

Wizzen Trading

by Warren Bevan

Critical Support Holds

A quick housekeeping note first.

You can access my Daily Trade Ideas for free for a few more days at http://wizzen trading.com/?page_id=2920 using the password: cash

You can also get my real-time trade alerts at @iTraderz so please do take advantage of this to learn a bit more about how I trade or in this market, how I don't trade much.

Another volatile week for markets who don't look that bad, but leading stocks are being battered and most earnings numbers, even if good, cause a large selloff, even after a large initial gap higher.

It remains a dangerous market with not much to do.

A lot of investors and traders don't understand that there is a time to be out of things and wait.

There is a time to play offence and a time to play defence.

As for gold and silver, they may have found lows now by a thread but a few more days is really needed before I can be sure.

Let's check the precious metals charts and please do check my site later on this weekend for much more detailed information on markets and specific stocks in my members section.



Gold gained 0.70% and held the 100 day moving average and \$1,280 level very well on high volume which is key.

When something breaks major support and comes back to close the day back above that level on high volume it is very positive.

Now we are near a breakout above the downtrend line which would be a buy signal right at the \$1,310 level.

Great stuff from gold just as things were looking dire.

Had we broken just a bit lower I'd be singing a much different tune this weekend but even more important is how silver acted so let's check it out.



Silver rose 0.38% over the week and held crucial support.

Last time silver hit the \$19 level I talked in this weekend letter about how it was a simple and very safe buy level using tight stops.

The same was true this time around, although to be honest I wasn't so sure \$19 would hold, but it did and that's what matters.

As \$19 was hit and silver bounced strongly it was early in the day and the few stocks I had were not acting great so while I did see silver bounce I was more focused on selling the positions I had.

If we break above the downtrend line and the 21 day moving average at \$19.85 then we should have a low in and it is a powerful buy signal.

We may need to build out a flat base here for a few weeks so we may not rocket higher but as a longer-term buy, silver is looking fantastic to me.

Just look at the explosion of volume as major support was hit. That solidifies the power of the \$19 level.

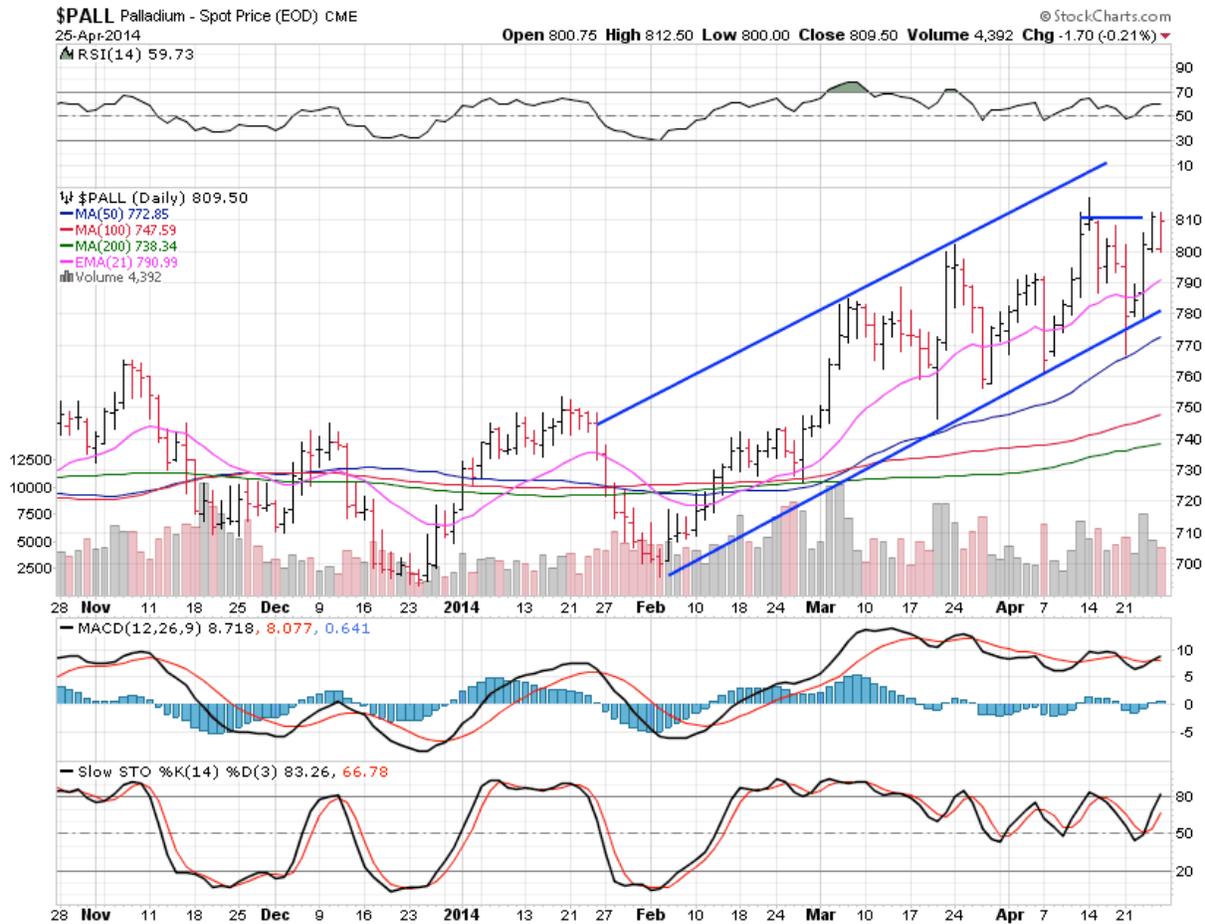
It's very positive.



Platinum gained 0.61% and held support at \$1,400 on strong volume.

We have a powerful 2 day bar combo that tells me the chances of Monday being a nice up day are quite high.

\$1,430 is a buy level for platinum and ideally gold and silver should be breaking out as well since they do lead.



Palladium gained a nice 1.68% last week and looks great for higher prices Monday.

last weekend I thought palladium was a nice looking short trade since it had some catching up to do to the other metals but it never came to be as gold and silver held crucial support.

We have a nice 2 bar combo that tells me we are going higher right now as we are closing on resistance at \$810.

Palladium will be near highs at \$850 in no time from what I can see in this and the other metals charts.

What a change a week can make but that's what makes this trading game so exciting.

Please do check out the members section of my site and thank you for reading.

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.wizzentrading.com> or send an email to warren@wizzentrading.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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