



-GCRU-

Weekly Trading Strategies



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Achieves gains by trading commodities, currencies and stocks

Diciembre 9th, 2020

IN ITS 19th YEAR - Nº 914

Buy Uranium

Gold Bounce Up Looks Promising, But Not Out of the Woods Yet

Buy the Dip?

The continued rise in stocks and resources has been fun to watch and follow...
Yes, there's still fear surrounding an unavoidable spike in Covid -19 cases as life returns to some type of normal.

Everywhere you look there's more interaction. Quietly but surely, people are going back to old habits.

People and businesses have acquired new sanitation protocols with gusto, incorporating them into their day to day.

And while many questions remain in many industries, investors are 'looking over the valley', pricing better days ahead for stocks and commodities.

Fear is turning to greed...

And it's confirming the bull market in stocks. 'Risk on' is likely to develop further, pushing stocks and resources up.

"It's not the strongest of the species that survive, nor the most intelligent, but the one most responsive to change" - **Charles Darwin**

Added stimulus and continued easy policies at the onset of an economic recovery will continue fueling appetite for stocks. It could continue fueling inflation expectations too.

One way to measure trader and investor sentiment is showing the Dow Industrials to Dow Utility Ratio.

Notice when the ratio rises, it favors the industrials; conversely, it favors the utilities when it declines.

The ratio has been rising in favor of Industrials with its leading indicator showing more upside potential for the Industrials.



It's also telling us risk assets are likely to remain favored over safe haven assets for a bit longer. The ratio could now rise to the 2018 highs.

I've shown this chart several times in the recent 6 months and has been a key element helping determine our positioning since August when gold was peaking.

Back then I recommended selling most of your precious metals and precious metals miners and buy stocks and resources while we waited for gold's 'D' decline to develop.

To this day, gold's 'D' decline continues and most of our non precious metals positions have risen double digits in just a few months.

Some are reaching profit targets, others are very close.

This week I sold half of our S&P 500 ETF: SPXL for a 30% profit since August (90% annualized).

SPXL recently broke above the Sept high & resistance level showing signs of renewed strength. SPXL could now rise to the top side of the Mar upchannel just below \$80.

Although more upside remains likely, remember profits are the name of the game.

Moreover, I'm still holding half of my position to let it ride.

Stocks are likely going higher. And I'll be looking to buy back positions on dips and weakness below \$60.

Shopify (SHOP) is also rising with strength. It breached \$1,100, the pole resistance on a new bullish flag pattern. SHOP closed above \$1,100 for the 5th time ever showing strength.

Price action suggests more upside is likely.

Spinner is unwinding, seemingly getting ready to rise once again... I'm overweight SHOP with a 22% gain built in; sell half at our profit target \$1250.

PayPal (PYPL) is yet another bullish story. It too is breaking above the top side of a sideways consolidation band since July this year.

Spinner suggests momentum remain to the upside and if PYPL breaks above \$220, it's off to the races.





Keep your positions, sell half at our profit target.

3M (MMM) a solid industrial company that continues to trend up.

On the chart notice the uptrend since the Mar lows near \$160. It's bullish support for MMM and it'll continue to rise as long as MMM holds this level.

Industrials are poised to rise with strength as the economic recovery picks up steam. Keep your positions.



We're also short long duration U.S. government bonds thru the ETF: TBT.

TBT continues to uptrend, showing support above the Aug uptrend, currently near \$16. If TBT holds above \$16, it could rise to test the Jul highs initially.

Resistance at the Jul highs has proven strong. I'm selling half at our first profit target and keep the rest in case of a breakout rise. Keep your positions for now.



Walmart (WMT) is another company I've been excited about. It's up 12% since buying in late August.

It has lots of things going for it, particularly as it works hard toward shifting their business model and lighten up burdens that could increase their profitability.

WMT is very bullish above the Mar uptrend near \$140. Keep your positions.

Resources also extended their rise...

Copper seems to defy gravity as it pushed higher, to the top side of the Mar upchannel. Spinner is unwinding, but remains bullish.

Copper has strong support above the Mar uptrend near \$3.10. Its strength is opening the door for resource companies and other resource and industrial metals to thrive...

It's also boosting resource companies like our own BHP Group (BHP).

Recently, BHP broke above a bullish flag pattern with an upside target at \$64, our first profit target.

As BHP was reaching the target, I sent out an alert, to make sure you don't miss on cashing in a juicy 33% gain on half of your position.

