



-GCRU-

Weekly Trading Strategies



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Achieves gains by trading commodities, currencies and stocks

December 16th, 2020

IN ITS 19th YEAR – Nº 915

THE TREND IS YOUR FRIEND STOCKS HOLD NEAR HIGHS RESOURCES ALSO HOLDING STRONG GOLD REMAINS VOLATILE, WEAKNESS IS NOT OVER JUST YET

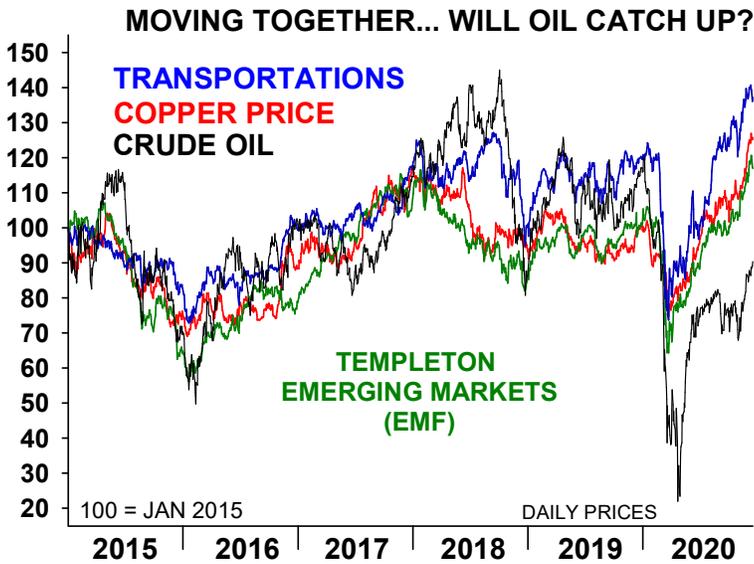
The U.S. officially approved Pfizer's vaccine and has begun the distribution and vaccination process in record setting time.

Many, particularly those most vulnerable and first responders are up in joy as hope springs eternal that life will go back to some type of normal and fears of contagion subside.

All of the sudden, traveling, parties, dining and overall social activities are back on people's mind. There's much to make up for loss time especially during the holiday season.

Yes, lockdowns remain in some places and renewed concerns are constantly being promoted on news outlets.

"There are two kinds of fear, fear itself and fear of being left behind" – **Robert Carey**



market and more upside is now likely.

We've also seen copper and resources rise with super strength from the Mar lows to multi-year highs. Emerging markets are keeping up with copper and crude oil continues to show signs of reviving.

But one of clearer signs that sentiment continues to shift towards risk assets is the U.S. bond market itself.

Remember capital (money) always flows where its appreciated and treated best.

The rise in bonds in 2020 was spectacular. However, after peaking during the pandemic led collapse in March, it's been trending lower. Momentum seems to have rolled over.

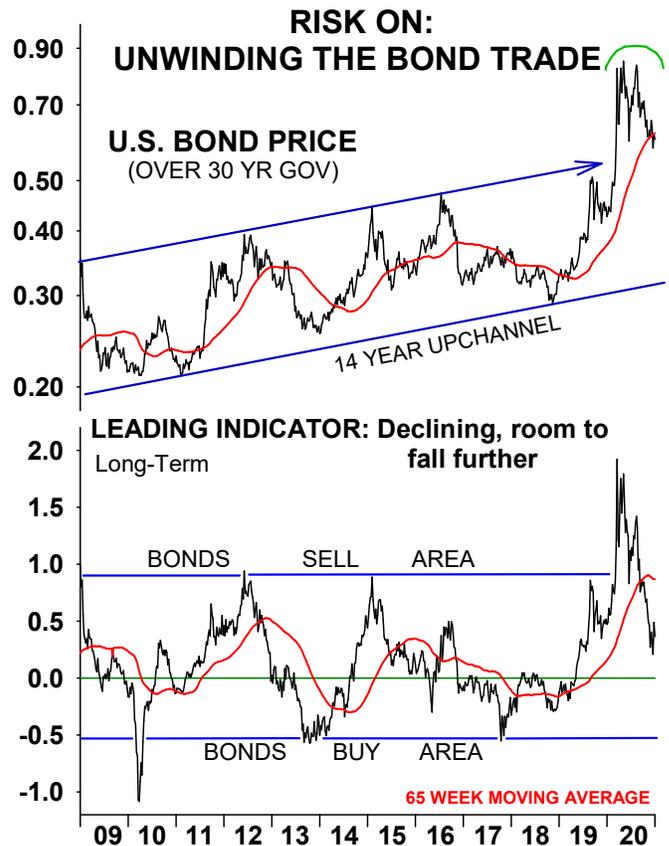
The next chart shows the unwinding bond trade along with a long-term leading indicator over the last ten years.

