Technical Speculator

Timely Analysis for the Informed Investor

MARKETS - COMMODITIES - CURRENCIES

August 2019



Commodities

Rush for safe havens good for gold, \$US

KEY POINTS:

- Commodity Research Bureau (CRB) Index continues to base build; third retest of 168
- Deflationary assets continue to outperform inflationary assets
- Oil prices slowly starting to recover
- Weakness continues for gasoline prices
- Natural-gas prices stabilize after reaching target
- 'Safe haven' rush has pushed gold to overbought
- More time needed to find a base for copper prices
- Safe haven U.S. dollar slowly rising; likely top at \$0.985

CRB outlook: Long-term base 🗇

Outlook neutral/negative: The CRB is retesting, again, the long-term base of 166 to 168. This is now the third test.

			4 Close	168.61 C l	hg -1.80 (-1.05%)▼
M RSI(14) 33.61						90
						70
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" VVV			~ \	\sim	\sim	(33.61
						10
₩\$CRB (Weekly) 168.61		206.95				207.5
—MA(50) 182.32 ■N Volume undef		T Y				205.0
	201.19	9 L /	201.72			202.5
	Y	A PAGE	- In			200.0
196.36		[* * 1]				197.5
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3.01	A bounce			₩ [™]	''', ' ''	177.5
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1	Sep	tember.		U.		172.5
				-1	172.02	170.0
<mark>"</mark>				' 168.21		168.61
166.48				200121	167.38	165.0
Oct 17 Apr Jul	Oct 18	Apr Ju	l Oct	19 /	Apr Jul Od	t

	Since Last Month	<u>Year to</u> Date	Since Inception Mid-2003
TS Model			·
Portfolio	-0.82%	18.81%	467.30%
S&P 500	-0.88%	16.99%	192.60%

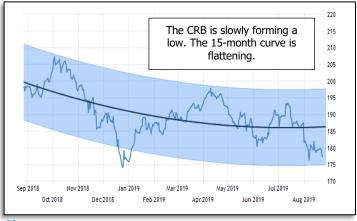
16-year average for the TS Model Portfolio: 12.09% 16-year average for the S&P 500: 6.85%

https://www.technicalspeculator.com/services/ts-modelgrowth-portfolios

New dividend income portfolio launched: 6.66% yield

A short-term bounce is likely from these levels. Any recoil is expected to stall at the 50-week moving average (m/a). Buying momentum (Relative Strength Index [RSI]) is negative (not confirming). More base-building is anticipated early in the 4th quarter (Q4). ($\bf Chart\ 1$).

Fifteen-month curve-fitting models are starting to show the CRB in a bottoming trend. Resistance is expected to build as the index nears the medium line (187). Some additional price weakness is expected into October (**Chart 1a**).



Chart