We've been trading BHP all year with great returns. The most recent purchase was just over a month ago, in early November.

But Spinner seems a bit over-extended suggesting a pull back or correction is now likely. If BHP breaks below \$60, a decline to the Mar uptrend below \$55, would then be probable.

Keep reduced positions. Buy more on a decline below \$55.





We've also been building up our resource portfolio with other companies including Ivanhoe Mines (IVN.TO & IVPAF.OTC). Its currently developing one of the largest copper mines in the world.

IVN recently broke above the Sept high at \$6 showing upside potential. IT's pulling back, but remains bullish above the Mar uptrend near CA\$5.35 (IVPAF: \$4.00).



I have a full position in IVN but will buy more on weakness, ideally on any dip to the Mar uptrend near CA\$5.50 level (IVPAF: \$4.25).

A break below this level could show a trend reversal and a decline would likely ensue.

I also have a full position in EMX Royalty (EMX). A royalty company with great assets, allowing ample price appreciation without being exposed to operational risk.



Notice EMX is forming a bullish ascending triangle. This tells me a break above the resistance at \$3.30 confirms strength and opens upside potential.

Altius Minerals (ALS.TO & ATUSF.OTC) is another company added in Nov. I bot more last week. It's a royalty company involved with different resources.

It has an interesting play on renewable resources that could thrive during a Biden administration.

Since the beginning of Dec, ALS blew up. It gapped up above CA\$11 (ATSUF: \$8.50) and quickly after, broke above CA\$12 (ATUSF: \$9.50). A rise to the top side of the Mar upchannel near our first profit target at \$14 is now likely (ATUSF: \$11).

Spinner is getting over-extended, meaning some consolidations is now likely.

Keep your positions for now. Sell half at first profit target.

Uranium is getting hot.

Its been the talk of the year in many circles. The upside potential is undeniable. With coal going out of the picture, and the world's growing apprehension towards fossil fuels, it seems Uranium could be the place people look for energy.

A company I've been keeping an eye on is Uranium Royalty Corp (URC.V & URCCF.OTC).

URC provides exposure to uranium interests including royalty companies and holders of physical uranium.



URC allows for great exposure to the uranium's potential without assuming operative risks.

Notice URC breaking above the Aug downtrend, showing impressive strength. It's now testing the Aug highs near \$1.30. A break above and it's off to the races!

Notice Spinner breaking out too... a sign momentum is strongly in favor of URC. Buy at mkt and more on weakness.

Emerging economies are also rising with resources and copper. Global currencies are strengthening against the U.S. dollar.

But when looking what areas within emerging economies could thrive, it becomes a bit harder.

There is a great opportunity, however, in the arbitrage of interest rates from developed countries to emerging economies.

The combination of excess liquidity in developed nations (particularly the U.S.) and lack of liquidity in emerging economies is allowing for money to flow out of developed markets and into more speculative ones offering better returns.



Private lending is an avenue where liquidity can find its way into emerging economies. If you're interested in some direct exposure in Costa Rica, contact me.

Assets that tend to thrive during times of fear and uncertainty will likely remain on the back burner.

Inflation expectations could continue being supportive of gold, even as uncertainty subsides.



Notice gold bouncing up from a low area, above \$1700. It's breaking back above a previous support level and it's looking ready for a continued rise to the Aug downtrend near \$1925.

A break above this level shows renewed strength. If gold fails to surpass this resistance, it'll show weakness followed by a continued decline.

I'm waiting for more weakness to play out before buying.

