

Wizzen Trading

by Warren Bevan

Gold Explodes Higher But Isn't Yet Out Of The Woods

A bit of a strange week for markets and many stocks as they looked strong and should have moved but they didn't do much in the end.

Maybe it had something to do with the quad witching Friday.

It certainly wasn't the funnest of weeks to be in front of the screens with little really happening, but the good news is many fast moving stocks are now ready to go, and I will be on them this week if they do.

As for gold, it had a spectacular move Thursday which saw it move above the very important \$1,300 level on massive volume.

I'm really not too sure why the move came but as I often say, a move comes before the news.

I'm still not so sure gold is done falling but it is off to a great start.

Let's take a looks at the charts.



Gold ended the week up 2.99% after its ridiculous move Thursday.

The strength Thursday just kept coming and coming.

We were up some \$20 and against moving average resistance and I thought that was it but it kept running ending up over \$40 for the day!

Incredible strength no doubt and something I like to see in any chart that is running.

I'm still not totally convinced though.

Gold is in a bear market and they often see large, short-lived moves against the trend.

I don't know if this is one of them or not yet but as long as we hold above \$1,300 for 3 days then we are certainly looking much better.

We didn't get the so called, blood in the streets moment of panic which I am looking for to really cleanse the market of weak hands but this is a great start.

Many people are now calling the bottom in, and they may well be right.

If it's true, gold has a long way to run higher and will give us many setups in the weeks and months ahead so I'm not so eager to jump in yet.

The \$1,340 area looks like it will be a buy level after a small consolidation in the area.

The mining shares led gold this week and they were the tip-off that gold was going to move but who knew it would be such a strong move.

I have to admit I fell into the trap of being stuck in a conviction.

I talk all the time about not being biased and being able to change your point of view quickly but still, the odd time, I fall prey to this rookie mistake.

I saw the shares moving and told members to keep an eye on it and a few select stocks and had I not been so pig headed we could have made a killing with the main ETF I had as a setup moving over 20% Thursday alone.

It won't be the last time I get stuck in a conviction. This trading game is always a learning and humbling experience.

Let's see what the week ahead brings as it will tell the tale of whether gold has changed trends or not.



Silver exploded higher as well and ended the week 6.13% higher.

A super move with huge volume.

The \$20 level was a key for silver and it sliced through it like a hot knife through butter.

Let's see if it holds and a move above \$21.25 looks to be the next buy point after a little consolidation.

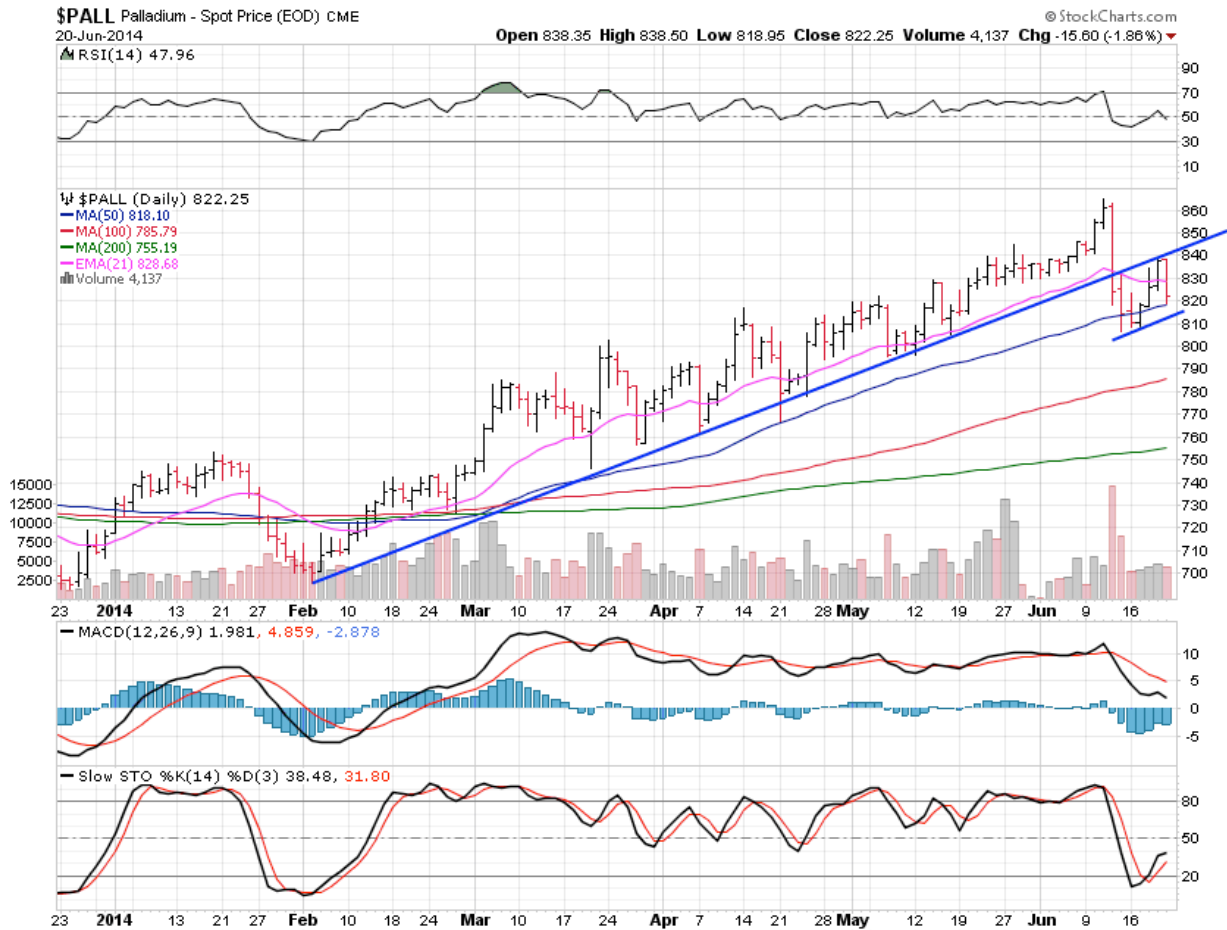
Such a huge fast move has to be digested with a few days of sideways action.



Platinum gained 1.49% on the week but isn't showing the strength we saw in gold and silver yet.

Platinum has been vacillating around the moving average cluster around \$1,150 for months now.

A breakout above \$1,480 could be bought with a starter position using tight stops but we really need to break free of the shackles that \$1,490 holds to really get moving, and on higher volume.



Palladium wasn't as strong and only gained 0.98% for the week.

It has a bear flag now and should soon break below \$815 towards \$790.

That said, if gold rips higher, palladium should follow.

A couple weeks ago palladium looked ripe for a move to new all-time highs but it reversed on heavy volume.

I prefer to see these four precious metals moving in tandem but they are a bit mixed here for the moment and it is something to be aware of.

Thank you very much for reading and you can find out more about what I do for members as we focus on leading stocks for the most part at <http://wizzentrading.com>

Enjoy your weekend.

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.](#)

If you found this information useful, or informative please pass it on to your friends or family.

Free Service

The free weekly newsletter “Wizzen Trading” does not purport to be a financial recommendation service, nor do we profess to be a professional advisement service. Any action taken as a result of reading “Wizzen Trading” is solely the responsibility of the reader. We recommend seeking professional financial advice and performing your own due diligence before acting on any information received through “Wizzen Trading”.