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of weeks. This behavior is really interesting as it mimics this indicator's precedent near the end of the enormous mid-2002 gold-stock rally shown above. Back then Gold 50/200 MACD neutrality flashed just as the HUI was about to enter its final vertical blowoff stage to a new bull-to-date interim high before a healthy correction.

Also provocative, note above how this indicator never tops until well after the major gold up leg it is marking ends and corrects. This is due to the inherent lagging nature of the moving averages, which trail actual prices considerably in reacting to short-term trend changes. While the Gold 50/200 MACD could certainly head higher, odds are that once it tops the interim top in gold and gold stocks will have already been officially carved some weeks earlier.

Trading this Gold 50/200 MACD

neutrality signal is easy for speculators. All you have to do is stop deploying any new gold-stock positions once the 5% neutrality level is breached to the upside. You are going to have to be a contrarian with considerable discipline to pull this off however, as the short-term gold-stock euphoria is always deafening and ragingly bullish near these periodic short-term interim tops.

As far as your open gold-stock positions that you consider tradable speculations, you don't have to worry about selling outright when Gold 50/200 MACD neutrality is hit. In Great Bull markets like this one in gold, unforeseen major moves have the highest probability of exploding to the upside, so there is no sense in selling out any earlier than necessary since that temporarily ends your speculative upside exposure.

Instead, I just recommend that speculators raise their trailing stop losses when neutrality signals flash.

Personally, I run my own stops at 20% trailing when I first buy a gold stock and then ratchet them up to 10% trailing or maybe even a little higher once these technical neutral signals flash. This grants me a good chance of catching any unforeseen upside breakout while at the same time limiting the risk to my unrealized profits when an inevitable pull-back in gold stocks commences.

Naturally you can tailor your own stops to your own risk tolerance as well as the volatility and risk of your own individually chosen gold-stock speculations, but the important principle to realize is that stops should be raised when neutral signals flash. This is a cautionary preemptive step that forms a crucial foundational cornerstone of the prudent management of our scarce and valuable short-term speculative capital.

Although I use it as a gold-stock trading indicator, the Gold 50/200 MACD obviously keys off the pri-

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Founded in 1965 by the company's current CEO, Cusac Gold Mines Ltd has gathered a large following of over 10,000 gold investors from all over the world.

Still going strong and fresh with new financing and reserves, Cusac is looking to reopen its historic, 100% owned and operated Northern BC producer the Table Mountain Gold Mine. Table Mountain is a fully permitted operation with a modern 300 ton per day mill and supporting infrastructure that is ready to go with minimal start-up costs.

A Producing Explorer

Cusac's will leverage its knowledge and expertise to extract current gold reserves and resources in a highly cost effective manner. The well-maintained infrastructure at Table Mountain enables Cusac to recommence production with minimal capital costs. Completely unhedged, Cusac is in a position to exploit future upward movements in gold prices and has the poten-

tial reinvest any profits in developing new reserves, lowering the need for further equity dilution.

Blue Sky

Table Mountain is a high-grade underground gold producer where all of the historic production has come from veins and other structures relatively near surface. No drilling has been done substantially below the current workings. Management, based on the recommendations of some of the world's leading gold geologists, believe there is significant potential for a completely new ore body to be discovered below current mine workings. Deep drilling is planned for the coming exploration season to test this potential.

For further information about Cusac, visit www.cusac.com. Be sure to join our mailing list for instant news updates. Also, please feel free to call 1-800-670-6570 with questions or to request a free investor kit.



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