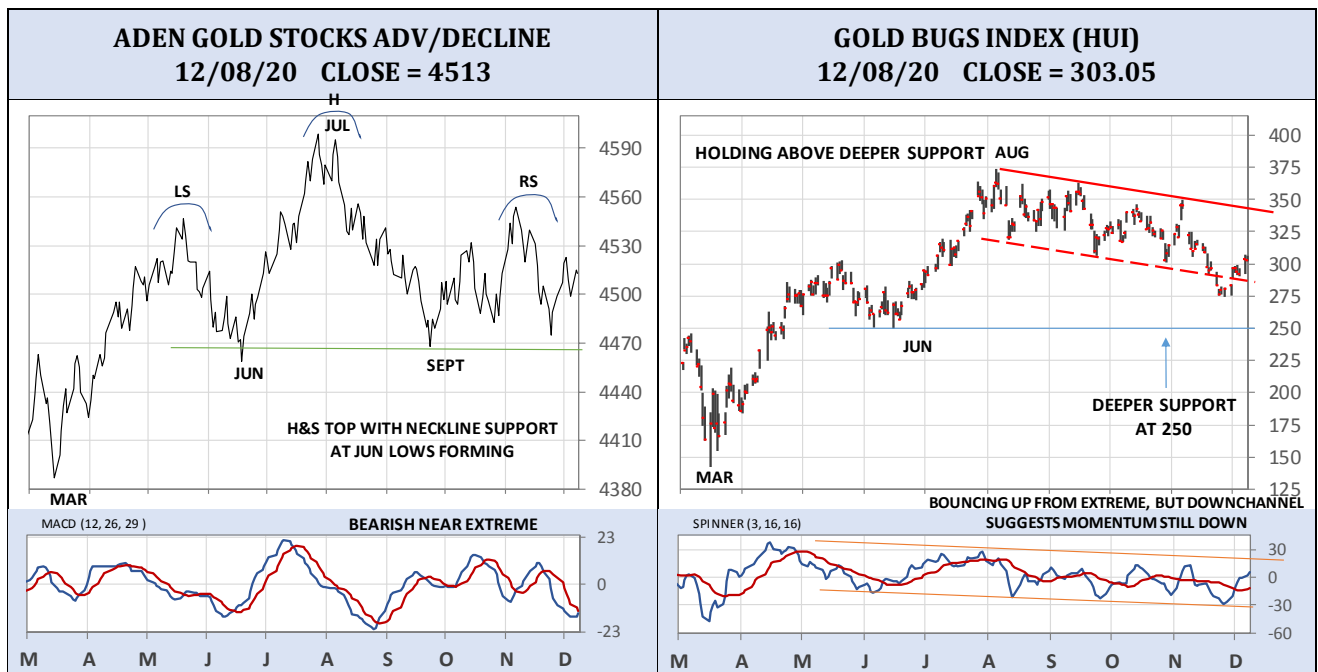
Silver is holding up better than gold. Likely due to its high industrial use. Silver is catching some of copper's bullish luster.

Silver approached the \$20 level this past week. It's now jumping up, showing strength. The rebound is bullish, but remember silver must break above \$26 first before showing real signs of strength.

I have a full position in silver and waiting for a decline \$20 to buy again.

Our gold and silver miners are holding up well too, given overall weakness in the gold universe. I continue to own DUST to offset some of the downside risk. Both charts below continue to show weakness for gold shares.

For gold mining stocks to reverse course, the HUI must rise above the Aug downtrend & resistance level at 350. Otherwise, pressure will remain to the downside.



Bonterra Resources (BTR.V & BONXF.OTC) is a junior gold miner with great assets, management and well funded. It's a company that recently declined a take over bid of \$1.60 per share because it undervalued BTR's longer term assets as reported recently.

BTR is showing strength. It's breaking above the Aug downtrend & resistance suggesting more upside is likely.

BTR can now rise to the Aug highs near \$1.60 initially. Spinner under pressure, but holding near zero line with room to develop strength.

Keep your positions.

Black Rock Gold Corp (BRC.V & BKRRF.OTC) is another junior mine with great assets, a solid business model and bold management.

It's been unwinding since Jul highs. It's about to reach my ideal re-entry level below \$0.60, the Mar uptrend.

Notice Spinner picking up steam. All signs suggesting BRC could find support at the Mar uptrend and rebound higher.

Keep your positions. Buy more below CA\$0.60 (BKRRF: \$0.50).

NovaGold (NG) is another of my favorites. We've done great trading NG this year.

It's jumping up from the bottom of the Aug downtrend near \$9.60, breaking above its 25 day MA near \$10.50.

If NG breaks above the Sept downtrend on a 2dc above \$11, it'll show signs of renewed strength.

A break above \$11 will complete a bullish ascending triangle pattern.