Notice bonds have been rising consistently since 2009 (really since the early 80s!), blowing off during the pandemic caused panic just this year!

But the fact remains that a path to conquering the virus and ending the lockdowns has been confirmed.

It's no coincidence U.S. Equities are holding up near the highs. The S&P 500 remains above its 5wk MA (3625) and more upside is likely.

Remember last week you saw the Averages trigger a bullish Dow Theory re-confirmation, suggesting the stock market is in a primary bull





But as society learns to live with the virus, it also moves away from lockdown economies. Money will continue to flow out of safety and into risk assets like commodities, U.S. Equities, real estate, and others putting more downside pressure on bonds and safe assets.

This is one of the reasons we've held onto TBT, an ETF that moves opposite to LT U.S. gov bonds. Better said, it moves with the long term yield.

Although the rise in yields is yet to develop, it's been rising in a rebound upward path. Notice on the chart, TBT has confirmed the Aug uptrend and support level near \$16. As long as this trend holds, TBT will reach our first profit target, at the Jul highs near \$18.

A break above \$18 would extend TBT's rise even further.

Keep your positions but sell half at first profit target.

Our analysis allowed us to transition from safety assets like gold to risk assets like stocks and commodities successfully. It's allowing us to turn a profit while gold's 'D' decline matures.

We have exposure to technology, industrials and retail. We have a backdoor to crypto-currencies with PayPal (PYPL) too.

As online activity continues to capture the bulk of retail activities, payment solutions and e-commerce will become more and more relevant, particularly those who incorporate the possibility of using crypto-currencies.



PYPL has been one of the best performers this past week. It's breaking above the key resistance level at \$220. If it holds above this level, it's off to the races.

Notice Spinner holding at zero, now picking up steam with lots of room to develop. It's telling us momentum will continue favoring PYPL ST.

Keep in mind we're overweight PYPL and our first profit target at \$230 is quickly approaching. Be sure to sell some of your position for a handsome profit.

Shopify (SHOP) is yet another company that will likely thrive with increased online retail activity.

SHOP's platform connects small and medium businesses with end users. It provides detailed analytics that help business owners understand their own sales trends. It's something that in the past was only made available to big corporations who could pay for data collection.

Not only that, SHOP's alliance with Walmart (WMT) allows its customer base to show case their products in the largest retailer in the world.

We're overweight SHOP too. It's been rising with strength from proven support near 900. A break above \$1,150 confirms strength with more upside potential. Our first profit target is at \$1,250. Be sure to sell some to protect profits.

Walmart (WMT) is the perfect partner for SHOP. Particularly because



the giant retailer is shifting its business model to look more like Amazon.

Consider WMT currently sells twice as much as Amazon globally and has infrastructure in place to take over a big chunk of online retail. Plus it continues to invest heavily in driverless deliveries and social media platforms.

Last quarter, WMT's online sales jumped 80% confirming their push for online retail is on the right path.

WMT also is in dire need for independent merchants to sell through their online platform. However, it already started working on this after its partnership deal with SHOP.

WMT has been downtrending since peaking at the turn of the month, but it remains bullish above key levels, most noteworthy, the Mar uptrend near \$140. Keep your positions. If you're looking to buy, take advantage of weakness.

3M (MMM), a true industrial play, is also holding near the highs. It remains bullish above the Mar uptrend, especially after breaking to new highs for the move recently.

Resistance at \$180, however, is strong. MMM must break above this level with poise to show renewed strength that could push it to the top side of the Mar upchannel near \$200.

As shown last week, Industrials are positioned to continue outperforming the Utility stocks likely due to depleted inventories and the need for industrial production.

I have a full position in MMM and will continue to hold as long as MMM stays above the Mar uptrend near \$165.

Our play on the S&P 500 index (SPXL) has also paid off. Last week we took a juicy 30%+ profit on half of our position and letting the rest ride!





SPXL pulled back from the recent high, but it's holding above its 5wk MA, a ST support near \$65. Keep in mind, however, SPXL's deeper support, at the Mar uptrend near \$55 is the more reliable level.

Keep the rest of your positions for now.

