

## Gold Price Breaks the 20-Day Line

*Pretoria, April 10, 2025* – In recent weeks, gold prices have recorded a remarkable increase, pushing them significantly above the 20-day moving average. This technical indicator is often used by traders as a benchmark for short-term market trends.



## New Record Highs Driven by Global Uncertainties and Technical Indicators

On April 9, 2025, gold futures reached a price of USD 3,110.50 per ounce, close to the previous record high of USD 3,139.90 on April 2. This rise is attributed to several factors, including geopolitical tensions, inflation concerns, and increased demand for safety.

Technical analyses show that gold is currently trading above key moving averages such as the 20-day and 50-day lines. This indicates a continued upward trend. However, some analysts are warning of short-term pullbacks – for instance, due to the so-called “Shooting Star” candlestick pattern, which is considered a warning signal in chart analysis. It describes a candle with a long upper shadow and a small body, which often appears at the end of an upward trend – a possible sign of an impending trend reversal.

## Short-Term Corrections and the Relative Strength Index

Even though short-term downward movements may occur, experts do not consider them alarming. Rather, they are seen as healthy consolidation phases within an overall intact uptrend. Such pullbacks often provide favorable entry opportunities for new investors. The key point is that the gold price remains above the 20-day line – a sign of the strength of the current trend.

Another important technical indicator is the Relative Strength Index (RSI). It measures the strength and speed of price movements on a scale from 0 to 100. Values above 70 often indicate an “overbought” market – meaning that the price has risen too sharply in the short term and a correction is likely. The current RSI for gold is clearly above this level, which suggests a temporary price weakness. Nevertheless, as long as the upward trend remains intact, such movements are not unusual.

## Macroeconomic Developments Support Gold

In addition to technical factors, global events also play a major role. For example, recent announcements by the U.S. government regarding new trade tariffs have increased demand for gold. Investors are increasingly seeking stable alternatives in an uncertain economic environment.

## Conclusion: Positive Trend with Healthy Correction Dynamics

Overall, both technical and fundamental indicators suggest that gold continues to trade above the 20-day line. Short-term pullbacks are possible, but not alarming – they are part of the natural course of a strong trend.