

Wizzen Trading

by Warren Bevan

Miners Led Breakout But Say It's False

Stocks saw great action this past week, and after weeks of chopping around seem to be moving out of the nice patterns which have taken that long to form.

Half the battle is waiting for the right setups on the chart and those patterns take time to form.

Leading stocks are now breaking out and leading the indexes who are trying to breakout in the case of the Nasdaq and the S&P 500 while the Russell is lagging a bit still.

Gold and silver also are finally moving out of the range they've been stuck in and doing so to the upside and were led by mining stocks but, the miners are rolling over now after a nice breakout.

It looks to me like it's just another fake-out to the upside to suck in the perma-bulls and we will know the truth to this story in the week ahead.



Gold gained 3.02% this past week on good volume.

Gold is trying to breakaway from this \$1,220 resistance level and move away from the 200 day moving average.

The miners predicted this move but they are also now saying this move will not last.

I am still not that excited about gold since many of the moves this past week, and always, take place while I'm fast asleep in overseas trading.

Let's see how the week ahead goes but with resistance not far overhead at \$1,240 and \$1,260 it will be a tough go.

I am more focused on leading stocks who are moving out of good chart patterns now and more and more of those stocks are getting ready to move.

That said, we've seen nice patterns in leading stocks start to work well recently only to see those fail.

I did well and locked in some nice gains on the last major breakout, but ultimately, that breakout did fail and then I sat in cash for weeks until this week when I began to move into stocks in a big way once again.

Stocks look good to move higher and hopefully this time the move will last for sometime and we can just sit and let them run, but if not, I'll be out quickly locking in gains and/or keeping any losses very small.



Silver gained a strong 6.70% this past week and is moving well above the 200 day moving average and chart resistance at \$17.25.

Really nice action all in all but again, the miners are waving a warning flag so let's see how the week ahead plays out.

If this is indeed a breakaway from a major low, there will be many, many opportunities to get into this space and those opportunities will be much more secure than this one which is still very preliminary.

I'm not a bull, or bear, just a realist and read what clues the charts give me.



Platinum gained 2.38% as it also moved out of its range.

The \$1,180 area is strong resistance so will be a challenge to surpass with any strength.

As always, platinum needs strength to continue in gold and silver and the strength there seems a bit suspect to me.



Palladium lost 0.97% this past week and is struggling with its 200 day moving average.

If gold and silver can continue higher, palladium will follow and move to the next resistance area at \$820 but if they fail then we will see palladium fall back to support at \$760.

Enjoy this great long weekend and the sunny days!

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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