GOLD & SILVER: Bottoms Are A Process But Tops Are An Event

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JAN 23, 2026 · PAID

I'm Looking For That Event…

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With markets (SPX): tops are a process and bottoms are an event - read: policy intervention to backstop falling equities & bonds.

This is not the case with GOLD & SILVER. It's the exact opposite: Bottoms are a process and tops are an event.

1980s Mega Gold & Silver Bubble

Not shown on this chart is the fact the US went off the gold standard in 1971 which did see appreciation from $35 to near $208 by 1978 before it exploded in 1979 to $600. By January 1980, gold had reached $850/oz before crashing lower over 50% when Fed Chair Paul Volker raised interest rates aggressively.

Inflation peaked triggered by the “Volker Shock” and a strong dollar which was triggered by the tighter monetary policy making gold more expensive for foreign buyers. The bursting of the speculative bubble was busted by falling inflation and global stability.

Now, that advance is looked back on now as a wild run - equal to **2,300%**, a more than 22-fold increase, which was far outpacing inflation even at its highs (with 20% interest rates). But the nation was in the gribs of a massive inflationary wave led by an oil crises with geopolitical instability, stagflation, loose monetary policy and negative real interest rates. It just had to run its course of speculation.

The bear market in gold and silver lasted for over 20 years.

The 2001 - 2012 Gold & Silver Bubble

Between 2000 and 2011, the price of gold experienced a historic bull market, rising from roughly **$280 per ounce** at the start of 2000 to over **$1,800 per ounce** by August 2011. Overall, gold increased by over 600% during this period.

Lots of good reasons for this advance:

- **9/11 Terrorist Attacks (2001):** Triggered increased safe-haven demand for gold.
- **Weakening U.S. Dollar:** Loose monetary policy from the Federal Reserve, which dropped interest rates from 6.5% in 2000 to 1% in 2003, weakened the dollar and boosting gold.
- **The Global Financial Crisis (2008-2009):** The subprime mortgage collapse and subsequent banking crisis caused a massive, “gold-buying frenzy” as investors fled to safety.
- The **Quantitative Easing (QE)** that resulted.

Gold started to fall in August 2011 - 2012 on ...

- US improving economic data so the safety trade was reversing
- A stronger dollar
- European Sovereign Debt Crisis ended when Mario Draghi said the famous "whatever it takes" phrase on **July 26, 2012**, in a speech promising the European Central Bank (ECB) would do "whatever it takes to preserve the euro".

But the actual top in precious metals in August 2011...

- **CME Margin Hikes:** Following a rapid rise toward $1,900/oz, the CME raised margin requirements for gold and silver, which increased the cost of trading, reduced liquidity, and triggered profit-taking.
- **Fed Disappointment:** On August 5, 2011, Federal Reserve Chairman Ben Bernanke did not announce a significant new round of quantitative easing (money printing) that many market participants had expected.
- **Resolution of the Debt Ceiling:** The passage of the Budget Control Act of 2011 on August 2, which raised the U.S. debt ceiling, removed some of the uncertainty that had driven safe-haven flows into gold.
- **Liquidity Squeeze:** As other asset classes fell (such as the 10.7% drop in the S&P 500), ***investors liquidated their winning gold positions to cover losses in other areas.***

Remember that last point for future reference: Gold is a collateral trade ;-)

Also note, there is NO MENTION in my lists above - in either bubble - of gold & silver in a supply deficit. So this time really is different in that regard, but the mania surrounding this narrative is not - at least not for Silver ;-)

2023 - ??? Gold & Silver Bubble Market Timing Calls

With that mini backgrounder out of the way on the last two mega bubbles, and before I get into why I am writing this warning, I need to remind I have recommended gold, silver, miners & other precious and industrial metals strongly throughout 2025. But it started in November 2023 after the Nov 1st “Fed Pause & Yellen Yahtzee” that ensured both equities & metals would catch a bid.

After that… I was very, very bullish and posted a placeholder with ALL the charts & miners I liked in April 2024 - calling the precious metal & miner trade a “monster sector rotation”:

Samantha LaDuc Apr 5th, 2024 at 11:28 PM
Gold & Silver Miner Update - Pls Bookmark

LaDuc TRADING

There will be volatility in the space, but big picture, there is A LOT of liquidity flowing into the physical gold + silver market for multiple macro reasons, so in turn many miners should continue to be bid. Some are more justified than others. I am focused on highest conviction plays.

To date, I have reviewed continuous contract gold, GLD, SLV, GDX and many, many miners - DAILY IN MY LIVE TRADING ROOM for clients.
This review highlights the charts I like best; it is not exhaustive and does not cover fundamental analysis just opinions!

My goal is to expand upon it over time but to offer up at the a core group of annotated charts to help you navigate this monster sector rotation.

