

Wizzen Trading

by Warren Bevan

Metals Weak When They Should Be Strong

It was all systems go last weekend until Carl Icahn said later in the day Monday that markets could see a big correction at any time. This sent markets lower sharply and swiftly off the \$1,800 resistance area on S&P 500.

We corrected further until Wednesday and now we are once again looking for new highs and breakouts.

All dips have been bought in 2013 so it's been best to focus on long positions only and not get too caught up looking for short trades.

We're off to the races again for now but on low volume again which means we could see a quick reversal on something like a headline from a large investor as we saw this past week.

We let stops take us out but they didn't take us out of all our positions, in fact two stocks held on and powered higher and are really flying now.

We're adding new long positions as they breakout and following this strong market, even if it is on lower volume. That's why we have stops in place.

As for the metals, gold and silver fell as expected and are holding support levels that must hold or we risk seeing a much deeper correction.

I've had a lot of questions as to a real-time update service so I am opening one up very soon and I can't wait!!

You can find out more information on it at http://wizzen trading.com/?page_id=2762

Let's check the charts and see just where we are for the precious metals.



Gold ended the week lower by 3.66%, seeing weakness as expected after it's short burst higher two weeks ago on talk of continuing monetary stimulus.

Minor support is holding here at \$1,240 and if it can't hold then we should move to \$1,200 and hope we hold there or risk a move to \$1,000.

Gold has a clear descending channel that will break higher at some point but they can go on much longer than we expect and have no set timeframe for working as many other patterns do.

It could get ugly, but on the bright side, markets and leading stocks are doing just fine so there is really no excuse to not be making good money at the moment.



Silver also fell this week, ending lower by 4.60% in the end.

Its been a pretty easy call lately for the metals to drop and seeing it occur during this usually seasonally strong time of year does not bode well for 2014.

We have support here at \$19.50 then \$19, then \$18.

If we break \$18 then the \$14.50 area has very strong support and after that \$10 then \$7.70 or so.

I'm not calling for a move all the way down there, just stating major support levels on a monthly chart.

No offence intended at all here but if a ship is sinking, it's best to jump while there are still some seats in a lifeboat and we are pretty well beyond that level realistically.

So many people didn't get into silver until the \$18 or so area so now basically all that money has been tied up for the past few years and done nothing but stress a person out.

I always get flack for this but it's true.

So many have conspiracy theories and excuses as to why gold and silver will rise and such but the fact remains that they have lost purchasing power over the past few years.

This trading game and life in so many ways is all about making money and there have been and will be exceptional spaces to do that going forward, it just may not be in gold or silver.

I admit it, I was "in love" with gold and silver for a long time. Love is blind and that is the worst thing for you when investing or trading.

You can never fall in love with a stock. If it isn't making you money then why are you holding it?

Does it tuck you in at night and make you warm chicken soup when you're sick?

You should have disdain for stocks. One analogy this week that really stuck with me was that stocks are like employees. If they aren't making money, they get fired.

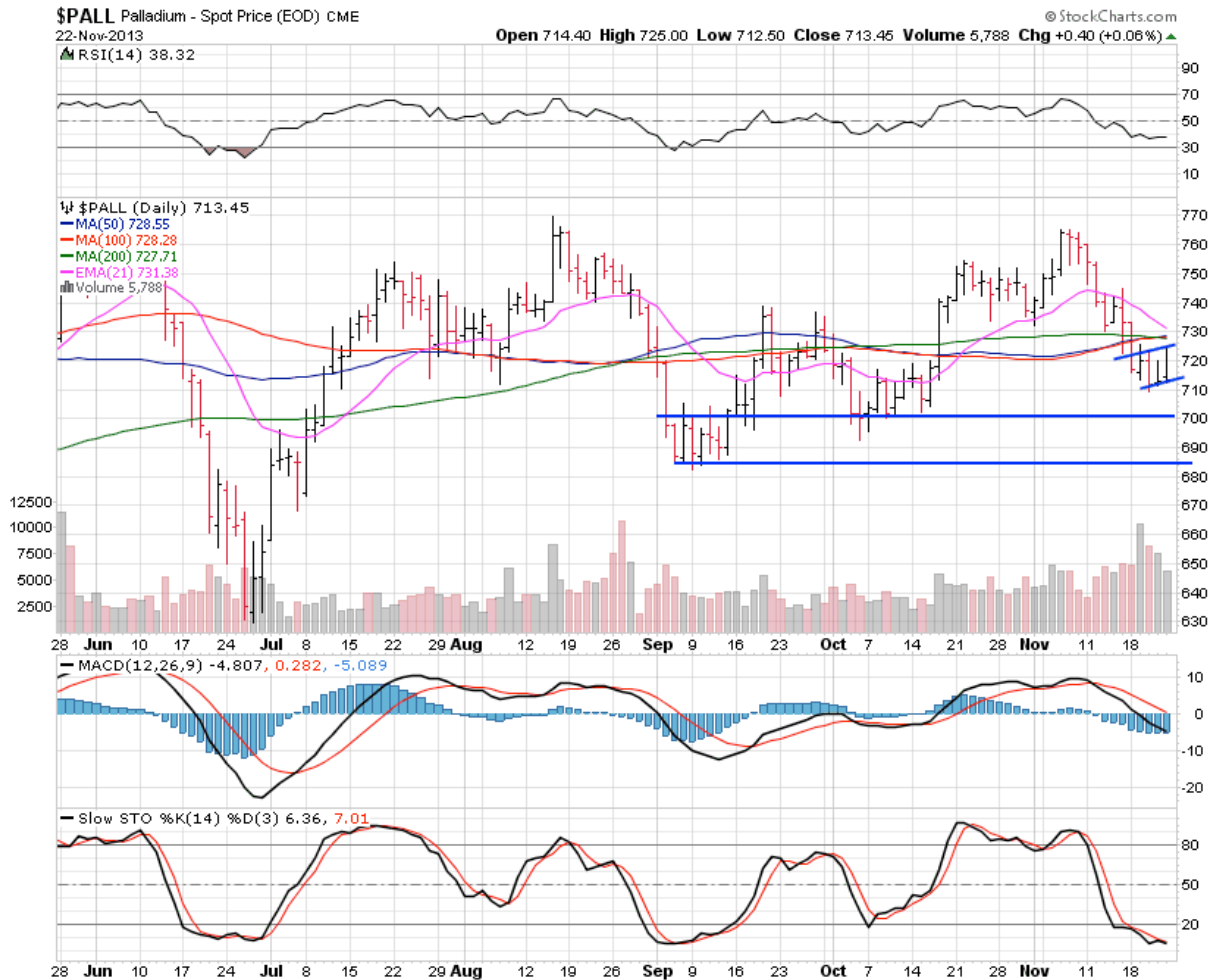
I won't go on further since I'm sure my point is taken.

Whether it will be accepted is up to you.



Platinum slid 3.91% this past week and cancelled out it's nice looking chart in doing so.

While I've said platinum does have a nice looking chart the past couple of weeks I did warn repeatedly that if gold and silver drop then platinum was likely to follow. That is exactly what took place and now it's looking for a move to \$1,360.



Palladium fell 2.69% on the week.

It has a bit of a bear flag here and that should soon break and accelerate this move lower.

We have some support at \$700 then \$685.

Have a great shortened US Thanksgiving week and weekend.

You can find more info on what I do at <http://wizzentrading.com>

Have a great weekend and week ahead.

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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