

# Wizzen Trading

by Warren Bevan

## Gold Can't Glitter

Volatility reigned supreme again this past week as many stocks look to have put lows in now just as earnings season is really heating up.

Lots of big companies are reporting in the weeks ahead and could move this market and stocks higher if earnings are good. At least I hope that's what happens.

We're still mostly in a cash position with a few trades here and there but we should be able to pick up quite a few stocks this coming week with so many lows now in.

As for the precious metals, the situation isn't so great.

Gold tried to breakout early in the week but silver was having no part of it and I told members this was a warning sign.

I certainly didn't think we'd be down nearly \$30 the next day but when a half a billion dollar block comes up for sale when markets are quite the only possible result is a good old gold smashing.

I know there are a lot of manipulation theories out there and they may well be true but they don't make me any money, reading the charts and interpreting the action does.

Let's move right into the charts and see where we go from here, and it's not up.



Gold fell 1.81% for the week and is now setup to head lower.

\$1,280 will soon be tested and more likely \$1,260.

We've just got to wait and see how gold reacts at those levels but if \$1,260 can't hold then chances are we head to \$1,180 and that most likely means a much deeper correction down the major support at \$1,000.

It's been a tough go in this space for a while now so I've been avoiding it.

Of note is that silver is now leading gold.



Silver slid 1.55% on the week and is leading gold lower.

Silver has to hold \$19 or the next major support level is way back down at \$15.

On the weekly chart there is a major downtrend line which began at \$49.82 and we are right up against it.

The downtrend line is very powerful and pushing silver lower now and until some major catalyst appears silver will continue lower.

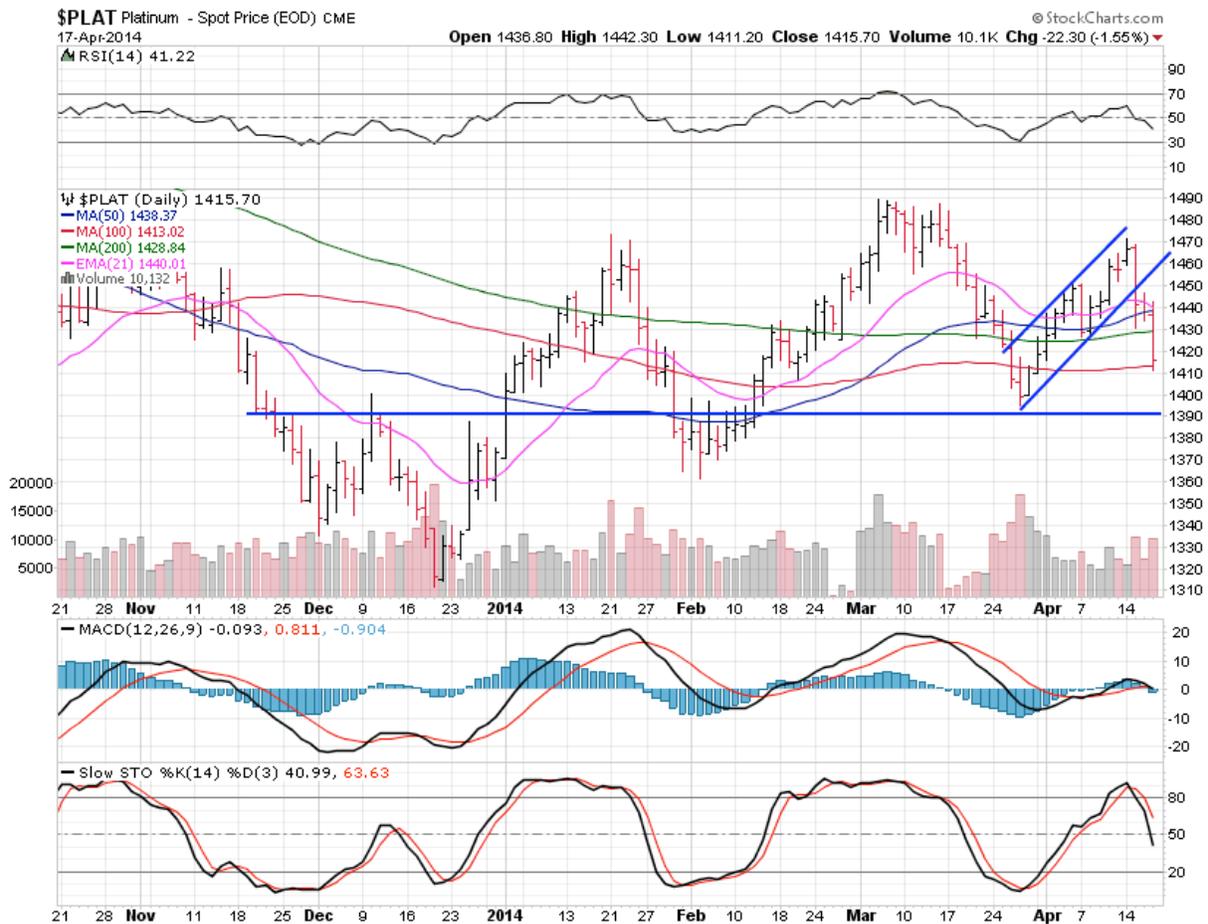
If \$19 breaks, I see no reason at all to be in silver.