Resources Also Doing Great!

Our resource stocks continue to trend up. They've been rising with copper and other base metals as the global economic recovery chugs along.

We recently sold half of BHP Group (BHP) for a handsome 33% profit. I'm still holding reduced positions and waiting to see if crude oil catches up to copper and other resources.

If it does, it could boost BHP and push it to our second profit target at \$72. If our target is hit, sell the rest to average in an even better profit.



We're also holding full positions in Ivanhoe Mines (IVN.TO), Altius Minerals (ALS.TO) and Emx Royalty Group (EMX). I started adding Uranium Royalty Corp (URC.VN) this past week.

Ivanhoe Mines (IVN.TO // OTC: IVPAF) continues to hold strong near the highs. It likes the CA\$6 (IVPAF: \$4.70) support and if it now holds above this level, it could rise to the top side of the Mar upchannel near \$7.25 (IVPAF: \$6).



Remember IVN will roll out into production one of the largest copper mines in the world in June 2021. Keep your positions and ride through weakness. We're in for a bullish ride!

We also recently bought more Altius Minerals (ALS.TO // OTC: ATUSF). It's a royalty company with interesting exposure to renewable resources as mentioned in previous issues.

ALS is forming a bullish flag pattern with pole resistance at CA\$12.75 (ATUSF: \$10) and upside target near CA\$15 (ATUSF: \$12). This means, a break above the resistance could propel ALS to the target.

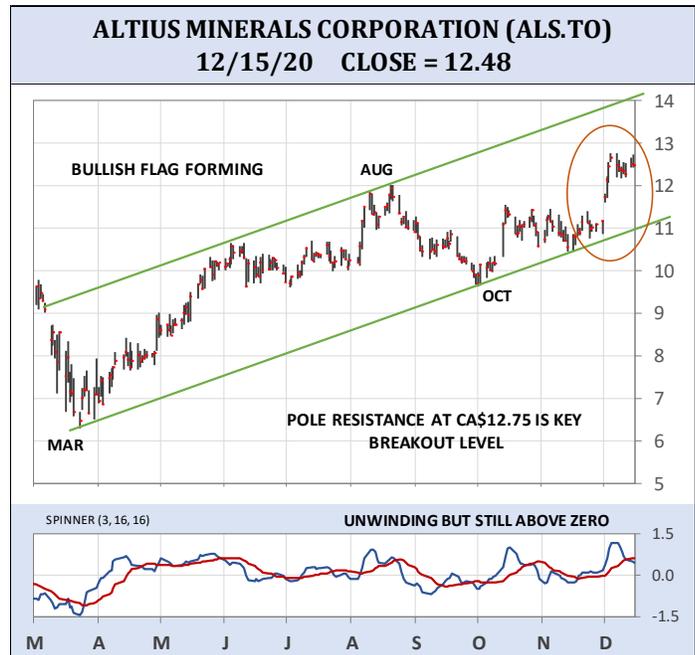
Spinner is receding from the highs, but remains above the zero line. Keep your positions for now, but if ALS breaks out and reaches our target, be sure to take some profits.

EMX Royalty Group (EMX) is a royalty company with over 200 properties and projects. It has solid exposure to copper, the base metals and also gold.

It allows us to have exposure to the profitability of mines that are out of safe jurisdictions without assuming the operation risk that comes with that profitability.

EMX pulled back from the recent upmove, but it's holding above key support levels. A break above \$3.30 and it's off to the races!

Keep your positions for now, as long as it stays above support at \$2.50.



Just last week I added a new uranium royalty company called Uranium Royalty Corp (URC.VN // OTC: URCCF).



With the need for alternative sources of energy on the rise, and no real viable path outside fossil fuels yet, uranium becomes a clear choice.

Although there's much stigma surrounding uranium due to its high radioactivity, new technology has mitigated most of the risks associated.

URC.VN, also a royalty company provides exposure to this boundless energy without assuming too much exposure on the operation risks.

URC is rising with strength and if it breaks and stays above the Aug highs at CA\$1.30 (URCCF: \$1), it's off to the races! A rise to the top side of the Mar upchannel would then be likely.

Spinner bullish, with room to develop further. Keep your positions and buy more on weakness below CA\$1.20 (URCCF: \$0.90).

The Dollar Remains Under Pressure

And it shouldn't be a surprise, not for this crowd.

As safe haven demand declines, so does the U.S. dollar. It continues to edge lower... Moreover, it'll remain under pressure as long as it trades below the Sept downtrend near 94.