A Brief Review

Gold via GLD formed a fabulous morning star reversal pattern on the weekly back in Oct 2023 - indicating a trend reversal.
Then it went sideways Dec-Feb before breaking out on March 1st when I got very excited about gold AND warned, in a detailed client posts, that Nasdaq would stop moving higher as gold catches a bed. Since then: GLD is +14%. It does not look done. In fact, it is a trend breakout - one of my most favorite chart patterns for my TREND-LONG-ONLY portfolio because they can can last many months if not years.

Silver via SLV also bottomed in Oct but didn't really move until Mon March 4th when it gapped above its 200D. Soon after I added it to my Swing Long portfolio on March 6th where it proceeded to break higher, pullback and then Thursday March 28th, Geoffrey warned (after market closed ahead of the long Easter weekend) that silver was about to squeeze. Man, did it: 10% in one week. I posted that alert here.

A Look Forward

After some digestion, or potential Fed/Treasury intervention in dollar/yields that triggers LIFO profit taking in the precious metal stocks, I expect we will see a sustained level of support in this sector as gold is now serving as a way for foreign central banks to circumvent the US dollar. Gold's use as a an "FX neutral reserve currency", as Craig has pointed out, will help many miners to now see higher profitability - now and in the future.

I say many miners will benefit, but it's important to keep in mind why some miners are more responsive to a rising gold & silver price.

The mining companies most leveraged to gold are the most "marginal" - meaning that high cost producers benefit from rising gold & silver prices as it helps their margins increase ***faster than more efficient producers.***

Let’s zoom in on the macro & fundamental reasons I gave:

Ironically, the chronic underperformance of mining companies is why they have been left-for-dead by many active traders let alone passive investors.
And that is likely why I am most excited about this sector.

LaDuc TRADING

1. Foreign Central Banks will not stop converting USD for gold as long as US is in Fiscal Dominance. Debasement of the dollar is bullish gold.
2. Gold is at ATH nominally, but not relative to USD. It has room to move much higher relative to history.
3. Central Bankers need gold (not gold equities) to circumvent USD, but gold/silver stocks will appreciate nominally as the underlying prices rise.
4. Gold & Silver chasers will point to the $35 to $850 gold run during the 1970s, when stagflation occurred in the US during an inflationary wave. ✅
5. Investor expectations are currently extremely low for miners, which is a great set up for my mantra that ***Outliers Revert With Velocity.*** 🎯

APRIL 5, 2024

Then again in ***June 2025*** preparing clients for the next leg higher with my mantra:

METALS ARE THE NEW OIL

Which also supported my repeated mantra that:

DOLLAR DEVALUATION IS A FEATURE NOT A BUG

I even gave you **The Macro-Trend Dollar-Trade Playbook** last year that was very supportive of gold as well:

