

Wizzen Trading

by Warren Bevan

Silver's Low Risk Entry

Markets continued to weaken most of the week and we were waiting for a nice bounce all week that finally came Thursday and there were some very great day-trading chances as a result.

It's not a market to take a long view in and I am not holding any positions overnight in at the moment since we often gap up or down and that just means risk is on.

For now it seems day-trading only as a general rule and there aren't many exceptions to this.

It looks like this market correction is going to go deeper very soon and that's fine.

We've run quite far, quite fast and a nice rest is due in order to maintain this bull markets strength.

As for the precious metals, they didn't fair so well but they are still fine here.

The way they'd been behaving it looked like they wanted to move higher a bit quicker than I had hoped but this week changed things and they are taking their sweet time moving higher which is exactly how I want to see it play out.

I've talked here multiple times about how this move off lows should be very slow and controlled in order for this move to last a long time.

If you ever see a stock, or market moving swiftly higher then it's near the end of its run and gold is only beginning this run.



Gold fell 2.29% for the week.

Gold was looking to break its long downtrend line but failed.

We are not breaking down here, just resting more which is fine.

This triangle pattern is getting tighter and tighter by the day and may have another week to go but no more.

Above \$1,260 is good while under \$1,240 may well signal the double bottom is going to fail.

We just have to wait and see how this plays out but I'm still not trading gold with so many other stocks moving so fast in this volatile market.

I still am looking for a move higher and remain confident the double bottom will hold but if we break \$1,240 I'll quickly change my tune.

I can't be stubborn when it comes to trading or I'll be broke before the end of next week.



Silver fell hard ending the week off by 3.92%. Silver has a much different look than gold here but should follow gold wherever it goes.

To me this level looks like a decent entry point with very limited risk.

A buy here at \$19 is easy to do with stops just under \$19 in case it fails but as long as gold holds above it's support then silver should be fine.

This is one of the lowest risk entries I've seen in silver in a while.



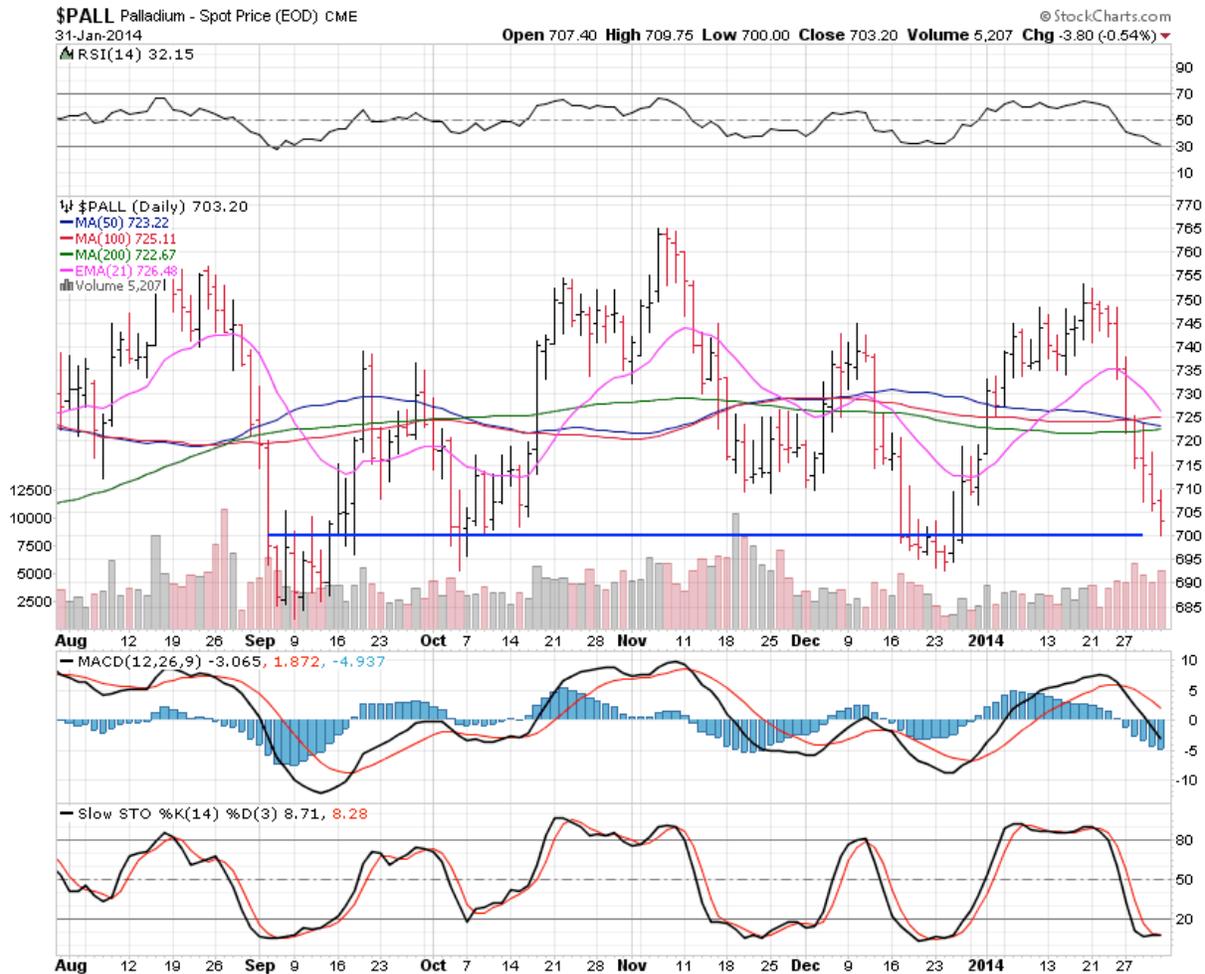
Platinum continued its slide after a failed breakout and ended the week off by 3.83%.

The \$1,400 support level couldn't contain price so lower we went.

It's so important to recognize and act on failed breakouts quickly or see losses grow.

So far we are holding support at \$1,360 and it looks like a low is in now but we need a close above \$1,375 Monday to confirm this.

If a low is not in then \$1,340 is next.



Palladium had a hard drop which took it lower 4.35% to finish the week.

What a plunge here since its failed breakout back around \$745.

If we can't hold this \$700 area then the next major support level is \$50 lower at \$650.

To me, I do not yet see a low but a few days holding the \$700 area could make me change my mind.

Thank you for reading. Enjoy your weekend and the Superbowl that should be a great game, not to speak of the food!!

Warren

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