This is one of the reasons we decided to diversify our cash position into British Pound Sterling (“Pound”) and the Australian Dollar (“Aussie”) earlier in the year.

I started with the pound at the beginning of the year and added the Aussie when the U.S. dollar index broke below a key level at 96 during July.

It would allow us to keep our purchase capacity and value during dollar weakness and as opportunity develops.

This past week the pound has been the focal point of attacks given the unlikelihood of an agreement between the U.K. and Europe post Brexit.

But the U.K. has lots to look forward to outside of the union. Plus, most of Brexit woes have been priced in already.

On the chart, you’ll notice the Pound has been forming a bullish ascending triangle. A break above \$131 would confirm the pattern and a continued rise would be likely. Notice Spinner very bullish, holding above zero line.

As for the Aussie, it’s breaking above the top side of the Jun upchannel. Very bullish to say the least. The Aussie is also a play on emerging economies and resources.

Keep your cash positions diversified.

Gold Pumps Up But Still Under Pressure

Renewed optimism over a stimulus package before the end of the year is being supportive of gold.





Gold is bouncing up from the lows, approaching key resistance levels. Keep in mind, however, gold's rebound will be a mere secondary reaction within a decline unless gold breaks above resistance at the Aug downtrend on 2 dc above \$1925.

Moreover, the upmove should be in coordination with gold mining companies and other precious metals. If the move is not concerted, it could be a bull trap.

I continue to hold a small position in gold. I've been waiting for more weakness to add

to my positions.

Gold shares also had a great trading day yesterday. The HUI Index (a gold miner index) is testing its critical 5wk MA showing signs of a bottom and signs of strength.

A break above 300 could be the start of a renewed rebound or rise. But if HUI fails to break above this level, it could resume its downward path, towards its deeper support at 250.





Our in house A/D Line is now testing the neckline support on a bearish H&S Top pattern. A break below the support could spell continued weakness for gold miners.

I'm still holding small exposure to DUST too, an 2x inverse ETF to the HUI Index. It allows us to hedge some of the downside in our open gold miner positions.

Our exposure to precious metals is reduced. We had sold most of our positions (back then over 50% of our portfolio) leading up to gold's peak. We made great returns and profits.



But even better, just as gold peaked (Aug 2020), we finished selling gold and gold assets and started buying stocks and resources. The timing couldn't have been better.

Consider since the Aug peak in gold, the S&P 500 is up 10% while gold is down, an equal 10%. Our individual positions have done better than the index and soon we could be cashing in that great trade.

For now and together with a small position in gold, we're holding a reduced position in NovaGold (NG) and Black Rock Gold (BRC.TO // OTC: BKRRF) and a full position in Bonterra Resources (BTR.TO // OTC: BONXF) and silver.

Both Bonterra and Blackrock are great companies, with great management and prime assets. They've shown great drilling results too and have great upside potential. They both are prime takeover targets and allow for open upside.



Blackrock Gold (BRC) is holding above the Mar uptrend. It's showing support suggesting that even on a continued decline, the downside seems limited.

I recommend buying more at mkt, pushing your position from underweight to full position.

NovaGold (NG) is slipping below the Mar uptrend, showing some weakness. I'm waiting for a continued decline, ideally below \$9 to buy more.

Keep your positions and take advantage of weakness to buy more.



Silver has been really strong, holding up better in part due to its industrial use than its safe haven appeal.

Silver is testing resistance at \$24.50. A clear break above this level could see a continued rise to the recent high near \$30.

I own a full position in silver but I'm ready to buy more on weakness below \$21.

Our strategy for this week is to remain vigilant with the key support and resistance levels. Don't get sidetracked with secondary reactions. Identify the primary trend and stick with it. Remember the trend is always your friend.

Good luck and good trading,



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HOLIDAY SCHEDULE

For the upcoming Christmas - New Year holiday weeks, we'll have condensed editions. That is, I'll cover each of our trades in a summary form without charts. I'll also do trigger alerts if necessary. Our next full edition with charts will be back on schedule for the New Year on Wednesday January 6, 2021.

WISHING YOU ALL A HEALTHY, HAPPY and LOVING HOLIDAY SEASON, AND THE BEST IN LIFE FOR THE NEW YEAR. Thank you for subscribing and I look forward to another good year together.