The Macro-Trend Dollar-Trade Playbook **JULY 2025**

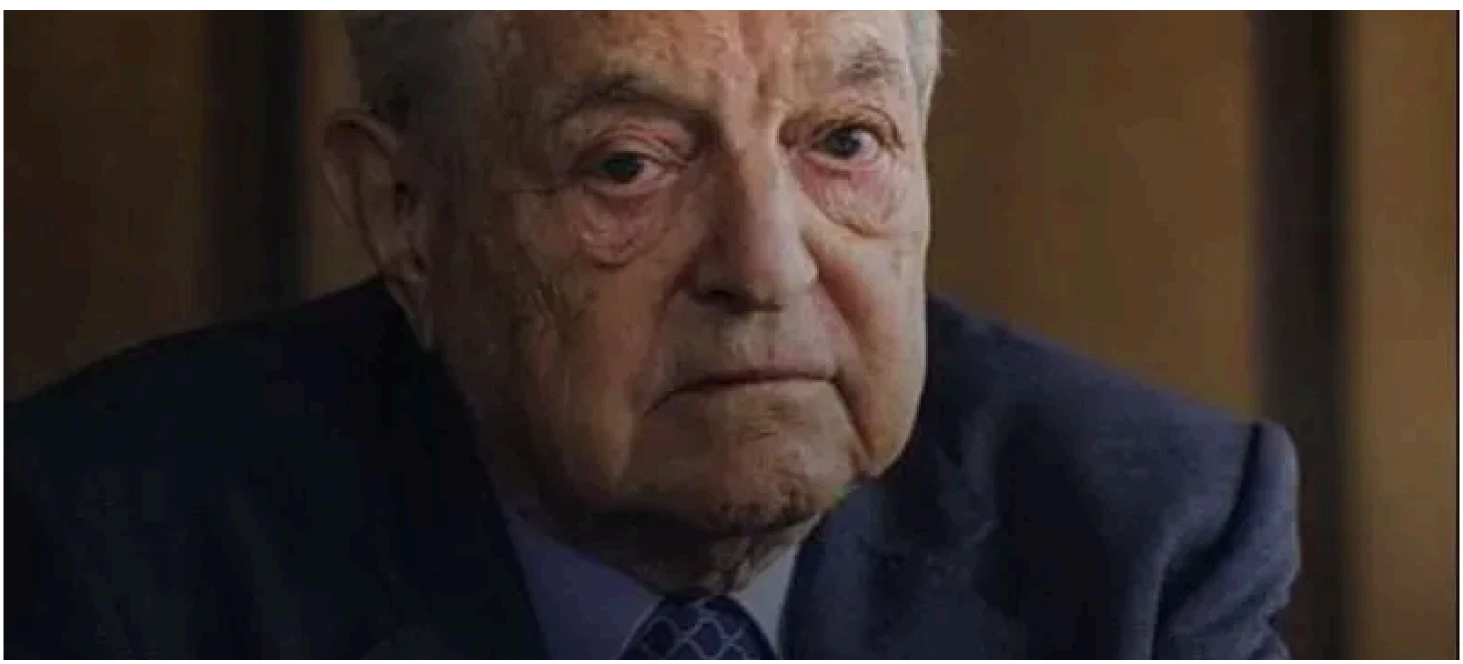
LaDuc TRADING

1. Short USD until signs of Fiscal Dominance reverses and US transitions to a system where we produce more than we spend.
2. Long gold, silver & select commodities (not oil) until US trade is balanced +/or fiscal restructuring.
3. Short longer-duration bonds until the 10Y2Y yield curve gets to +90bp.
4. Long equities during slow FX debasement with focus on real assets (that benefit from inflation). My THINGS OVER PAPER theme since summer 2020.
5. Short equities & especially crypto during fast FX debasement as foreign capital flight ensues.

Fast forward to September 2025 when I was still bullish but warned…

Metals Squeeze →Funding Stress → Rotation To USD

SAMANTHA LADUC • OCTOBER 9, 2025



Let's talk about your dollar & precious metal trades…

Read full story →

Immediately after my warning, gold suffered a FIVE STANDARD DEVIATION MOVE.

It’s Not About A Dollar Bounce This Time!!

I am not warning clients because EVERYONE is bullish now and I want to be contrarian. In fact, I always try to laywer the bullish & bearish perspective on every macro, sector and stock recommendation I make for clients.

The bulls have been right & for many of the right reasons, until the trade becomes too crowded. Then this happens.

1. METAL SQUEEZE TRIGGERS
2. FUNDING STRESS TRIGGERS
3. AND/OR ***NARRATIVE STRESS*** TRIGGERS
4. = PARABOLA BREAKDOWN OF TRAPPED LONGS TRIGGERS
5. & SECTOR VOLATILITY & LIQUIDATION TRIGGERS

Let’s talk about the NARRATIVE STRESSORS…

Silver Mania Is Real For Trapped Longs

Macro Liquidity by Sunil Reddy
@Macrobysunil

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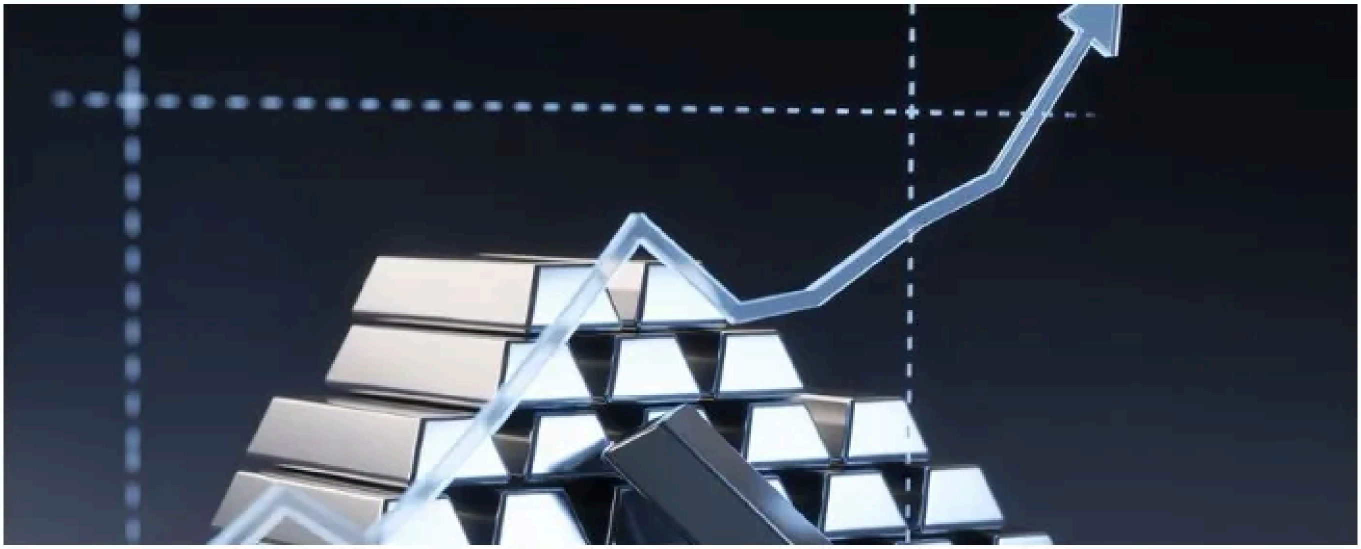


