

# Wizzen Trading

by Warren Bevan

## Little Pullbacks

What an incredible week for so many stocks. If your stock wasn't up at least 10% a day or two this week then you were in the wrong stocks.

Even 10% was on the light side with several of ours moving over 20% in a day on at least one occasion this past week.

We did see leading stocks stall out later in the week and then Friday they began to fall off before the indexes and smaller stocks followed.

We may be in for a little retracement here for a week before we launch another run higher by the looks of things.

As for gold, it stalled out as well and is needing a retracement here as well which is great action.

As I've said many times, I prefer to see gold take its time moving higher off these historic long-term lows and that is what we are getting.

Trading the metals isn't easy yet but holding physical metal for the long-term is a no-brainer in my view.

Don't get me wrong, there will be some spectacular moves in gold and they will be fun to trade and very rewarding but that isn't for a couple or few years yet.

When we see the miners beginning to behave like the biotech stocks are now I'll be trading them hard, but for now miners are only a long-term type of trade.

Let's check right into the gold chart to begin.



Gold rose only 0.20% on the week and is now looking like it's going to put in a handle here shortly.

I talked about here two weeks ago the large cup or saucer pattern and that a handle could be put in with a pullback to the 200 day moving average or so.

Last week I showed the little bull flag that pointed to a breakout higher but that breakout failed this past week and now we are back to the handle scenario.

A nice pullback to \$1,300 or so would be ideal for another week or so before we see this move higher accelerate again.

The next leg up should take us to \$1,420 to \$1,440.



Silver fell 2.61% and so far is being supported by the 200 day moving average but I think we need to test \$20.50 again.

A test of that level is an easy trade if you're into that since you can buy there with very tight stops just below, which would limit any potential losses.

It is very similar to the trade I talked about at the low of end the flat base back at \$19 a few weeks ago.

There is nothing wrong with pullbacks and you can use them to increase positions.

The metals are not setup for momentum traders yet, rather dip buyers will rule for a while to come.



Platinum rose 1.2% this past week and looks good here.

Platinum is still strong here as long as it remains above \$1,440.

Seeing platinum hold strong makes me confident gold is only undergoing a small pullback and not something more major.

If \$1,440 fails here then we move back to \$1,420 but if \$1,440 holds then \$1,480 is next up.



Palladium rose 0.55% for the week and is just now trying to breakout of this bull flag area.

I'm not so sure it can really breakout above its downtrend line here until gold makes its next solid break higher.

All in all, we are seeing great slow action here in the metals while there are some spectacular and easy gains to grab in other sectors.

Thank you very much for reading.

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Have a great weekend and week ahead.

Warren

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