It's dead money and I like my money to be working for me when I see an opportunity. Precious metals is not that space.

There are a lot of people heavily invested in the precious metals and not diversified and they will get hurt.

I still take the approach of going where the easy money is and it's not here.

Life's hard enough as it is. I find the easy places to invest.



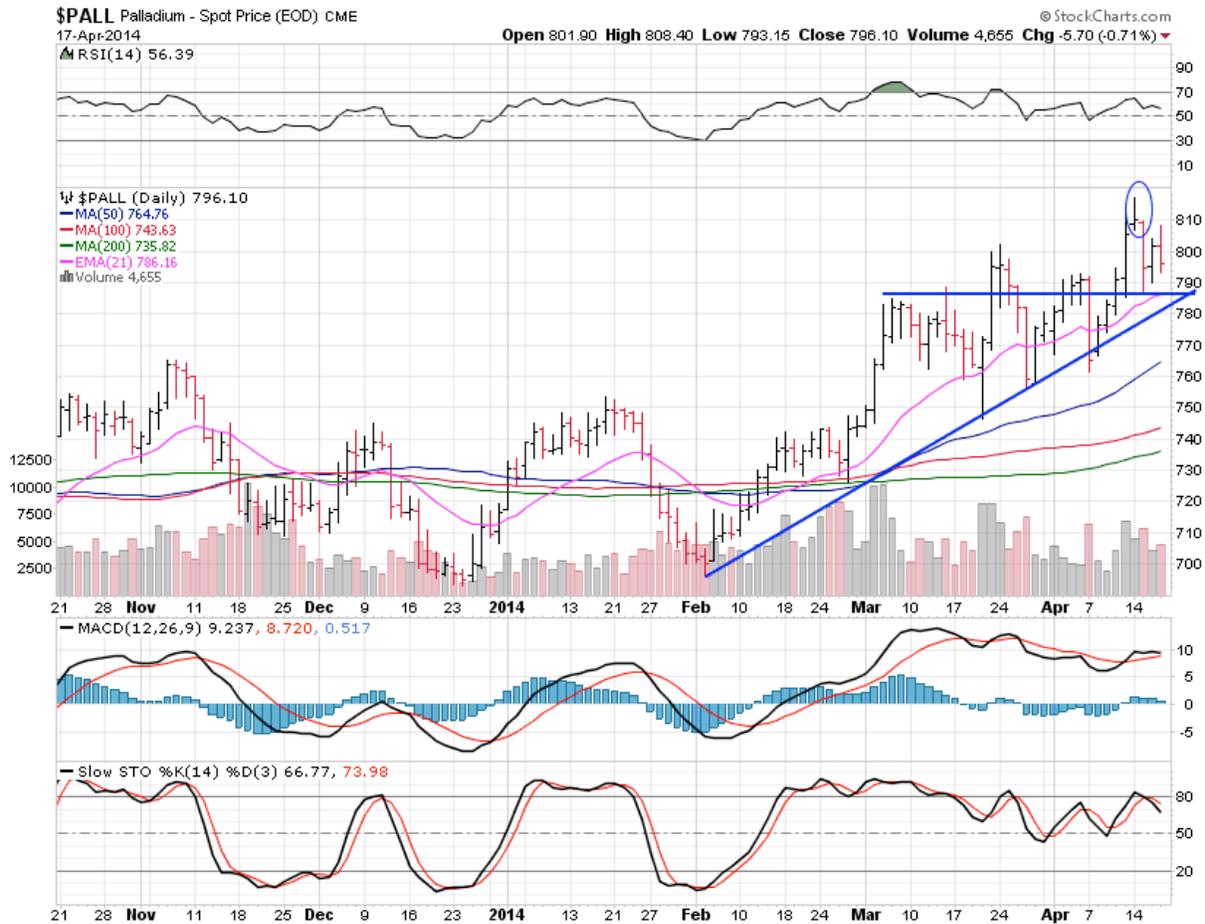
Platinum follows gold, it's as simple as that and it fell 2.83% last week as gold began to breakdown.

While I really liked the chart in platinum last week and it wanted to go higher, I always warn that if gold breaks, so will platinum.

If we can't hold the 100 day moving average here now, we will head to \$1,390 and we will cross that bridge when we come to it.

The break of the uptrend channel could have been shorted but I avoided it.

We could be in for a major move lower.



Palladium only fell 1.17% on the week but should soon play catch up and fall hard.

Palladium is actually an interesting short to me here. I'd consider a short here with stops at \$810 but I think it's inevitable that palladium drops hard and a break of this uptrend line should quickly take us down to \$740.

We're still in a dangerous market but many stocks are showing me trade-able lows, in fact this weekends member letter is 41 pages of nice trade setups.

On that note, [you can find out more about what I do for members at www.wizzentrading.com](http://www.wizzentrading.com)

Thank you for your time and reading.

Have a great weekend and week ahead.

Warren

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