

# Precious Metal Stock Review

*Bridging Wealth Protection and Wealth Creation*

[www.preciousmetalstockreview.com](http://www.preciousmetalstockreview.com)  
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## 7 Ain't Such A Lucky Number In Europe

I'll be heading out of town early this week as it's a holiday in Canada Friday as we remember our Veterans which means it's time for deer camp!!

Well, chances are we won't get any deer, in fact I won't even go out looking for any but the time at a friends beautiful cabin on the Bras d'or lake in super Cape Breton, Canada is welcome every year.

A few of the older boys may head out for a walk, with a pint of rum, while us younger fellas remain and shoot skeet over the lake with a nice cigar and, well, likely a rum a well!

It's always a nice fall weekend getaway with some family, old friends and new friends whom all congregate from all over the world for this event which is fast becoming world famous.

The women love to get rid of the boys for a few days and the boys really miss their wives and have to drown their sorrows in cards and much food and the odd pop, as Don Cherry would call them. Maybe there will even be a hockey game on in the background.

If you're blessed enough to live in Canada make sure to take some time to remember both those who've survived and those who've fallen in wars past and wars today.

It's due in large part to them that we enjoy our freedoms today. Not that I agree with all wars, but I'll not get into that.

Us youngish attendees of deer camp always rake up the hosts yard for him and it's a pretty good Saturday afternoon believe it or not. Once we're done maybe he won't mind us stealing a few (dozen) of his potatoes for the many varieties of homemade potato guns who congregate at this special place for one special weekend per year.

This will mainly be a chart update and shortened this week as it's out early Friday morning and how the week will end I have no idea as of this writing.

Thus far it's been wild to be sure. We've got Italy now following Greece, Ireland and Portugal on the path to the bailout begging bowl. But as of yet nobody is keen on giving/printing money for them. It's like a soap opera over and over again.

Greece, Ireland and Portugal all spiralled out of control once their 10-year bond yield surpassed the 7% area and [that is what occurred with Italian bonds this past week.](#)

Developments out of Europe continue to come at a furious pace and also very unpredictable which is sending markets around the world higher then lower then higher then lower again with amazing volatility.

Trying to trade these movements is not my cup of tea so our [swing trading portfolio](#) remains in cash while we wait for a more certain outcome from the charts but that can come at any time at all so we have to be ready and watching.

In the meantime our [mining portfolio has been on absolute fire](#) and we're also enjoying collecting dividends from [our great dividend portfolio](#) where we enjoy yields of 20.16%, 14.76%, 8.06% and 21.08%.

Swing trading is my favorite but when it's not possible we just have to wait and that's what we're doing but as you can see we're far from idle and still making some nice passive and aggressive returns.

As for our largest part of the portfolio, physical gold and silver, let's see how they are fairing out so far this week.

## [Metals review](#)



Since I'm doing this report early I have no idea how the precious metals will close out the week but thus far gold is holding up as it should be and remains within its uptrend channel nicely here.

Gold is holding above the moving averages and tested and held the 50 day moving average which coincides with the lower end of the uptrend channel now.

Obviously the \$1,800 level is both psychological resistance and resistance on the chart as well, but it should be overcome next week sometime before gold heads to the next horizontal resistance level at \$1,850.

All in all I'm very happy with the way gold has behaved so far this week thru Thursday.

The GLD ETF volume was high as gold reached the upper end of the channel above \$1,800 briefly Monday and then it petered off the rest of the week as a perfect technical consolidation occurred.

Great action and we should see gold move above \$1,800 late next week at the latest, at least that's the plan.



Silver is also doing well here although we are coming up to a cluster of

moving averages and they will take some work to get above as we've seen so far this week with the 50 day moving average.

So far the price held above the lower uptrend line and closed Thursday back above the 21 day moving average after breaking below it on an intraday basis today, Thursday.

It's quite nice action to watch really and there is absolutely no reason to panic if you are trying to trade silver as of right now.

It think the real trouble will come with the confluence of the 100 day and 200 day averages in the upper \$36 range.

Not really that it will be trouble, but it may take a couple or few weeks to build a sideways base in order to build up the proper steam needed to push past those barriers and move silver to the next resistance level near \$40.

The SLV ETF volume hasn't been anything special thus far this week but Wednesdays move lower saw the heaviest volume. I can't really read much from the ETF so far this week.



Last week I talked about how the gold chart and platinum chart were very similar coming off this bottom but the platinum chart hadn't quite yet formed an uptrend channel. That seems to have changed as of today so it seems that platinum is lagging gold but moving in similar fashion.

That being said we're now butting up against a major downtrend level. I'd love to say I expect the uptrend channel to hold but with so much uncertainty in the world and this being such an industrial metal, at least on paper, we may see the channel break and see some consolidation and base building before we can break above the downtrend line and then work on the moving averages above.



So far this week palladium has remained in it's nice solid, large uptrend channel but now that we're near the downtrend line at \$675 I'd expect at least a test of the lower end of the uptrend channel.

The 50 day moving average is also acting as resistance while the 21 day average is acting as mild support thus far.

I tell [subscribers](#) all the time that I absolutely love to see corrections and consolidations in stocks and commodities and indices. It's healthy and strengthens said instrument to continue it's move higher.

It's the times when things continue to move higher and higher daily for several or many days on end that gets me worried. Those are the times that profits must be taken, but I realize it's not easy as emotions of greed and grandeur take over any semblance of common sense that remains.

It's times like those that you need a cool head or someone with a cool head who's been there before to help you through in order to keep your trading account near highs.

Nobody can ever always get the peak or trough but getting close it not too difficult if you get a little lucky, and learning to scale out of a hugely profitable position is also key.

I'm not sure where that tangent came from but it's how it is.

Back to palladium, the PALL ETF volume was pretty stable through the week so far and isn't talking to me as a result.

Life's funny sometimes. I was just trying to think about where I could work this last major development into this weeks shortened letter and sure enough I checked my inbox to find that one bank has failed already this week to join [this years list of biggest losers](#).

It's odd to see a bank fail on a Thursday and I believe it's the first time happening the two plus years I've been really watching it.

It's a beautiful thing though as it leads me into this much larger and more significant bankruptcy perfectly.

Jefferson county has thrown in the towel and [is filing for bankruptcy](#) which is the largest ever by a county. There will be many more to come I assure you.

Physical precious metals, I believe, remain the basis of a solid portfolio and a must if you want to ensure your wealth as we move forward into more municipalities, counties and countries going bankrupt and defaulting on their debts.

Protect yourself, nobody else will.

To finish off the week and especially since it's a week to remember those who've fought for our countries and freedoms and as a new generation is fighting peacefully for a return to sanity, please [watch this excellent speech with an even better montage of video and pictures](#). It really does put things in perspective.

Enjoy!

Until next week take care and thank you for reading, and thank you for being you.

Warren Bevan

In my free, nearly weekly newsletter I include many links and charts which cannot always be viewed through sites which publish my work. If you are having difficulties viewing them please sign up in the left margin for free at <http://www.preciousmetalstockreview.com/> or send an email to [warren@preciousmetalstockreview.com](mailto:warren@preciousmetalstockreview.com) with “subscribe” as the subject and receive the newsletter directly in your inbox, links and all. If you would like to subscribe and see what my portfolio consists of please see [here](#).

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