicates the strong resistance being provided by the bullion banks to prevent an upside penetration of \$1,260.



Momentum continues to fade