KEY PRICES

Name/Symbol	Dec 15,20 Price	Change	Dec 08,20 Price
Gold (GCG21)	1855.30	-19.60	1874.90
Silver (SIH21)	24.64	-0.09	24.74
HUI (HUI)	295.19	-7.86	303.05
Copper (HGH21)	3.54	0.05	3.50
Crude Oil (CLF21)	47.62	2.02	45.60
S&P500	3694.62	-7.63	3702.25
U.S.Dollar (DXH21)	90.41	-0.56	90.97
30 Year T-Bond (ZBH20)	172.91	-0.15	173.06
10 Year T-Note Yield	0.923	0.010	0.913
13-week Treasury Bill	0.070	0.002	0.068

TRADER SHEET ON PAGE 14 & 15

TRADER SHEET

Symbol	Trade Update &/or Current Position	Status B=Buy S=Sell O=Out H=Hold	Long or Short	Last Closing Price	Stops	Targets
PRECIOUS METALS PORTFOLIO (18%)						
GOLD (GCG21)	Holding small position, & waiting for weakness to buy near \$1700. Gold is showing resistance below the Aug downtrend... A sign of weakness. Keep your reduced position & buy more on a decline to intermediate support near \$1680. Keep your positions.	H	Bot: 1485 (Mar-18-20). Sold via alert for 35% gain (Aug-11-20). Bot 1900 (Sept-21-20)	1855.30	2dc below \$1685	2100 & 3000
SILVER (SIH21)	Holding full position and ready to buy more on weakness below \$21. Keep an eye on Aug downtrend near \$25. A break above is very bullish, but if silver fails & closes below \$22, it could then decline to our ideal re-entry level below \$21. Keep your positions.	H	Bot: 15.80 (Jul-17-19), 16.50 (Aug-7-19), 16.80 (Nov-8-19), 12 (Mar-18-20), \$15.20 (May-6-20). Sold half at \$18 for 17% gain (Jun-22); Sold more at \$26 for a 70% gain (Aug-4-20). \$23 (Sept 23-20) (AVG: \$19).	24.644	2dc below \$19	28 & 50
DUST	Keeping small position to counter weakness within gold universe. Keep your positions.	H	19.4 (Sept 28, 20).	22.46	2dc below 16.20	35
NG	Holding reduced positions after taking profits late last quarter. NG is testing the Mar uptrend. A decline to deeper support at the Aug lows is now likely. Buy some below \$9.	H	8.30 (Jul-15-20), 8.70 (Jul-22-20), 8.99 (Aug-7-20). Sold half at \$12 for 40% gain (Sept 18-2020). (AVG buy in: \$8.65).	10.22	2dc below 8.	12
BTR.V BONXF.OTC	Holding full position. Great company, with great assets and funding. It also has takeover potential. Looking good above \$1. Watch for a break above Aug downtrend on 2dc above \$1.30 to show renewed strength.	H	1.32 (Jul-23-20), 0.90 (Nov-5-20) (AVG: 1.10).	1.2	2dc below 0.8	\$2.20 & \$3
BRC.V BKRRF.OTC	Holding small position for its takeover potential. Downside pressure lightening up. Buy more at mkt, during weakness.	B	1.10 (Sept, 21- 20)	0.64	2dc below 0.40	2 & 4
CURRENCIES (36%)						
U.S. DOLLAR (DXH21)	At the lows, testing support at 90. Our currency pile is diversified, holding some U.S. dollars, Australian dollars and British pound sterling. Keep currency pile diversified.	H	-	90.41	-	-
FXB	Concerns over Brexit may have put downside pressure on the pound. However, it remains above the May uptrend, a key support. If the pound holds above this level near \$127, it could then rise above the Sept resistance above \$130, confirming a bullish ascending triangle.	H	-	130	-	-
FXA	Bullish above the Oct upchannel near \$74. Momentum continues to develop favoring the Australian dollar. Keep currency pile diversified.	H	-	75.31	-	-

TRADER SHEET CONTINUED

INDUSTRIAL METALS AND ENERGY (18%)

