

Crowded Market Report - Excerpt

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By Jason Shapiro

www.crowdedmarketreport.com

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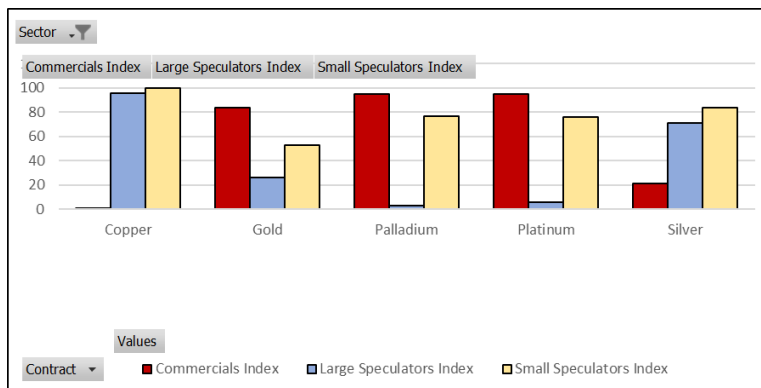
Metals

It seems speculators are beginning to abandon positions in long gold as it tests the six-month lows. The positioning is not quite enough yet for me to get long, but we are getting closer.

Copper is the most crowded market in the metal sector, and possibly the most crowded market that I track. I sit and wait patiently for this market to give price confirmation to initiate a short. This is a great example where the market participation signal is very tempting and as a new trader, I might have taken the trade. I have to respect my process and system and wait for confirmation via market action. Then, if the trade does not work out, I lose the defined amount and move on to the next trade. I cannot accept losing money on a non-process trade. That is how you extend your career as a trader. I look to make money over time, not every time.

The chart below is of our proprietary COT index levels of crowdedness in each metals. The index is indexed from 0 to 100, with 100 being the largest reading for participants being crowded to the long side and 0 being the largest crowded reading to the short side. Our full report provides this chart for all sectors, including 11 total charts to help compare market participation across all commodities.

(Short) 0 ←————→ 100 (Long)



The full report includes similar commentary and analysis of various futures sectors including currencies, fixed income, energies, grains, softs and more. There is a new report every week with updated information based on the most recent COT report (market participation) and the previous week's market action. Subscribe at <https://www.crowdedmarketreport.com/weekly-report/>

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