

Gold's 1650 Upside Price Target

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Gold has many reasons for value, as it is an inflation hedge, and a safe haven, is a precious metal, acts as a currency, is a key component in electronics, and even has medicinal usage in the homeopathic world.

All of the above is fundamental reason enough to forecast a higher price for Gold. The stock market is about to enter a Bear Market, global and U.S. economies are about to go kaput, the fiat currencies are entering a devaluation war, Quantitative Easing is about to reenter the discussion, geopolitical risks are rising, plagues are returning, and soon gold will be important as a means of exchange.

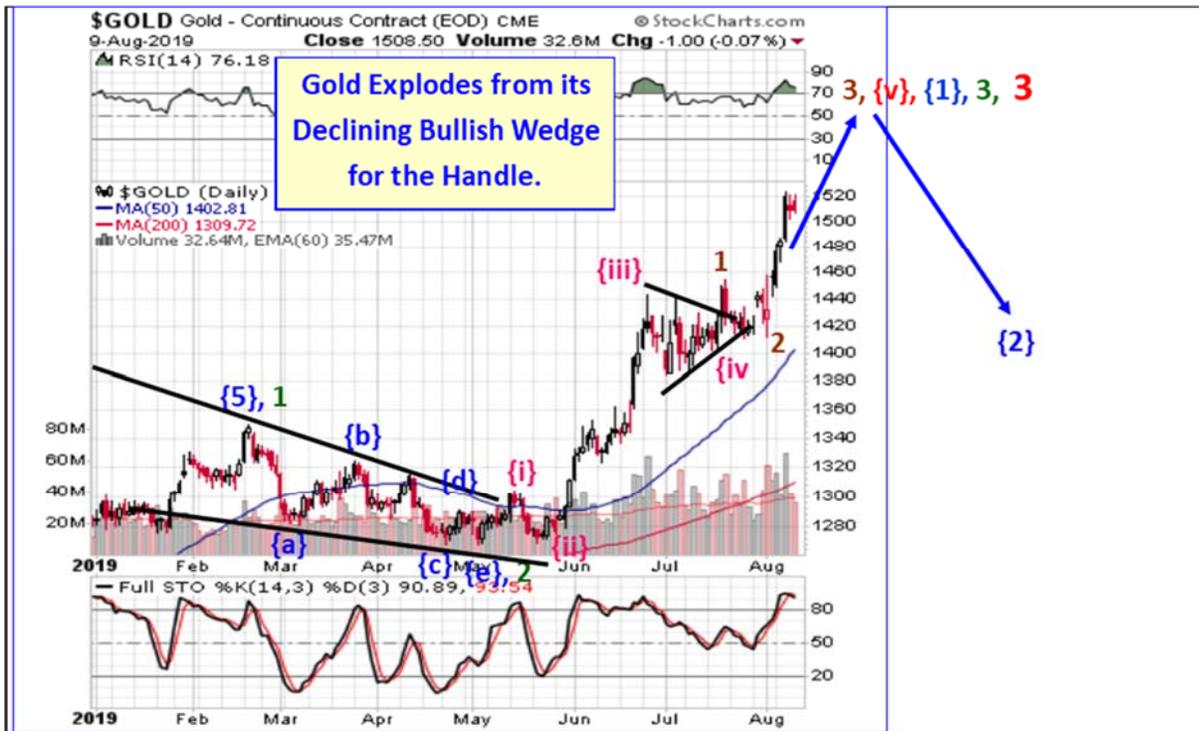
As for the technical picture this weekend, we see that Gold catapulted as expected from several Bullish patterns we have been tracking over the past year. Those same patterns are telling us an initial upside price target of 1650 is likely. That could be a possible place for Gold's Bull market to pause, but after the pause, more upside will follow.

Gold popped out of an Ascending Bullish Wedge. What is nice about this pattern is that it gives us an upside price target, in this case 1,650ish. We also annotated the current Elliott Wave mapping for Gold overlapping this pattern. Gold is now inside wave 3-up. However, in precious metals, the most dramatic moves are wave 5's now 3's like we see for stocks. This means Gold will be headed far above 1650 after it pauses around that level.



This next chart shows a different pattern for Gold, an inverse Head &

Shoulders bottom pattern from way back in 2013. This independent pattern, a second opinion so to speak, also has the same upside price target of 1650ish.



Currently, Gold is working through its smaller degree wave {v} up inside wave 3 up. It is possible the above labeling could be one degree higher than shown here, and that Gold is inside wave {5} up of 3-up, which should top around 1650ish. Then Gold should pause in wave 4-down, before rising in a powerful wave 5-up taking Gold above 2,000.

In previous posts we showed Gold finishing a Bullish Cup and Handle pattern that also gave us an independent third pattern with the same 1650 upside price target. Things are shaping up nicely for Gold Bugs.

At McHugh's www.technicalindicatorindex.com we have developed several proprietary indicators that help us identify when the next significant move is starting for Mining stocks, and in which direction the move will develop. We publish these indicators in every Daily

Newsletter to subscribers.