



# -GCRU-

## Weekly Trading Strategies



Achieves gains by trading commodities, currencies and stocks

*Omar Ayales*

September 22<sup>nd</sup>, 2021

IN ITS 20<sup>th</sup> YEAR – Nº 955

# SOLD SOME URC FOR 105% GAIN!

## RESOURCES CORRECTING

### DOW THEORY SCREAMING CAUTION

### GOLD & MINERS CONTINUE TO BOTTOM

### DOLLAR INDEX RISES FURTHER

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**E**ven though many disregard Dow Theory, one of the oldest methods of technical analysis as archaic and out of date, it continues to be a great tool to measure sentiment and market direction.

The main reason it has been disregarded has to do with the belief the Transportation Average is not what it used to be and therefore lacks the economic foresight it once had.

Many years ago, before the internet of things, rises or downturns in economic activity were first identified by the rise and fall of transportation companies. Increased transportation activity was indicative of increased orders for raw materials placed by manufacturers and producers. Therefore, a rise in transports confirmed by a rise in the industrials was a confirmation of increased economic activity. The rise in both averages above meaningful resistance would trigger a bullish Dow Theory confirmation opening the door to a continued rise in equities. The opposite was true if key support levels were broken on the downside.

“Investing should be more like watching paint dry and or watching grass grow. If you want excitement, take \$800 and go to Las Vegas!” – **Paul Samuelson**

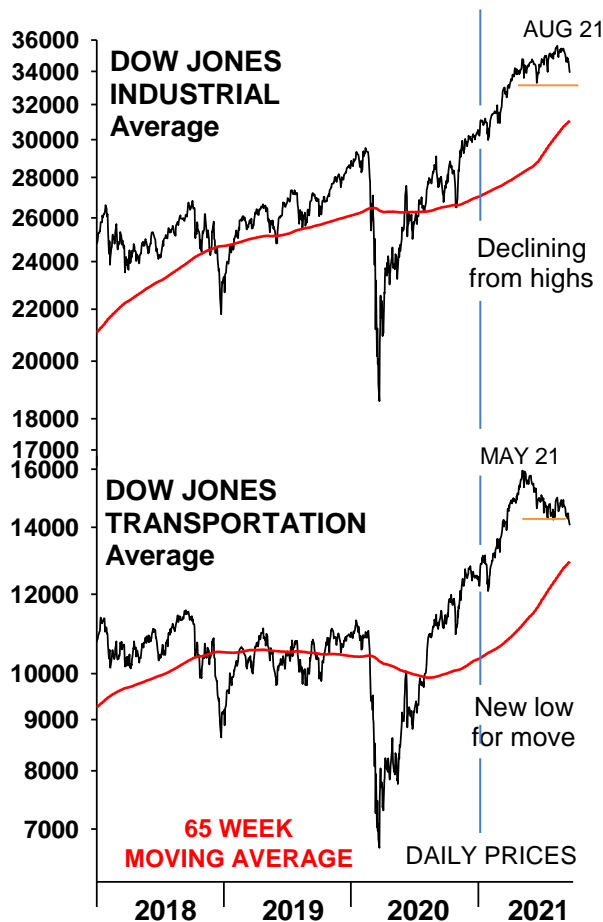
This was especially the case back in the second half of the 1800s and into the 1900s when cross country railway transportation was booming allowing increased cross country business in the U.S.

Today, many believe the indicator has lost some of its luster given the Transportation Average now factors in leisure transportation that doesn't really contribute towards the production of manufactured goods. Many also assume orders received for goods and services today are more accurately identified thru tech companies receiving orders online.

However, an accurate read of Dow Theory still shows the indicator is prescient providing great insight as to the overall direction of the broader market.

Back in early May, both the Industrials and the Transportation Average reached new highs, triggering a bullish Dow Theory confirmation. However, soon thereafter, the Transportation Average started to decline while the Industrials continued to rise, reaching yet another new high last month in August.

### GETTING HIT... A SHAKY BULL



The non confirmation by the Transportation Average in August is indicative of weakness, suggesting the Industrials could now follow the Transports down. It also suggests economic activity may have peaked for now.

Even more telling was the price action on the Transports this week. It broke to a new low for the move, coinciding with a break below its 200 day MA (not shown). This break suggests more downside on the Transports is likely. If the Industrials now confirms the bearish action by breaking below its own 200 day MA near 33,000, it would show growing signs of weakness suggesting the "tide may have turned". Keep in mind, however, a bearish Dow Theory confirmation would be triggered once both the Industrials and the Transports break below their 2021 lows near 30,000 and 12,000, respectively.

It's important to consider that until the Industrials confirm the Transports with a break to new lows for 2021, the last bullish confirmation from May would remain controlling, opening the door to a 'buy the dip' scenario.

A bearish outlook coincides with the chart shown last week of U.S. Treasuries at the onset of a stronger rise that could possibly push bonds higher over the coming year or so. It could coincide with a rise in gold too.

