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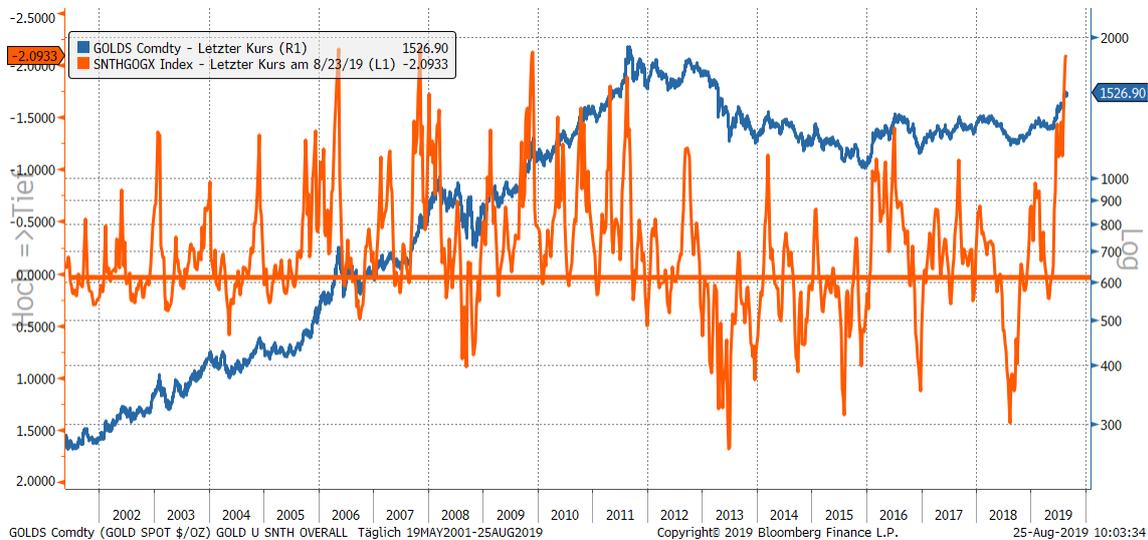
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Gold correction ante portas

In the current weekly analysis, we have highlighted the sentix risk radar to gold. With a value of -2.1 standard deviations, gold has a high risk according to this indicator. The indicator evaluates the factors sentiment, positioning, overconfidence, deviation from the moving average and the RSI indicator. The following chart shows once again the risk index for gold over time:

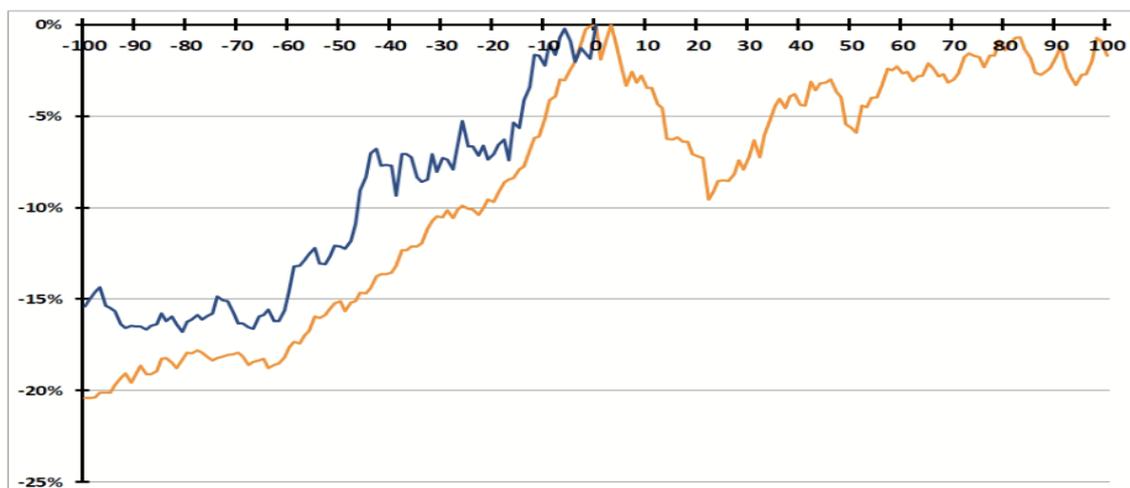


sentix Risk Radar Overall Index for Gold and Gold Price (in USD)

The graph shows that such an index level is a rare event. An index value of -2 or lower was measured only five times. A statistical statement is therefore difficult, but in the following we will look at the pattern that leads to the formation of such an indicator value, as well as the performance that gold has shown after a corresponding indicator signal.

In the following chart, the orange line marks the average trend of the gold price before and after the day on which the indicator shows a value of -2 or less. This day is "Day 0" on the chart. For such a strong risk situation to arise, not only sentiment and positioning, but also the medium-term market technique must be heavily overbought. This is rare and, in the past, required an increase in the gold price of around 20% within 100 trading days (approx. half a calendar year).

Such an overbought market situation then leads to an "average" correction of up to 10% (!) within 20 trading days. At the same time - and the chart also shows this - in the past it was not a sustainable high, but the gold price reached the previous peaks on average after another 80 trading days.



sentix Risk Radar Overall Index for Gold: Average Development with Value < -2 and Current Signal

The blue line marks the development that led to the formation of the corresponding sentix risk radar indicator value in the current case. This time it was a 17% rise within 90 trading days, roughly the average pattern, that formed the signal. The pattern is relatively "typical", therefore one should assume a corresponding correction risk in the next 4-6 weeks.

It is less about a concrete forecast than about the pattern. The statistical basis is too small. Only 5 events in 18 years, that is little. On the other hand, in the capital markets and in sentiment analysis, it is mostly about the interesting "individual cases" that enable an investor to stand out from the crowd with a clever decision.

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