The Silver Options Market Is Bracing for a Sudden Upside Repricing

Silver mania IS real. Sunil has a great point in his post, so know that my warning is not to fight this mania by prematurely shorting but that ...

PARABOLAS ARE TRAPPED LONGS THAT TRIGGER VOLATILITY

& LIQUIDATION EVENTS

Sunil & I agree,

> **"When the silver options market prices a sudden vertical repricing, it is not forecasting momentum, it is warning of an air-pocket move."**

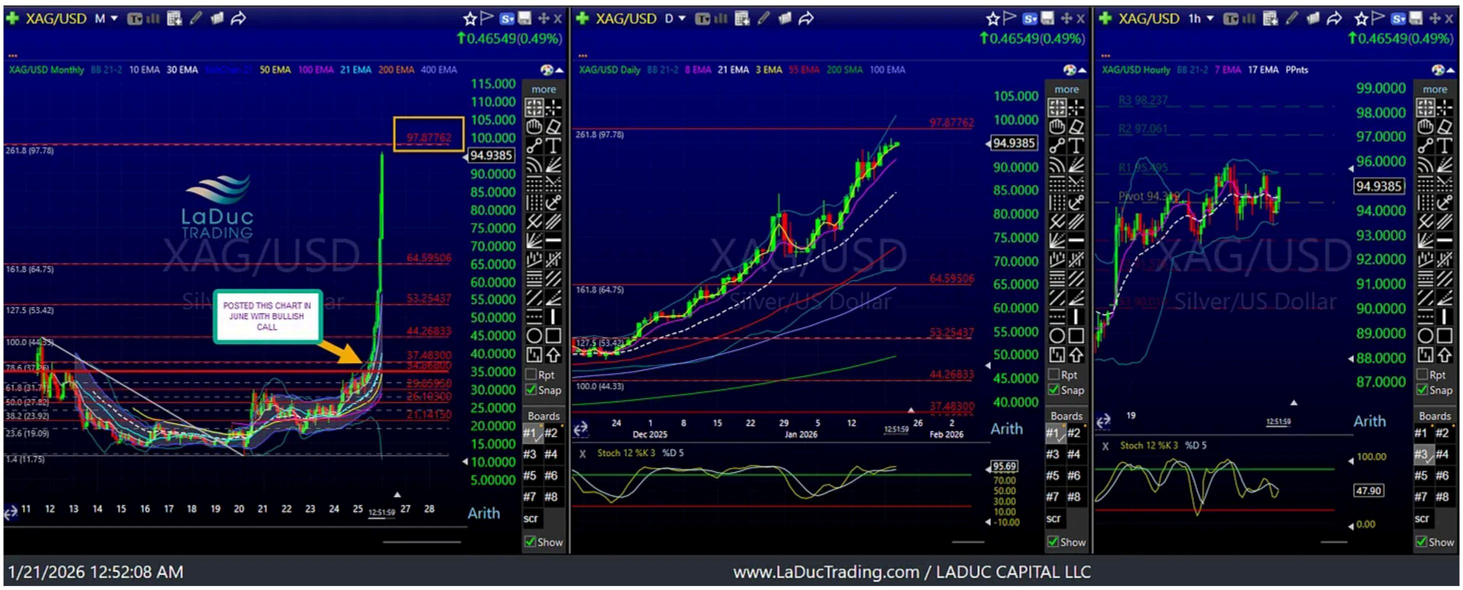
> An air-pocket move is not built on volume or participation.
> It is caused by absence of liquidity.
>
> It looks like this:
> 1) Price jumps across multiple levels with little or no trading in between
> 2) Stops are skipped, not triggered
> 3) Volume expands after the move, not before
> 4) Options reprice first, spot follows later
>
> This phase is typically **the most violent part of the cycle, because liquidity withdrawal, hedging failure, and time pressure converge simultaneously.**
>
> Current options structure suggests this risk window is concentrated into the coming weeks, Likely by March emerging as the most likely resolution period.
>
> This is how structurally constrained markets adjust, not smoothly, but suddenly.

