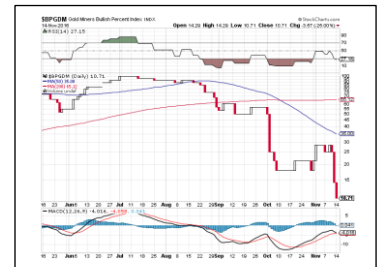


I LOVE YOU, I LOVE YOU NOT - the normal manic - depressive lunacy of investors is on display across the Precious Metals sector again in time honored fashion. After being "foaming at the mouth" bullish early in July, now many investors won't touch gold stocks with a 10 foot pole. That can only mean one thing, given that we are still definitely in a long-term uptrend - IT'S TIME TO BUY THE SECTOR AGAIN.



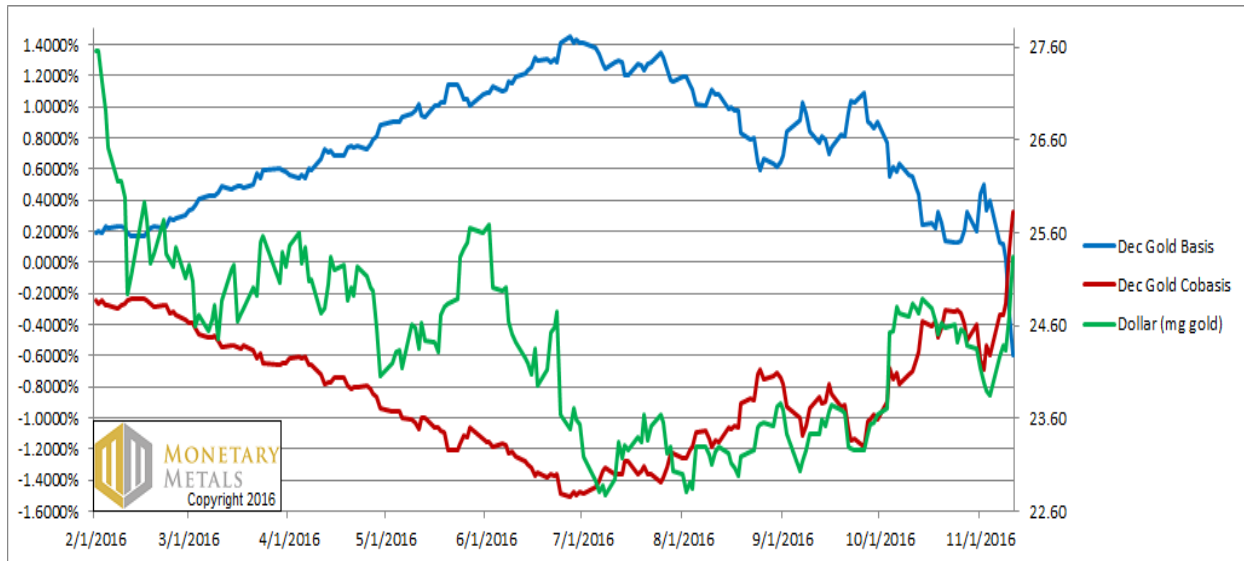
This an example of the swings in sentiment. About 100% bullish in early July after being less than 12% bullish in Late Jan. and now (Nov. 14th, 2016) Near 10% bullish as prices made new lows today. Gold has 7% bullish consensus



So now the BPGDM is near 11% bullish or back to the major lows in late Jan.
 Sentiment follows price then makes extremes which foreshadow a turn—eventually.

I STAND CORRECTED - while it is easy to think that the red downtrend channel shown here will remain in force, various factors point to GDXX breaking out upside from this channel soon. One is the possibility of a larger order parallel channel existing similar to the one in gold itself, another is the proximity of strong support, which arrested the decline early this month, and yet another very important factor is that, as we'll see on another chart, gold stocks are right out of favor again now, at a time when seasonal factors are turning positive. WHAT ALL THIS MEANS FOLKS IS THAT IT'S TIME TO BUY AGAIN.





The red line represents gold's cobasis which indicates scarcity. The fundamental gold supply is withdrawing from the market as the dollar rises in terms of milligrams of gold.

The market may not turn on a dime, but over the next week or two, we should see a turn.