ANATOLIA CAPITAL

Forecast

Day	Flat
Week	Flat
Month	Down
1 Year +	Flat

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Short-term indicators signal lower, medium-long-term indicators signal higher gold.

- Gold prices continue to approach their 50-week moving average (Chart 1, Top Panel, Orange Line)
- In the same period, CFTC data show that the retreat in the net positions of speculators continues. (Chart 1, Top Panel, Dark Blue Line)
- The fact that the stochastic indicator of the gold price and net long positions, shown with the orange line in the lower panels of the chart, suggests that the gold price should continue to rest a little.
- On the other hand, the upward trend of the volatility indicator for net long positions, shown by the red line in the bottom panel of Chart 1, supports the expectation that net long positions may decline.
- From a fundamental perspective, it strengthens the expectations that gold will recover and rise again, at least in the medium and long term.
- It is noteworthy that gold maintains its upward trend despite the rise in the Dollar Index, as shown by the green line in Chart 2. This suggests possible retreat of the Dolar Index may stop gold from falling further.
- The fact that the difference in 2-10 year inflation expectations, notably the 2-10 years horizon Zero Coupon Inflation Swap spread, a leading indicator of the fate of the dollar index, may increase in favor of 10-year maturities - chart 2, blue line - such that Dollar Index may stop its transitory rise and resume its decline going forward.
- Finally, considering that the convenience yield, shown by the orange line in Graph 2, has been at negative values - at-0.034 - for a long time, it is possible to say that gold will first break the resistance at the level of 2730 USD/ounce, then climb to 2800 USD and above after waiting weakly for a while.

Conclusion: Unless the gold closes below the $ 2612 / ounce level during the week, it can be expected to buy at $ 2622 / ounce.
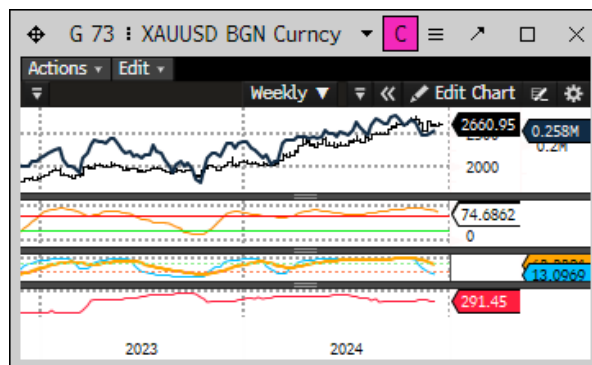
Chart #1

Chart #2