

Wizzen Trading

by Warren Bevan

Metals Are Trading In The Range

Markets were strong, then stalled, and then ended the week on a weak note.

I remain in cash expect I did take one small position Wednesday and it is working well but I have tight stops since this market is not acting special at all.

Half the battle of winning the great stock market game is being able to wait for the right setups and to be honest, it would be best if we build bases all summer and then come into some strong trading in the fall.

Let's see how it goes, but I am not at all keen on many names at the moment.

As for the metals, they are trading in ranges and are still looking to move lower in a big way over time.

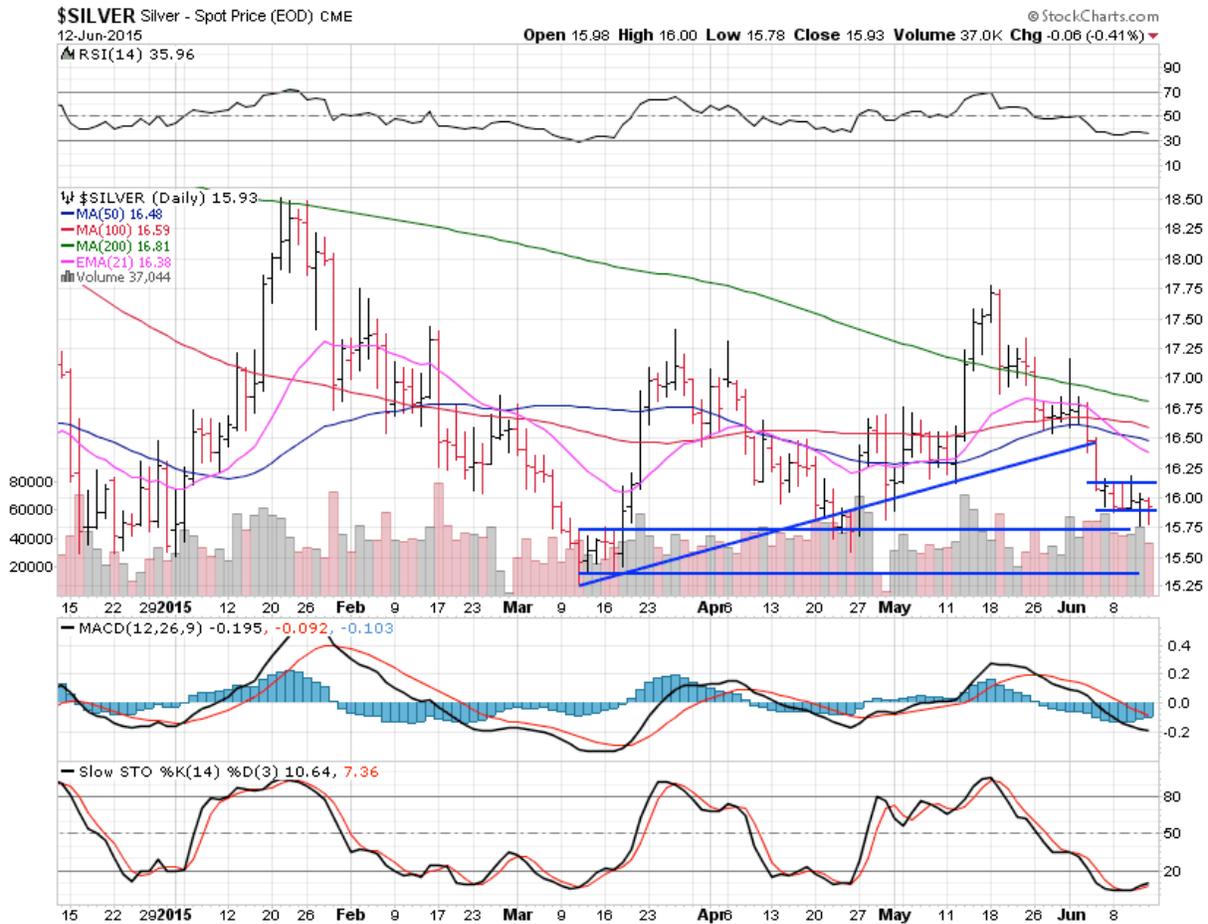


Gold gained 0.75% this past week but still looks set for lower.

Gold has a little bear flag which points to a move back to the support areas at \$1,160 and \$1,150.

The \$1,190 level remains a major level and is acting as strong resistance at the moment.

The trend remains lower and this shorter-term chart also points to lower in the week ahead unless gold can move above \$1,190.



Silver lost 1.06% this last week and is leading gold.

That said, silver did try to break below this small bear flag but snapped back to close the day back in the pattern so that is positive.

It is not positive enough for me to get involved though and the dominant trend remains lower.

A break above the \$16.25 area would be quite positive and take silver up to \$16.50.

To me, these moves are small and not worth it while the sun is shining.

I'll sit in cash and wait for easy trades to come and enjoy the sun while it shines these next few short months in the Northern hemisphere.

If trades setup, I'll be on them but I will not be forcing anything this summer.



Platinum ended the week flat, falling only 0.21% and setting up for more downside as well unless it can above \$1,120.

\$1,090 remains a small support level but it may not hold for long.

The \$900 level is the major support area that really needs to be tested before I can truly consider a major low to be in place.

I understand the past several years have been painful for precious metals bulls but gold really does need to test \$1,000 for a major low to be in place.

A test of that level would allow for a healthy start to a move higher so weakness is positive when looking at long-term charts for the big picture.

It won't happen quickly but it will happen.

In the meantime, I'm playing where the money is, biotech.

Money is always flowing somewhere and I follow it around. Simple.



Palladium lost 2.04% and is looking for lower as well.

\$725 is a major level on the monthly chart and a break there should take palladium towards the \$550 area where the next major support sits.

It won't come overnight but it looks like the next major leg lower is soon to start.

So, while I think metals are heading lower still, look at it as a positive.

If metals turn up from here, the move will not be able to last.

Charts need to build properly or they won't work so some weakness is in fact a great thing for the long-term, as well as being able to buy more cheaper!

Have a great weekend.

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>

Warren

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