

Wizzen Trading

by Warren Bevan

Precious Metals Taking A Breath

We had another good week of basing action in the indexes until Thursday when we finally saw the S&P 500 break out of it's range higher.

The markets are strong and there are quite a few great stocks moving nicely now. [There is money to be made my friends, money!](#)

As for the precious metals, gold and silver came close to breaking out but failed. They were pretty wild coming into Friday but still do look good for higher prices very soon.

For now they are still just basing and setting up which is healthy and exactly what we want to see for a healthy market.

Let's see what I'm seeing in the charts this week which it's pretty similar to last week.



Gold slid 1.61% as it remains in it's bull flag which should soon see a break higher.

Gold briefly broke out this week Wednesday and I took a trade but was stopped out within 15 minutes or so.

No point in holding something that isn't going up so I was out and it's a good thing.

Friday saw bad pre-market action before gold came back near break-even but this is exactly why I rarely trade gold. Anything can happen overnight and either help or hinder your progress in wealth accumulation.

I still think it's good to go now in terms of accumulating physical gold but trading will be tougher and tougher unless you've got a longer time outlook.

As I've said with both gold and silver, the lows do look to be in but they are going to take a long time to get back to highs, likely years.

You can look at a recent example of the iCompany out there. When it broke away from \$400 it flew relatively quickly to the \$700 area before crashing. It will never lead again.

There are so many examples I could give of old leading companies who had incredible runs followed by major crashes. They never regain that leader status as other companies catch up and pose too much competition

While gold and silver don't have competition per-se, there are other investments which will attract competing dollars.

It's likely that gold and silver haven't seen their highs yet but to believe they are going to be there this year, or even next year is a bit like believing in fairytales.

While I love a good story as much as the next guy, I'm in this trading game to make money, not be told or tell a good story.

It's totally feasible to be able to pick tops and recognize early when leaders fall but you have to be open to that idea or thought.

I make money in up and down markets and have zero bias although, the odd time I do get sucked into an expected direction and I lose money every single time I stick with a desired outcome and not follow the price movements.



Silver fell only 0.39% as it remains in it's bull flag pattern as well.

All we can do is wait and see if we get a breakout higher, which a bull flag pattern does indicate, but certainly not guarantee.

I do still think we've got a low in and that accumulation of physical silver is fine here if that is part of your plan. Just don't expect new highs anytime soon.



Platinum rose 1.19% on the week as it also has a bull flag and is set for a move to the \$1,525 area after a breakout.

Markets, stocks and commodities need rest periods such as this in order to build up the strength or buying power needed in order to make the next move higher.



Palladium rose only 0.16% for the week as it sets up a really nice bull flag here as well.

A breakout here will push us to at least \$770 and \$780.

There is really no need to say much more as we are just sitting and waiting for the precious metals to move.

The good news is that markets are moving now along with lots of leading stocks and there is plenty of easy money to make at the moment.

I much prefer to go where the easy money is rather than focus on things that are not moving and/or haven't little chance of moving much.

Have a great weekend and [go grab some of that easy money while it's here!](#)

Warren

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