My Gold & Silver Price Targets From June Have Hit

Sounds egotistical, but it's actually just a warning that my big monthly resistance levels that serve as targets ALSO serve as … RESISTANCE Read: VOLATILITY.

So, even if I am bullish big picture on precious & industrial metals, that doesn't mean I can't call out the volatility I see building - especially in silver - and then try and look for the macro & fundamentals that could time with my technical analysis.

- ***XAU/USD $4800 GOLD***
- ***XAG/USD $98 SILVER***



Silver Supply Deficit For Solar Is Overdone

Some of you will stop reading right here, but I hope you don't.

Precious metals in particular and metals, miners & materials in general are a BIG MACRO TREND LONG theme of mine as I have shown - long before:

1. AI Data Center CAPEX Freakout
2. Nuclear Renaissance
3. US Government as Venture Capitalist
4. Critical Minerals As National Security
5. Proclamation of Price Floors
6. Venezuela & Greenland

Most of these were triggered by Trump's trade war with China, which triggered the mad dash for investment - physical and speculative - in the very long list of metals, miners & material plays as part of a the administration's agenda (read: forced reshoring) of infrastructure to create new supply chains (extraction, refining & manufacturing) outside of China.

Don't forget my LONG SOLAR/SHORT OIL theme in large part on the falling global oil demand from electrification/electric vehicle transition. So I know about how important silver is to this EV transition and AI and energy race.

But...

But this rabid case that silver itself is in a supply deficit may be peaking now. I have my colleague ***Geoffrey Fouvry*** to weigh in on this. He is not only an experienced silver trader, but also extremely forward-looking with science & technology innovations, at the same time an astute forensic accountant and classical economist understanding monetary policy and its impact on commodities, currencies & rates.

Here is what he has to say about silver price at $100 now.

> "***When in 2023 Silver was at 22, everyone considered it risk (while there was a primary deficit and war) so no risk in owning.***
>
> ***Today people seem to be oblivious to a serious hole in a) real demand and the b) narrative about silver deficit."***

His argument is simple:

"At 25 USD you have a Silver deficit, at 100 you don't."

Silver is not pricing in a monetary debasement like gold.

Silver is not pricing in mass inflation in soft commodities.

Other industrial metals like Copper, Nickel & Tin have moved higher but not aggressively so.

So... this is a silver phenomenon.

As such, there are now INDUSTRIAL BUYERS of silver rotating to copper as a substitute.

And as many analysts will confirm: The largest marginal real demand (not speculative) was coming from solar.

But as Geoffrey contends, it is over at the current price:

LONGi is dumping Silver for Copper

Why LONGi Matters

LONGi is the leader in solar panels - in China - and has very strong demand because they have a 50% more efficient solar panel - with perovskite - so future sales are assured.

The result: the older generation of solar providers - which can't do next generation solar panels (perovskite) - are closing down, which means less competition & fewer firms demanding silver for their panels.

So given the leader in the solar panel market is shifting from silver to copper, it shows the INDUSTRIAL APPLICATION is waning.

Geoffrey goes on to discuss market Psychology in his typical Geoffrey-style:

> "Markets are moronic. I bought quite a bit of Silver at 18.5 USD, 20 USD, 22 USD. ***At the current price Silver is becoming useless for Solar.***
>
> Back then the Silver was useful for solar, and the margins were slim. NOBODY WANTED TO BUY.

> Their limbic system/amygdala(animal part) of the brain wants to pump so they pump first and then try to rationalize ex-post even if the rationalization is ridiculous.
>
> ***When the story is not there anymore a good trader sells, a great trader reverses."***

Gold is about CENTRAL BANK MONETIZATION, but Silver is about RETAIL MANIA.

These are not the same trade.

