

Gold: Top in USDCNH to usher in the bottom in Gold

Gold



Strong negative correlation between Gold and USDCNH since December 2016. Thus, with the current bearish price action in USDCNH expect further downside in USDCNH. That should lead to a reversal higher in Gold.

USDCNH (Offshore Yuan)



Shooting star rejection off the 6.93 critical resistance area suggest a reversal lower next. Could be seeing a top here in USDCNH.