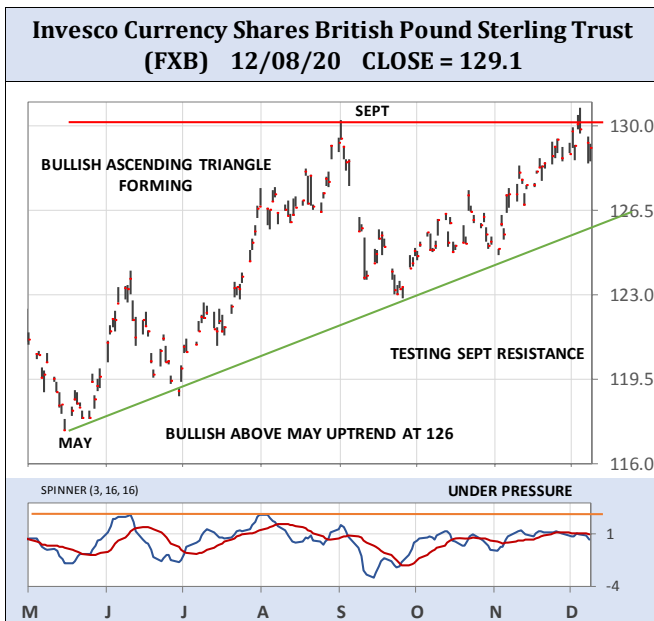


If NG breaks above \$12, a continued rise would be likely.

Keep your positions. Wait for a further decline, below \$9 to buy.

The U.S. dollar index remains weak. It's near another support level at 90. Downside pressure is keeping a lid on the dollar.

My cash pile has been shrinking, but I've kept it diversified, holding U.S. dollars, Australian dollars and British Pound Sterling.



The Australian dollar and British Pound have been among the strongest, relative to the dollar since Mar.

Notice Pound Sterling forming a bullish ascending triangle. A break above \$130 on a 2dc confirms strength and a continued rise would be likely.

Spinner, however, is breaking down. IT's showing momentum could turn down and push the Pound to the Mar uptrend near \$126.



Keep your positions.

The Australian dollar is similar. It's risen with strength from the Oct lows near \$70. It's now testing \$74, the Aug high and resistance. A break above this level and its bull market would ensue.

Our strategy for this week is, enjoy some of the profits built in BHP and

SPXL if not already. Keep a close eye on the rest of our targets, they're fast approaching. Be quick to take partial profits.

Good luck and good trading,



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TRADER SHEET ON PAGE 13 & 14

KEY PRICES			
Name/Symbol	Dec 8,20 Price	Change	Dec 1,20 Price
Gold (GCG21)	1874.90	56.00	1818.90
Silver (SIH21)	24.74	0.65	24.09
HUI (HUI)	303.05	6.35	296.70
Copper (HGH21)	3.50	0.01	3.49
Crude Oil (CLF21)	45.60	1.05	44.55
S&P500	3702.25	39.80	3662.45
U.S.Dollar (DXZ20)	90.97	-0.33	91.30
30 Year T-Bond (ZBH20)	173.06	0.40	172.66
10 Year T-Note Yield	0.913	-0.021	0.934
13-week Treasury Bill	0.068	-0.012	0.080

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 (17%)						
GOLD (GCZ20)	Holding small position, waiting for weakness near \$1700 to buy. Pulling back after bearish break below support at \$1865. To reverse course, gold must break above the Aug downtrend near \$1925. Waiting for more weakness to buy.	H	Bot: 1485 (Mar-18-20). Sold via alert for 35% gain (Aug-11-20). Bot 1900 (Sept-21-20)	1874.90	2dc below \$1685	2100 & 3000
SILVER (SIZ20)	Holding full position and ready to buy more on weakness below \$22. Strength in the resource sector is bullish for silver. It's providing a strong floor above silver's key intermediate support level. Silver remains my precious metal of choice given its high industrial use.	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).	24.736	2dc below \$19	28 & 50
DUST	Keep your positions. Holding a bit to offset some of the downside risk in precious metals.	H	19.4 (Sept 28, 20).	19.30	2dc below 16.20	35
NG	Holding reduced positions after taking profits. Confirming support at the Mar uptrend at \$9.50 suggesting a bullish ascending triangle continues to form. NG must break above resistance at \$12 to confirm bullish pattern. Buy some below \$10.	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).	10.46	2dc below 8.	12
BTR.V BONXF.OTC	Holding full position. BTR is a prime takeover target. Breaking above Aug downtrend near CA\$1.25 (BONXF: \$1) tshowing signs of renewed strength.	H	1.32 (Jul-23-20), 0.90 (Nov-5-20) (AVG: 1.10).	1.28	2dc below 0.8	\$2.20 & \$3
BRC.V BKRRF.OTC	Holding small position for its takeover potential. Downside pressure remains but may be dying down. I'm waiting for a continued decline below CA\$0.60 (BKRRF: \$0.50) to buy more.	H	1.10 (Sept, 21- 20)	0.63	2dc below 0.40	2 & 4
CURRENCIES (40%)						
U.S. DOLLAR (DXZ20)	The dollar index snapped a month long decline, showing signs of support at 90. Downside pressure remains very strong. To reverse bearish momentum, the dollar must regain the 92 handle and rise to the Sept highs. Keep cash position diversified.	H	-	90.97	-	-
FXB	Looking strong, flirting with new highs. A clear break above the Sept highs at 130 will show renewed strength. Keep your pound position. It's very bullish above the May uptrend near 126.	H	-	129.1	-	-
FXA	Bullish! Approaching top side of adj upchannel. The Australian dollar is poised to maintain upside momentum as the bull market in resources develops. Keep your Kiwis.	H	-	73.83	-	-