Exposure to 'Other Stocks' is at a low. We've taken profits in most of our positions and are now holding reduced positions for the most part. Exposure to stocks currently remains at about 17% of our total portfolio including a full position in UBT, a levered ETF tracking U.S. Treasuries.

Consider increasing exposure to U.S. Treasuries to offset potential upcoming weakness in equities.

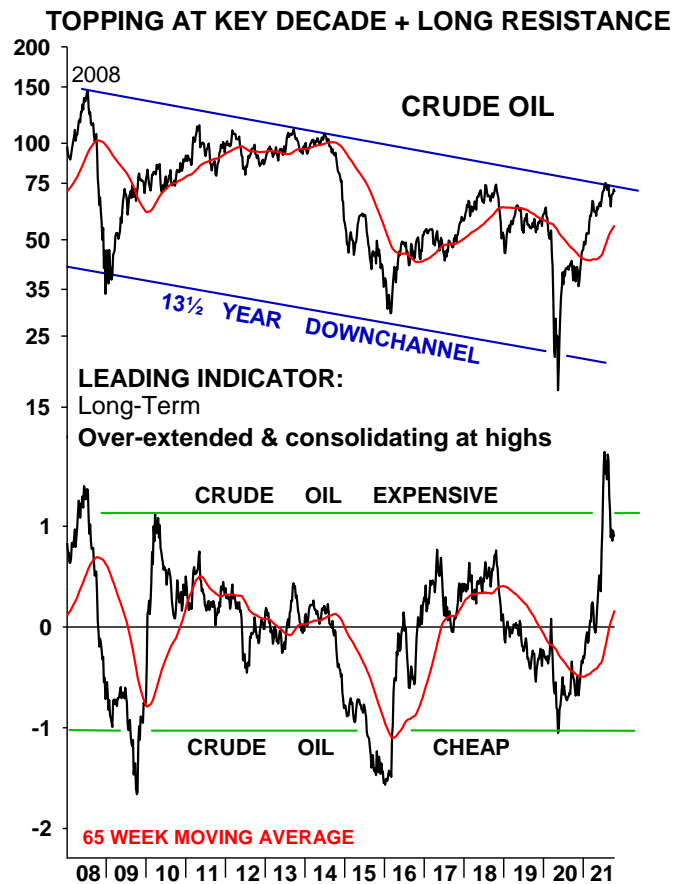
I'll be buying a full position in TLT at mkt today, but you won't see a chart on TLT because price movement is exactly the same as UBT. Increased exposure to long dated U.S. treasuries will allow us to take advantage of momentum shifting towards bonds.

Just at the perfect time I sold half of my position in Uranium Royalty Co (URC.V) last week for a 105% gain. URC has pulled back together with the rest of resources but remains high relative to where we bought.

Same goes with NexGen Energy (NXE).

Exposure to resources overall remains at 20%. Not counting exposure to uranium stocks, our exposure to other resources is nearly 13%.

And more weakness in resources is likely. The price of copper is back to testing key support at \$4; but even more telling is the price of crude oil. It hasn't really begun to decline yet as it remains above \$70. However, the chart to the right shows crude oil at a key decade-long resistance just as the leading LT indicator



reaches an extreme high level. The chart is bearish for crude suggesting a decline following copper is now likely.

If crude now breaks below \$68, it could fall back to its next meaningful support in the mid \$50s. In a worst case scenario, crude oil could fall back to the Nov 2020 lows near \$40.

The decline in energy could put further downside pressure on our uranium stocks and the rest of our resources. To counter weakness I'm buying SCO, a levered ETF that trades inversely to crude oil.

This means, if crude oil falls, SCO will rise by a factor of 2x. If crude oil falls all the way down to \$40, SCO could rise from current levels at about \$17 into the \$70s. Buy a full position at mkt. It will allow to offset losses in the rest of our portfolio. Consider this could end up being a ST trade.



The U.S. dollar index has been one of the only winners. Because the dollar is the reserve currency of the world, it tends to move opposite to most asset classes.

Just this week, the U.S. dollar index broke back above 93. It's flirting with the recent highs, and it's a stone's throw away from its resistance near 94, and the mega resistance it's 40 month MA at 95. Our ST leading indicator is on the rise, showing strength and more upside on the current push up. However, the longer term indicators are also rising with strength showing lots of room to rise further.

Most charts of the dollar show a continued bounce up from the Jan 2021 lows is likely. If the dollar now breaks above 94, it would open the door to further upside. A continued rise in the U.S. dollar could be crippling for most asset classes. Our cash position remains in U.S. dollars. It reached nearly 20% of our total portfolio this week after recent profit taking.

Buying some TLT and some SCO this week will push our cash position lower, to about 10-12% of total portfolio. Still a healthy position. The new positions to be acquired in TLT and SCO are poised rise together with the U.S. dollar.

