

Gold's Handle Forms a Bullish Declining Wedge inside Gold's Cup and Handle Pattern

By Robert McHugh, Ph.D.

May 5th, 2019

Gold is setting up for a strong rising trend. Gold has formed a Cup and Handle Bullish pattern, and is now inside the Handle portion of the pattern.



Interestingly, the Handle has formed a Bullish Declining Wedge pattern, further confirming the probability that a large upside breakout is coming in Gold. Once this Wedge finishes, the initial upside price target for Gold is 1350ish. The Cup and Handle pattern has a further upside price target of 1,600ish. The Wedge is close to completion, which means the Handle is close to completion, so this upside breakout is not far off.



For the big picture, Gold completed a lengthy 3-3-5 Flat pattern, a corrective move from 2016, within a large degree rising trend. This Flat is

wave 2-down shown in the chart below. Starting last summer, Gold began what will be a huge rally leg, wave 3-up. It completed the first subwave 1-up of 3-up, and over the past few months here in 2019 it is working through subwave 2-down of large degree 3-up, the Handle.

Confirming this forecast is another Bullish pattern evident for Gold, a huge inverse Head & Shoulders bottom. It has a defined upside price target of 1,600. A breakout above the neckline, above 1375 would be very Bullish.



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.

