

How Gold will Perform During the Stock Market's Grand Supercycle Degree Wave {IV} Down Bear Market

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The U.S. and Global Stock Market has started a powerful Grand Supercycle degree Bear market decline, which could last for years. This is a Bear market correcting a multi-century Grand Supercycle degree Bull Market, which ended in February 2020.

Gold is inside a long-term Bull market. It is real money, has been for several Millenia. Central banks around the globe will be printing money as fast as their 5G high frequency microwave computers can deliver, to try and ward off this developing and deepening Global economic Recession, possibly Depression.

As the supply of fiat currencies rise, the per ounce price of Gold will as well. Simple math. But with Coronavirus fears and tears escalating, Gold is a safe haven in a world of ever-increasing uncertainty. One fundamental headwind for Gold will be declining supply and demand for electronics that use Gold metal as a conductor. However, the monetary inflation and safe haven drivers will supersede the decline in industrial usage. The Elliott Wave mapping is in tune with these fundamental facts. Let's take a look at some charts.

First let's see what is going on in the stock market, using the Dow Industrials as a proxy, and then we will look at Gold's charts.

Confirming the Dangerous warning from the multi-decade Jaws of Death pattern presented in my book, *The Coming Economic Ice Age*, is a **simultaneous multi-decade massive Rising Bearish Wedge pattern. This pattern is finished here in 2020 as seen in our first chart.**



These two patterns give definitive downside price targets once complete, and it very much appears that they are complete. The huge Megaphone Jaws of Death pattern shown above projects a price drop to the declining bottom trend-line boundary, which is around 4,000ish for the Industrials. The Rising Bearish Wedge also gives a definitive downside price target, the level where the pattern started, which is around 1,500ish. Spectacular downside targets which suggest a Great Depression is coming.

This Rising Bearish pattern is Cycle degree wave **V**-up, which completes Supercycle degree **(V)** up and Grand Supercycle degree wave **{III}** up.

These patterns suggest a market collapse is starting now. The size of this decline suggests major financial and political changes are coming, perhaps war, and population reducing pestilence. An apocalypse scenario is possible.

This next chart, gives a closer eye snapshot of what damage we can

expect from the initial stage of Grand Supercycle degree wave {IV} down. The Bear market will decline in stages, in waves, down hard, followed by a partial retracement, and then down hard again, then another partial retracement, and so on, a sequence of lower highs and lower lows over time.



The Industrials finished (E) Up. This Megaphone Top pattern gives a downside price target of 19,000ish, the point where they fall to the declining bottom boundary line.



Here is a closer look at the smaller Megaphone top pattern inside the larger one shown above. It has an initial downside price target of 23,000ish.

Above is an even closer view of the shorter-term Stock Market decline. These Megaphone, a.k.a. Jaws of Death, patterns do a very good job of identifying downside price targets that eventually are reached.

Now let's look at Gold's chart:



Gold is rising inside Minuette degree wave **i** up of Minor degree wave **3**-up. It has completed Micro degree waves **1** through **4**, and is inside subwave **5**-up. Because wave fives are the most dramatic waves for precious metals and Mining stocks, this Micro wave **5**-up should be larger and last longer than its wave **3**-up move from earlier in 2019.

The point here is Gold has a long way to go to the upside, over the coming months and years. It still has Minor degree wave **5**-up in its future, and that wave will be one powerful rally, as again, wave fives are the most dramatic, and further, that is a larger degree wave move than the Micro degree wave **5**-up move underway now.

At McHugh's www.technicalindicatorindex.com we track the short-term waves that make up these larger degree trends, and chart them

in our forecast newsletters, and have developed several proprietary Buy/Sell indicators that help us identify when the next significant move is starting for Gold, Silver and Mining stocks, and in which direction the move will develop. We publish these indicators in every Daily Newsletter to subscribers.