TRADER SHEET CONTINUED

INDUSTRIAL METALS AND ENERGY (15%)

BHP	Sold half of position from overweight. BHP is reaching the target on the bullish flag pattern we identified some weeks ago. Price action suggests we could see a pull back below \$60 ST. Keep reduced positions for now.	H, S	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!	63.01	2dc below \$50	\$64 (almost reachd) & \$72
IVN.TO IVPAF.OTC	Breakout, pull back. Holding full position. If you're out or underweight, take advantage of weakness to buy. IVN remains bullish above the Mar uptrend near CA\$5.25 (IVPAF: \$4.10). Keep your positions.	H	5.20 (Oct-21-20), 5.70 (Nov-19-20) (AVG: CA\$5.45)	6.00	2dc below \$5.25	7 & 10
URC.V	Breaking out above Aug downtrend. Watch for a rise above the Aug highs for bullish confirmation. Buy at mkt. Buymore on weakness below \$1.20 to buy more.	B	-	1.27	2dc below 1.1	2 & 3
EMX	Holding a full position. Testing bullish ascending triangle pattern. A break above the Jul/Nov high at \$3.30 confirms the bullish pattern exposing a continued upside.	H	\$2.68 (Oct-28-20), \$2.75 (Nov-19-20).	3.12	2dc below \$2.50.	\$3.60 & \$4
ALS.TO ATUSF.OTC	Holding small position. Wait for weakness to buy more or if you're not yet in.	H, B	10.50 (Nov-13-20), 11.80 (Dec-2-20)	12.40	2dc below \$9.50	14 & 20

MELT UP RISE PORTFOLIO (28%)

WMT	Holding full position. Momentum is waning but WMT remains well above Mar uptrend. WMT will continue thriving in a lockdown economy and post pandemic reality. Keep your positions. If you're not yet in, consider buying near \$140.	H	130 (Aug-26-20), 136 (Sept-18-20).	149.50	2dc below 135	180, 300 & 600
SPXL	Holding full position with great profits built in. Watch for break above \$67 to confirm strength. Sell half at first profit target for handsome profit.	H, S	\$53 (Aug-11-20), 54 (Aug-12-20) (AVG: \$53.50). Sold half at \$69 for 30% gain!	69.52	2dc below \$50	\$70, \$85
SHOP	Overweight. SHOP is forming a bullish flag pattern with pole resistance at \$1100. A break above this level on a 2dc could push SHOP to \$1250, above our profit target. Sell half at profit target to protect a handsome gain.	H	930 (Jul-16-20), 900 (Jul-24-20), 875 (Sept-18-20), (AVG: 900)	1103.26	2dc below \$850	\$1,200
TBT	Holding full position. TBT continues to trend up within the Aug upchannel. A break above the Jul highs on a 2dc above \$18 would show renewed strength. Keep your positions. Sell half at first profit target.	H	15.40 (Aug-12-20), \$16.50 (Nov-12-20) (AVG: \$15.95)	16.58	2dc below 14.50	\$18 & \$26
PYPL	Overweight. PYPL continues to test resistance at top side of sideways band. Look for a break above \$220 to show renewed strength that could take PYPL to top of channel. PYPL is strong above Mar uptrend near \$190. Keep your positions.	H	183 (Sept 23-20), 192 (Oct-28-20), 185 (Oct-30-20).	216.94	2dc below 180	230 & 300
MMM	Holding full position. Pulling back from the highs near \$180. MMM remains bullish above Mar uptrend. Keep your positions. If not in, consider buying near the Mar uptrend near \$165.	H	169.50 (Oct-21-20), 162.50 (Nov-5-20)	172.48	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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