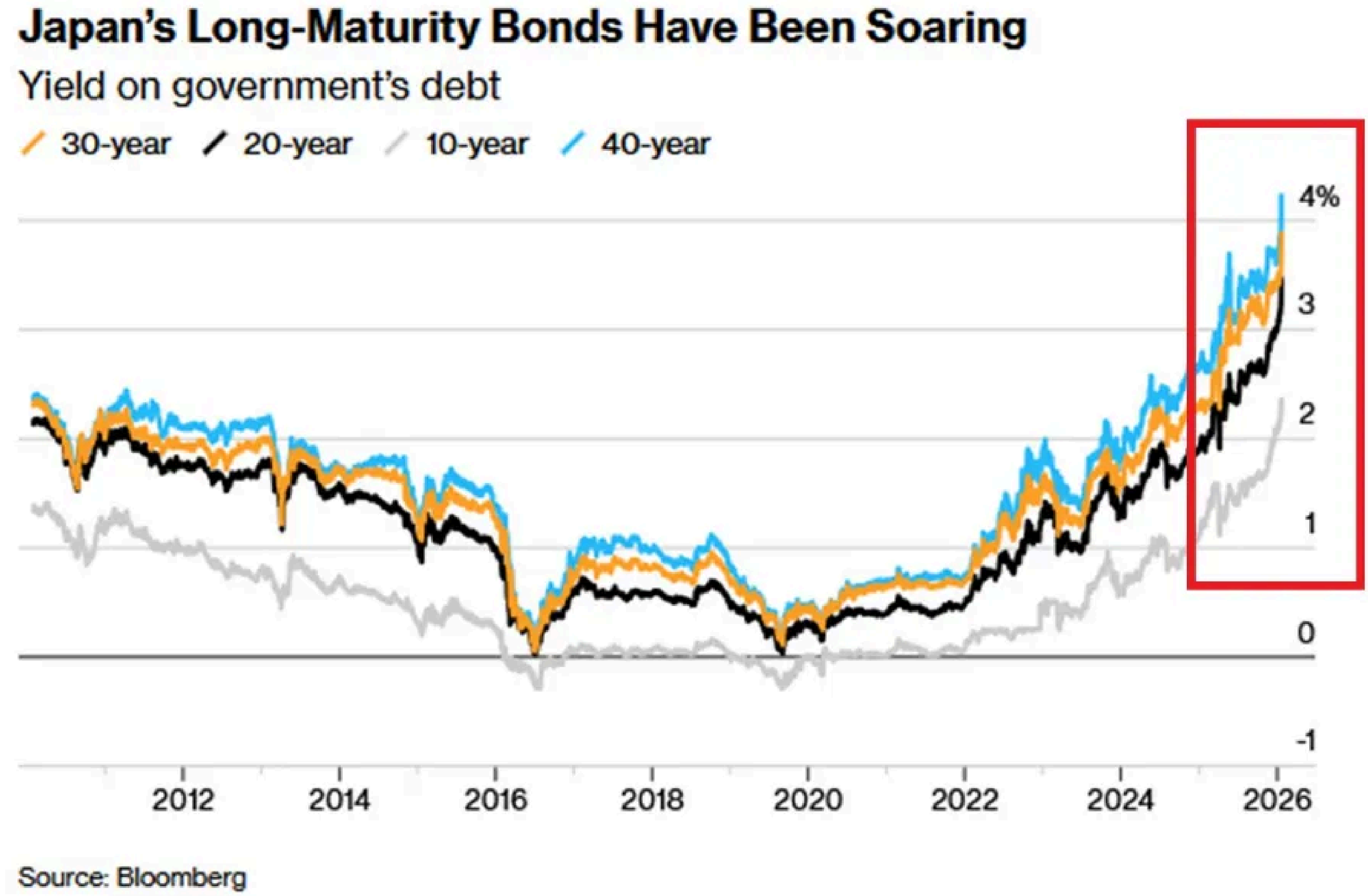
Yes, silver can be a great play on an INDUSTRIAL Renaissance and even as a STORE OF VALUE when the world needs protection from geopolitical instability. Just be careful on the unrelenting arguments that it is a store of value due to scarcity & unlimited demand. SOLAR DEMAND does not justify the silver price.

Client Brian also reminded that there are many used panels for sale cheaply in US marketplaces - now that the tax credits/rebates have already been collected. He also reminded that brokers significantly increased margin requirements on Silver. The more volatile the moves, the higher the margin rules.

