

Precious Metal Stock Review

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September

Chilling Charts

It was quite the week to come back to after being away for the past two weeks with little to mostly no internet access.

We saw some leading stocks make some beautiful breakouts of of great patterns only to fail and stick me with some losses. The precious metals also had one of the worst weeks on record.

It's funny that as the US dollar moves along it's major trend lower everything is normal and good but if it rallies counter-trend, higher, as it is now, everything goes to hell in a hand-basket.

While the precious metals were hammered hard with nearly everything else the positive fundamentals haven't changed.

Economies of the world are still going to hell in a hand-basket and being bailed out at an astonishing rate. It seems that once one fire is doused temporarily, another fires up elsewhere.

It's not that the fires ever get put out, they just smoulder for a while.

I'm a little pressed for time this weekend as markets in general have put in some very bearish patterns and I have a [serious amount of charts and news to get through for the gang](#) so let's dive right into the very damaged precious metals charts.

Metals review



Gold slid 8.41% for the week with the majority of the pain coming with Friday's decline of 4.43%. The incredibly quick snap lower saw huge buying taking place at the 100 day moving average which looks to be going to hold as support.

The \$1,650 level has long been predicted as a major level of importance by the great Mr. Jim Sinclair.

We could certainly see a move lower from here but I doubt it would be much, or for long. For the duration of this secular precious metals bull market

anytime gold has fallen 10% or more, it's presented a superb buying opportunity.

Gold is down 9.03% so far in September.

That's close enough don't you think?

The GLD ETF volume was very heavy as you would expect but it hasn't yet shown me a bottoming signal so we may well see another spike lower soon.

It's not easy to call a bottom here as countries are on the brink of failure and central banks are standing pat with their decisions to basically bail out anyone for any amount.

Large funds are liquidating anything they can it seems and many are showing profits in gold and silver so that may have exacerbated the moves lower late in the week.

I would have though gold would be rising in this type of environment but it's not, for now at least.

Having the CME announce a margin increase this coming Monday certainly helped push the price much lower as well. The dirty trick of increasing margins has been used more this year than any other during this precious metals bull market.



Silver was mauled to the tune of 23.57% this past week in what can only be noted as an obvious manipulative effort to move the silver price lower. The CME raising margins was the icing on the cake and this paper takedown is nothing to worry about if you're holding the physical product and not trying to trade the paper derivatives.

I know for a fact that buying of physical silver was overwhelming on Friday as this fire sale is unprecedented and smart investors knew to take advantage of it, but it may get even better soon!

The silver market is very very small and as such easy to move around with relatively small amounts of money and that is exactly what happened this past week.

There is absolutely no reason for gold and silver to be done of their secular bull markets. Economies are still crumbling and I personally can't see any glimmer of light yet at the end of this tunnel.

Taking a look at the longer term chart of silver it's quite conceivable that we test \$20 although I see that as unlikely. If it did though I would be cashing in some equity positions and adding even more physical silver to my already very very heavy weighting.

The SLV ETF volume was high but actually much lower than I would have expected coming in Friday under 100 million shares traded which is far lower than the near 300 million shares traded at silvers peak in late April.



On a week where platinum lost 10.71% we have to take a look back to 2010 with a weekly chart to try and find support. The \$1,600 level looks reasonable enough but in this kind of environment nothing is rally safe for now.

Hiding in cash is a very reasonable option today while waiting for some semblance of a bottom to appear.

The PPLT ETF volume was heavy as would be expected but it doesn't look like a bottom is in quite yet here. I'd like to see some huge capitulation type of volume before trying to say a bottom is in.



Palladium was smashed along with nearly everything else this past week and fell 13.18%. I have to look at a longer dated weekly chart to try and make sense of things but overall everything is very dangerous and trying to catch the bottom here would not be advisable.

The PALL ETF saw large volume and palladium is set to continue to trade wildly and likely on the downside some more as well.

I've got far too much to focus on this weekend for [subscribers so we can avoid this carnage and maybe even profit from it](#) so I'll have to cut this free letter short .

Until next week be very, very careful but be ready as we are going to see some major opportunities emerge.

Thank you for reading and enjoy your weekend and week to come.

Warren Bevan

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