

Wizzen Trading

by Warren Bevan

Breakdown Shakedown

I want to thank everyone for the outpouring of support throughout the past week. I appreciate it very much. It makes getting up Saturday mornings and working worth it.

Many of you enjoy my no-nonsense approach and brevity. Some call it the Bevan Brevity. I like it!

As for the market I had by far the worst week all year this past week. No matter how long you're at this game it happens sometimes. I ended up thinking I was a little smarter than the market and entered some positions at only so-so entry points.

Those all turned positive quickly, then one by one fell negative and I let them ride thinking they would come back. They rarely do.

Tuesday's gap lower really stung and I was selling into any strength there was and then Wednesday I finally got all out for totally unacceptable losses.

No matter the disciplined approach I preach, when it comes down to it, I make mistakes all the time, and big ones like this the very odd time, but those times sting.

I'll get it back, but it may take a few weeks or more unfortunately.

As for the precious metals, gold and silver are still under pressure and wanting lower. They are trading in quite wide ranges these days. Up \$20, down \$20.

It's a great market if you can trade it. I'm avoiding it now until I see a sign of a bottom which is not yet.

Let's start with gold.



Gold ended up 0.27% on the week in it's volatile range.

After breaking it's triangle last week we're just setting up a bear flag pattern here which will push gold lower from what I can see.

You could consider shorting a move under the bear flag but overnight risk is dangerous, especially with this type of volatility.

I'll be avoiding it and focusing on easier money until I see a sign of a low.

The monthly gold chart looks even worse to me and could well point to a move to \$1,000. I hope I'm wrong but if I'm not. Don't shoot the messenger.



Silver rose 1.45% this past week. It's breaking down one base at a time for now.

Silver's monthly chart doesn't look great and could be pointing for a move to \$15. I'm not so sure about that but I do expect a nice move under \$20 that I've been talking about here for months now.

A short could be taken on the break of the support line drawn here around \$21.50 if you're so inclined. I'm not so sure I will take the trade but if I do I will leverage it with options and possibly a leveraged ETF.

The simple fact is, the chart remains telling me we've got more to go on the downside.



Platinum broke the lower end of it's pattern here and is heading to the \$1,375 area or below now unless a miracle occurs.

Last week I talked about the failed breakout above the resistance level at \$1,525. I talked about the importance of exiting a trade quickly if it fails and then I turned around Monday and ignored my own words and payed dearly for it.

Had you not heeded my words and held platinum even after it's failed breakout you'd be down a hefty \$75 already with more losses likely.

I hope none of you are in that predicament.

These are the types of trades I looks for anywhere I can find them.

I look for easy breakout levels that either work, or they don't and you exit quickly.



Palladium fell 3.85% in a major failed breakout.

Last week I said a breakout above horizontal resistance could be bounce just above \$760 but to watch out for the \$770 area as it had a strong resistance level.

That's exactly where palladium stopped this week and reversed hard thereafter.

It's now broken it's uptrend line and is probing for much lower prices.

The \$700 area has support along with the 20 day moving average so that looks to be it's first potential support area at the moment.

Personally I've got a very busy weekend ahead so this may be a little extra short and out a little early.

Enjoy your weekend and week ahead. Embrace the weakness.

[Join me for daily metals updates and a look at any solid patterns in stocks I'm seeing with good potential breakouts.](#) There is always somewhere to make some money and I am always on the lookout for it.

Warren

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