

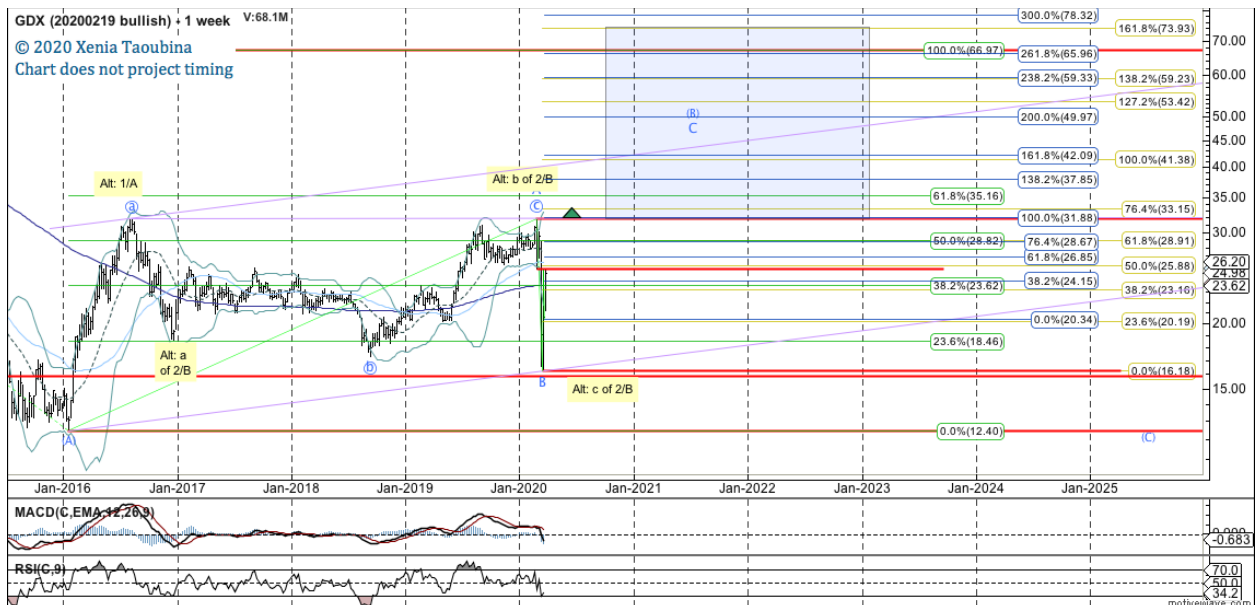


Xenia's Daily Market Analysis

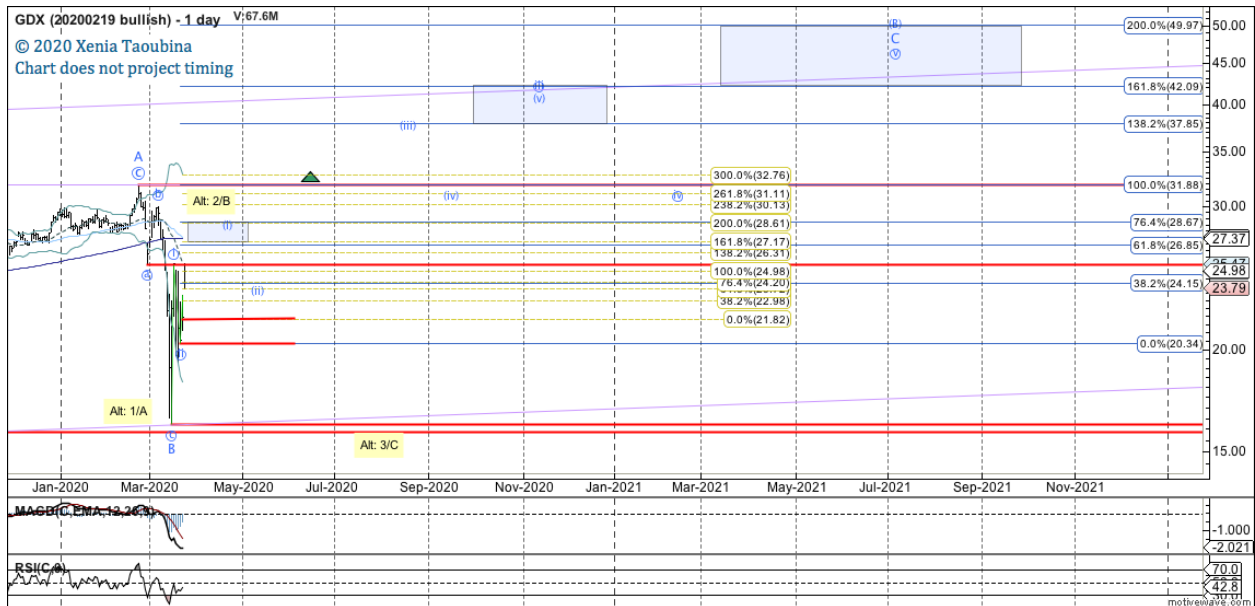
March 24, 2020

GDX

Big picture (weekly chart), GDX's swift reversal back to the 25 area resistance makes the most bearish interpretation of the pattern unlikely, favoring 2020 decline to be either wave B in a corrective rally (labeled as primary), or wave c of (2)/(B) (labeled as Alt). To favor the primary count, GDX needs to hold over 16.18, and stage a sustained rally over 25.36, and to confirm it, it needs to continue over 31.84. IF such sequence is seen, structure will favor a rally to the 41 area and potentially, as high as 49.97. Reversing below 16.18, at this point, will put last-chance support at 12.40.



Zooming in (daily chart), GDX staged a massively extended three-wave decline, followed by an impulsive rally off the March low with proportions which favored the decline off Feb high to be complete. Such impulse favors upside continuation, and it appears that we are in the midst of such upside continuation (discussed on the next page). While upside continuation is favored, it will take a break over 31.84 to confirm that such upside continuation is wave C/3 up (primary count). Conversely, reversing below 20.34, at this point, will open up potential to a break below 16.18.



Zooming in further yet (intraday chart), with today's breach of 25.36, most directly bearish interpretations became unlikely. For as long as GDX holds 21.82, and ideally holds 23.79, higher is favored, with standard target of 27.17-28.61. A top in that zone will be expected to complete wave i of circle-iii, or alternatively, wave c of a corrective bounce. IF this zone is broken in a strong move, it will open up potential that GDX is in the heart of wave circle-iii, though to make such interpretation likely, GDX will need over 31.84 (count not labeled). Conversely, IF a break below 21.82 is seen, it will favor rally off March 20 low to have failed, with 20.84 as minimum downside target (not labeled).