JGBs are to Gold as CNY is to Silver

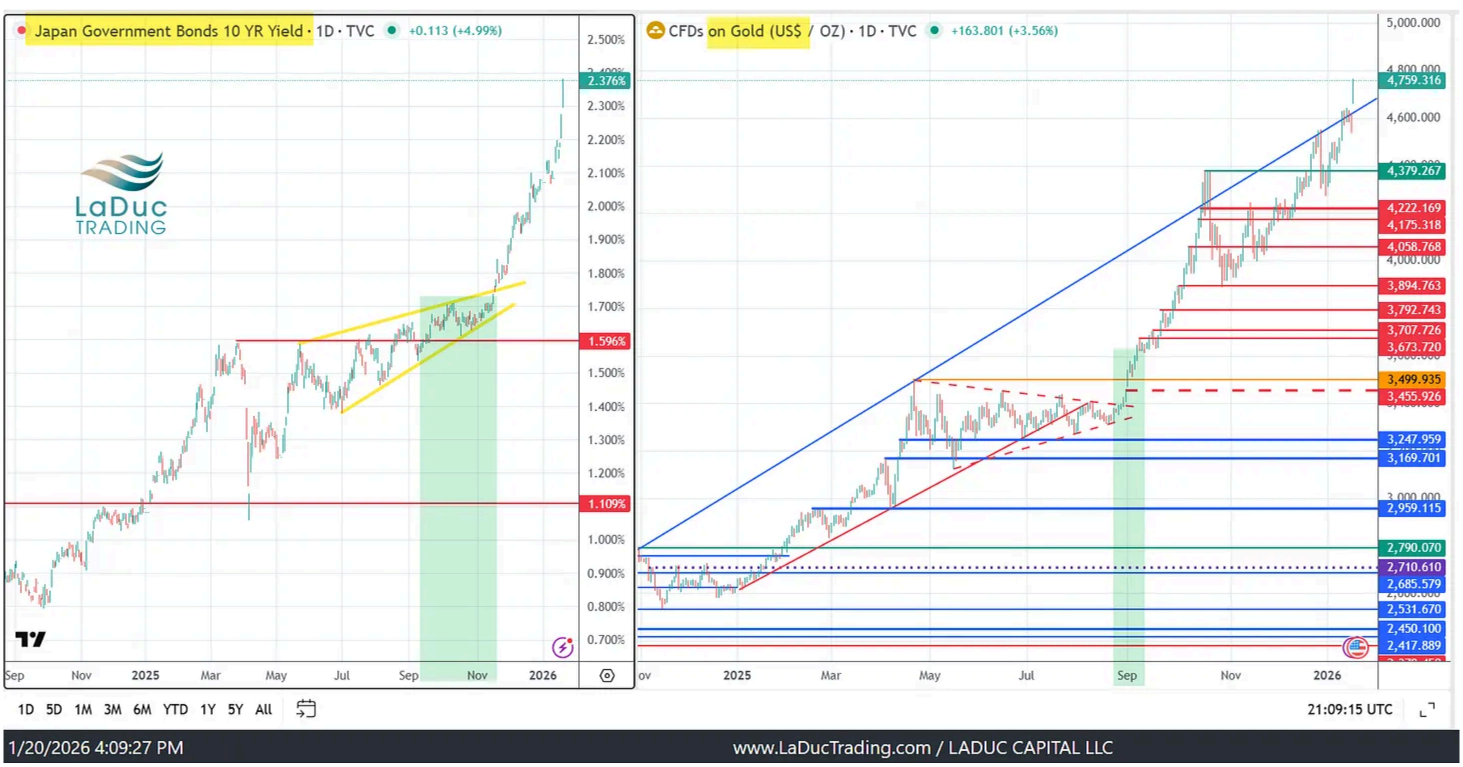
Let's review a few charts and then I will explain a thesis I am working on.

Japan's bond yields have been rising with gold



Their 10y JGB yield surged to 2.38% (highest since the late 1990s) while their 30y JGB yield hit record highs at 4% with 40y yield moving above 4.2% which is highest since its debut in 2007. All on fiscal spending & inflation risks under new Prime Minister Takaichi!

The fractal that keeps on giving...



Sharp rises in any major bond market affects other bond markets, and is a signal that trust in sovereign debt globally is eroding which raises borrowing costs, triggers falling global credit demand, and pressure equities as higher discount rates hurt stock valuations.

All of this helps support the precious metal bid - but in gold specifically.

My warning is more targeted to silver, and that volatility can erupt in both metals from movements in these Asian players.

Trend longs don't care. Physical longs don't care.
Those looking for pullbacks & recent bulls should care ;-)

My point is that when LOOKING FOR A VOLATILITY EVENT IN METAL PRICING, I tend to look to Asia first.

There is such a tight fractal with these Asian currencies/yields WITH gold/silver.

I have found that USDJPY is to GOLD as USDCNH is to SILVER (or JGB yields is to Gold as CNY is to SILVER).

For China... CNY has appreciated non-stop witih silver since the the April low. Curiously, ***the USDCNH has now fallen into its 400W EMA which is a very timely place for a pause & bounce***. When it comes, silver's bullish run will very likely be affected.

Other event risks on the radar:

We have ***Japan's election Feb 8th*** and ***China's Lunar New Year the week of 16-20th week in February*** - a time where their market is shut down and trading is halted. This is a spectacular time for silver price to get very volatility just before.

