

Wizzen Trading

by Warren Bevan

Perfect Timing And Action For The Metals

A great week really in the big scheme of things. We saw markets continue to correct and consolidate and they are bouncing a bit now. This is the kind of action we really want to see so we can have a nice run into the end of the year.

That said during this time we have to keep an eye out for the stocks whom are holding up well or even advancing and most importantly, acting well when advancing or consolidating.

Just because a stocks remains pretty flat during market weakness does not mean it's going to fly once markets turn up again. There are many other factors to the equation.

We did see some stocks move up this week off great looking lows and they are emerging as the new leaders in the market.

Leaders only lead for so long. Just like sports figures. Eventually they get old and run out of steam and the new younger generation takes over.

It's happening right before our eyes today with some recently leaders falling to the wayside with new ones really stepping up to the plate.

There are a few that are really going to blow our minds in the years ahead before they once again fall to the wayside.

There are a lot of really nice setups for quick gains for the week ahead so we should be in for a nice week after a few of chop and not doing much at all.

I like to take it easy during slow periods and we just had one to close out summer. Perfect timing, but it's time to get back to work.

As for gold and silver, they finally broke out of their nice little bull flags Friday, after I suggested last week they would not move until later in the week.

During corrections, about halfway through, we can start to build positions and that's where we are now.

We may well not see the markets really rise for another couple weeks to the end of September or so but in that time the stocks that will really win later should be showing us just how good they are.

[I cover lots daily for subscribers and am always talking about where we are in the market cycle and my thoughts and strategies on how to handle those periods.](#)

There are a ton of precious metals stocks setup now, along with fast movers, for higher prices and [I'm covering many of them for subscribers in this weekend Daily Trade Ideas.](#)



I showed you the resistance level here last weekend and said it would take at least a few days to develop it's buy point and it played out perfectly.

Gold ended the week up only 1.51% since the breakout came Friday after spending four days chopping around building this pattern.

We're now looking great for a continuation of this move higher that really began back at \$1,300.

\$1,425 should see a bit of resistance before we see more at \$1,475 where we should see a longer rest period before mounting the assault towards \$1,600.

All in all, myself and many subscribers are in this trade and I'm looking to hold it for at least a couple weeks when we should see \$1,475.

It was about as easy as trade as you could get and all week we just sat around waiting for it to move. Now we've got stops at cost so what's the worst that can happen?

Well as I talk about often here, there worst that could happen would be an overnight large move lower that we'd have no chance to get out on. Let's hope that doesn't come!



Silver did the same as gold in waiting until Friday to breakout. It ended up the week only 2.39% since it only moved up one of the five days.

It's looking quite good here and should lead gold in terms of percentage gains in this move.

There is some resistance just under \$25 but this recent bull flag may well propel it past that quickly.

The 200 day moving average should pose some resistance under \$27 but we are well on our way to getting back to \$28.

All in all it's great action and we are looking very constructive for higher prices.

I took a lot of grief calling for lower prices in gold and silver most of 2013 but I call it how I see it. Now I've been looking for higher prices for almost two months and so far, so good.

I know there are a lot of perma-bulls out there but even a broken clock is right twice a day.

I feel I've been pretty consistent and accurate this year and hope many of you have learned some of what I've talked about in terms of the metals and how it relates to all markets and stocks. Everything goes in cycles and you've got to learn to read the charts and listen to them in my view.

I know many will tell you charts don't matter but I dare say I've been far more accurate and realistic in calling moves this year than them.

Life and trading is all about change and being able to adapt. Some people still don't get that.



Platinum only rose 0.88% for the week after it ran into the 200 day moving average last week.

I said to expect some resistance there and that's what we saw.

We built a great bull flag and late in the week began to move. We're now back above the 200 day moving average and looking for higher.

If you're in this trade I'd not be concerned unless we fall back below the 200 day moving average.

We should by all rights not really stop until we hit \$1,575 now.



Palladium fell 1.72% after hitting the \$770 resistance area I talked about here the past couple weeks.

It's got a great looking bull flag here and is ready to go. I'm a bit surprised it hasn't moved here with the rest of the precious metals. It should go very soon now.

The next resistance level is still in the \$790 area.

Thank you for your kind words and even your unkind words. [I hope maybe I am helping some people to realize that you can beat the market and it's really not that hard to be on the right side of the trade most times.](#)

Enjoy your weekend and week ahead and thank you very much for reading.

Warren

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 right margin for free at <http://www.wizzen trading.com> or send an email to warren@wizzen trading.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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