

Wizzen Trading

by Warren Bevan

Wild Week Gives No Trend

We had an interesting week which really began to get interesting after the Federal Reserve said Wednesday they would not be tapering their bond buying as many had expected.

Gold rocketed just before the news and continued to move sharply higher before running into resistance, stalling then dropping back sharply. Gold has no trend here. We will chop around for a week at least in my books and I'll show that chart and my reasoning below.

As for the markets, they are in great shape, now into new highs while leading stocks are making very strong moves as they should be.

It's not a time to be shy with positions sizing here but that can always change quickly.

Let's take a look at the precious metals charts today [before I dive into my real work for subscribers who are seeing huge moves lately.](#)



Gold ended the week down 0.15% but that doesn't do the volatility justice.

We were on our way to the \$1,275 area when the Fed news came out and gold rocketed over \$60 to the upside in an instant.

It's hard to trade those types of moves unless you are a computer.

We hit resistance at the \$1,375 area and stalled before starting to reverse sharply lower Friday.

We've got a good sized wedge developing here as I've drawn on the chart.

It looks like we will spend at least a week chopping here within this wedge before moving one way or the other. Which way the next move is, I can't

tell you, but a move out of this wedge on the upside or downside can be traded either way.

I talk often about how difficult it can be to trade gold with such fast moves coming out of nowhere and often they occur in overseas action while I am asleep.

There are so many easier things to trade so I focus on them.

That said, it's still a good idea to have some physical gold in your possession with a longer-term outlook, in my view.



Silver fell 1.61% overall on the week and also had a wild week of action once the Federal Reserve said they would not taper their bond buying. It's not a great thing to see such a strong move failing so until we break above this descending channel the trend is lower.

It's hard to say where we go from here with \$22 acting as support and the \$23.50 area acting as resistance for now.

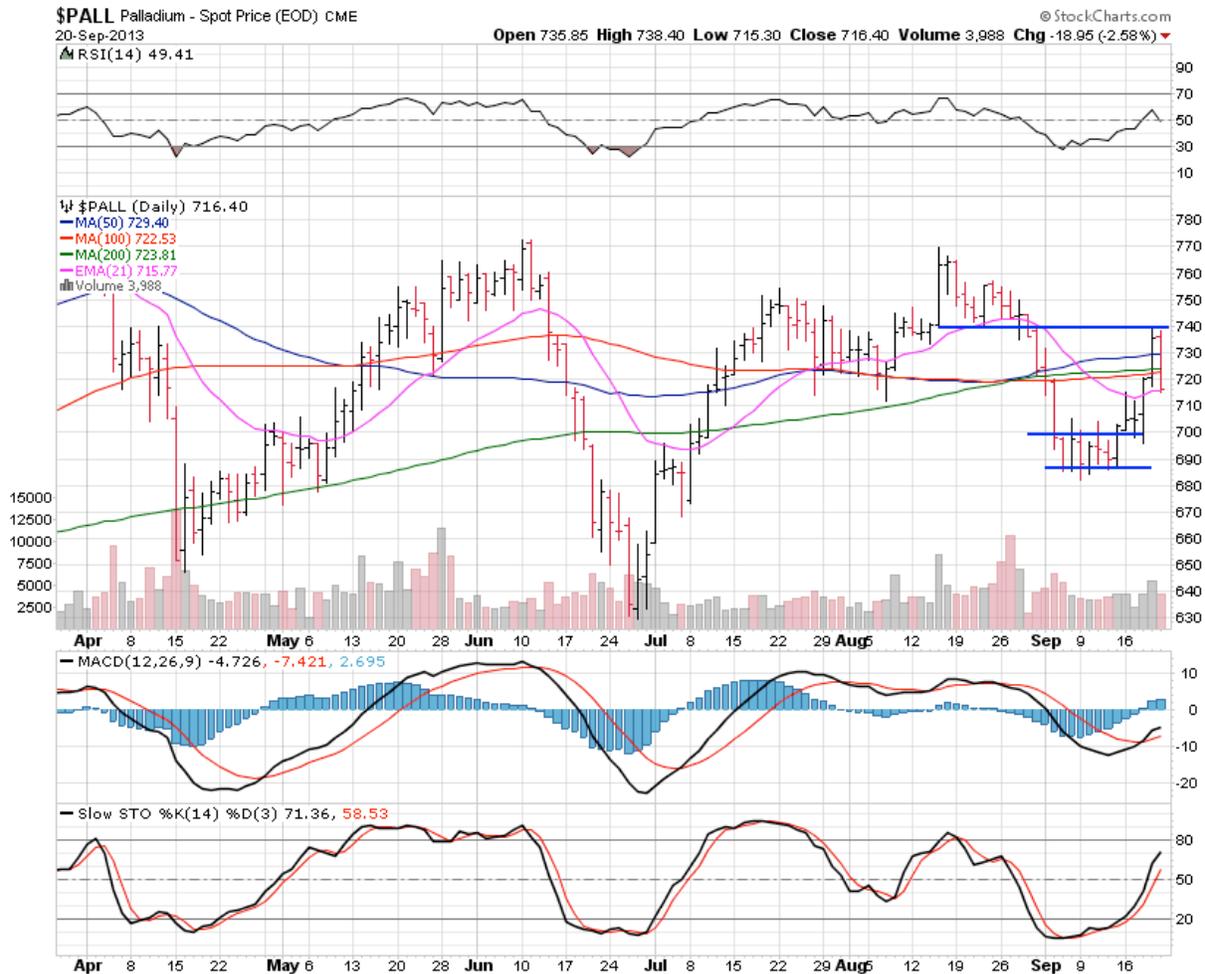
I have no idea where silver will head at the moment but if we fall below \$21, \$20 will soon follow.



Platinum fell 1.50% on the week and also had wild action.

So far it looks like we are setting up a large head and shoulders pattern which if it comes true could see a \$125 move lower.

We need another week or even two to build out the right shoulder here but if this completes and we break the \$1,425 neckline area then \$1,300 or so would be the area to watch for support.



Palladium moved higher this week and ended up some 1.98% for the week.

I thought we may see lower prices last week but I was wrong and I'm happy about it.

As with the other precious metals we did see volatile moves from mid-week on and we ran right into resistance at \$740 before retreating.

For now we should see a wide range trade between \$740 and the \$700 area until we see what pattern develops next.

I'm a little wishy washy this weekend as the charts are sloppy in the precious metals, but that's how it goes.

We don't always have clear actionable patterns but they will come in time.

There are plenty of really nice chart in the leading stocks and that is my focus at the moment.

I hope you enjoy your weekend and thank you very much for reading.

Warren

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