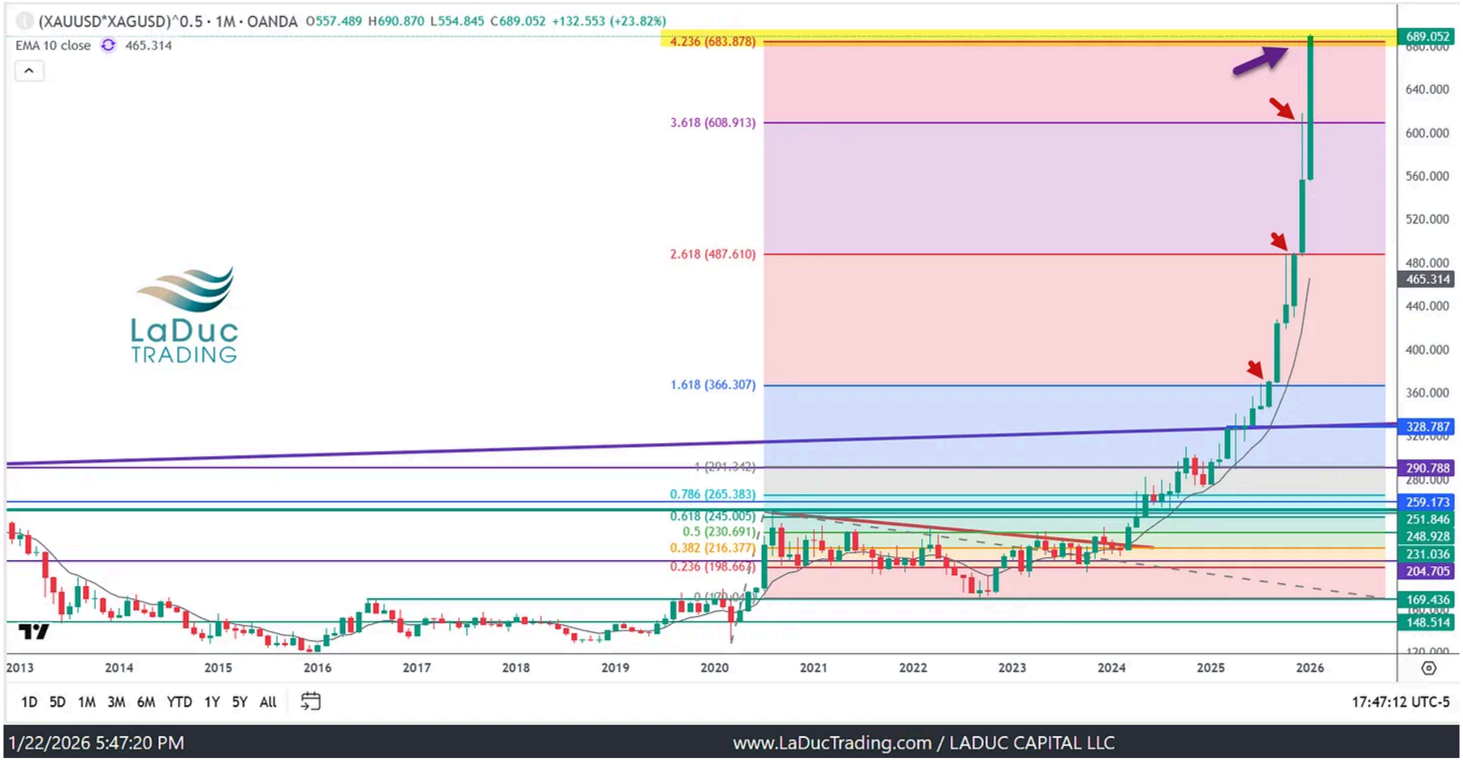
Revisiting: Paper Silver About To Burn

December 28th ***I did a bullish post on gold and silver*****:**

I even gave upside, big picture targets of $6000 for gold & $150 silver!

But not in a straight line!!

I also posted my geometric mean chart of silver/gold when approaching its 3.618 fib extension that has now reached it's 4.236 fib extension level.



Translation: Silver has moved 4x faster than gold! It *should* slow down now. And that's the risk. Keeping this momentum going is very difficult and as such very dangerous to new bulls.

My warning NOW is that this move is a case of "too much too soon".

It does not negate the long list of macro reasons for being trend long precious & industrial metals. From China settling trade outside of USD, UST & OIL into GOLD… to de-dollarization, debasement, devaluation of US dollar… to Trade Wars and Industrial Renaissance policy agenda by the Trump administration. Yes, we must embrace the new normal or 'new monetary system' or "new world order".

But until the dollar crashes lower, I do not see metals moving higher in a straight line.

My posting late last month was not a timing call to short but a warning call to be aware of the signs when they appear:

> ***...the dips will continue to get bought and squeeze the metals space until something breaks. For those trading Paper silver & gold, that's the risk.***

The signs are here, now.

Discussion about this post

longmeadowcap Jan 26

Would love to hear your thoughts on the silver commentary/outlooks made by Michael Oliver and Alex Campbell. Both seem more convicted in higher silver prices in the near- and intermediate-term compared to your take.