BHP	Sold half of position from overweight for a profit. BHP is holding near the highs but could pull back to the recent breakout level at \$58. This is also the Oct uptrend & mid-channel line. Keep rest of your positions for now. Buy more below \$55.	H	54.75 (Jan-15-20), 52.50 (Jan-30-20), 43 (Mar-5-20), 31.50 (Mar-18-20). Sold half per alert at \$53.50 protecting 18%+ gain (Sept-8-20). 50 (Nov-5-20).(AVG: 47). Sold half per alert at \$62.50 protecting a 33% gain!	64.69	2dc below \$50	\$64 (reached) & \$72
IVN.TO IVPAF.OTC	Holding full position. Bullish above Mar uptrend near \$5.50. Keep your positions.	H	5.20 (Oct-21-20), 5.70 (Nov-19-20) (AVG: CA\$5.45)	6.09	2dc below \$5.25	7 & 10
EMX	Holding a full position. Continues to coil within bullish ascending triangle suggesting more upside is likely, if the resistance level at \$3.30 is broken. Keep your positions.	H	\$2.68 (Oct-28-20), \$2.75 (Nov-19-20).	2.98	2dc below \$2.50.	\$3.60 & \$4
ALS.TO ATUSF.OTC	Holding full position. Forming a bullish flag pattern with upside target at CA\$15. Watch for a break above \$12.75 to show break-out strength.	H	10.50 (Nov-13-20), 11.80 (Dec-2-20)	12.48	2dc below \$9.50	14 & 20
URC.V	Bought some this past week. URC has strong support at the Mar uptrend. Keep your positions.	H	1.23 (Dec-9-20)	1.26	2dc below 1.1	1.5 & 2

MELT UP RISE PORTFOLIO (28%)

WMT	Holding full position. Momentum still waning, but reaching extreme oversold levels. WMT continues to hold above the Mar uptrend near \$140. Keep your positions for now.	H	130 (Aug-26-20), 136 (Sept-18-20).	145.58	2dc below 135	180, 300 & 600
SPXL	Holding reduced position after taking profits. SPXL is near the highs. Very bullish above Oct uptrend near \$66. Buy more below \$60. Hold as long as SPXL holds above the Mar uptrend near \$53.	H	\$53 (Aug-11-20), 54 (Aug-12-20) (AVG: \$53.50). Sold half at \$69 for 30% gain!	69.09	2dc below \$50	\$70, \$85
SHOP	Overweight. Bullish above Mar uptrend near \$950. Watch for break above Aug highs near \$1,125 to show renewed strength that could push SHOP to the top side of the upchannel near \$1300.	H	930 (Jul-16-20), 900 (Jul-24-20), 875 (Sept-18-20), (AVG: 900)	1074.10	2dc below \$850	\$1,200
TBT	Holding full position. Confirming support above Aug uptrend once again. If TBT holds above \$16, it'll resume its rise to the top side of the Aug upchannel near \$18. Keep your positions, sell half at first profit target.	H	\$15.40 (Aug-12-20), \$16.50 (Nov-12-20) (AVG: \$15.95)	16.48	2dc below 14.50	\$18 & \$26
PYPL	Overweight. PYPL is starting to break above the Oct uptrend confirming a bullish ascending triangle (bullish continuation pattern). Keep your positions. More upside is likely. Sell half at first profit target.	H	183 (Sept 23-20), 192 (Oct-28-20), 185 (Oct-30-20).	221.60	2dc below 180	230 & 300
MMM	Holding full position. Showing support at Mar uptrend near \$165. If MMM holds at this level, it could then rise to test the top side of the Mar upchannel near 200. Keep your positions.	H	169.50 (Oct-21-20), 162.50 (Nov-5-20)	174.68	2dc below 160	200 & 300

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Spinner: Spinner is an in-house momentum indicator (not always shown on charts). Momentum indicators use the rate of change in price to determine predominant energy flows. Spinner trading signals are generated when the faster timing line crosses above or below the slower confirming line. Upside crosses in the lower range of positive territory offer the most reliable signals for longs; downside crosses in the top range of negative territory for shorts. Avoid trading against the timing line, i.e., buying/selling if the timing line is in corrective mode (against direction of trade) unless the confirming line is positioning for a new 'confirming cycle'. It's important to always be aware of location, direction & cycling phase of the confirming line. Spinner signals are more effective in trending mkts than in trading ranges where indicators such as Stochastic & Williams %R should be used.

ABBREVIATIONS	
1dc	1-day close (the share price must close above or below the indicated price level, before our recommendation is activated)
2dc	2-day close (consecutive)
bot	bought
CAD\$	Canadian dollar
H&S	head & shoulder
LOC	line on close
LT	long term
MT	medium term
NL	neckline
PF	portfolio
PO	price objective
Recom	recommended
RH&S	reverse head & shoulder
RS	relative strength
ST	short term
Sym/tri	symmetrical triangle
Tgt	target
Unch	unchanged
Vol	volume
Wk	week
Ystdy	yesterday
C	close

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