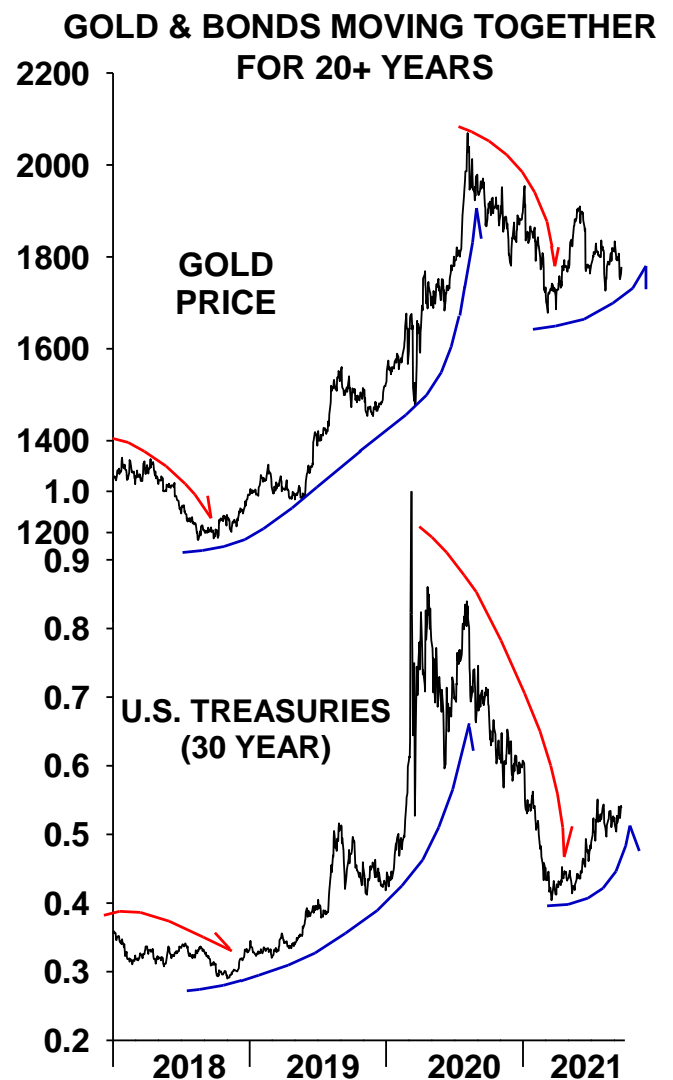
The gold universe took a hit, together with resources and stocks. Everything is falling in a knee jerk reaction to U.S. dollar strength.

However, the decline in gold and the miners has been longer and will likely bottom and rebound faster, sooner, than the broader market, especially with the recent round of safe haven demand during the Evergrande debt spiral in China.

The decline in resources is the start of the long waited 'shift' we've been waiting to take place. So, although the decline in precious metals is gut wrenching, it's also indicative of extreme weakness shown before a bullish turn-around. I'm not buying any new positions in gold but will hold current positions during weakness. Be patient. For those of you who are new readers, or have not been in the gold trade, it's a great moment to buy new positions or increase exposure if exposure is low. Exposure to precious metals is currently 45% of total portfolio, down from 50% due to loss of value from the recent weakness.

My chart above is a reminder of how bonds and gold tend to rise together. They have been rising together over the past 20+ years and will likely continue moving together. The rise in bonds seems inevitable, confirmed with the recent collapse in stocks and the bearish non confirmation shown above.

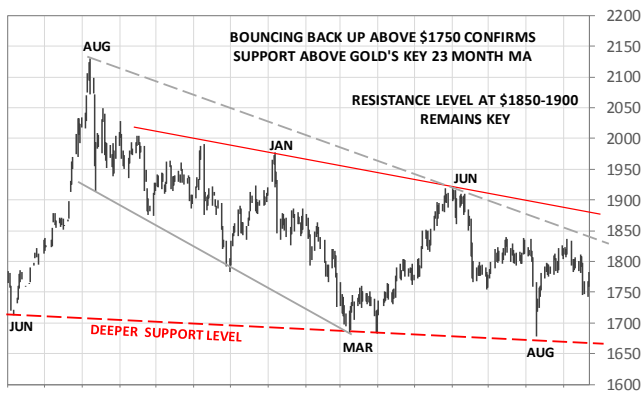
Our strategy this week is to pick up more bonds and some SCO, the levered ETF that trades inversely to crude oil by a factor of 2x. Both positions will counter weakness in resources and stocks since weakness here is just beginning. Be careful about shorting gold or gold positions as weakness is nearly mature meaning it could be short lived.



## OPEN POSITIONS

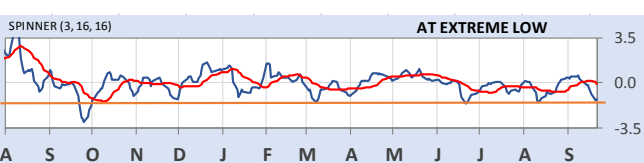
## PRECIOUS METALS

**GOLD DEC 2021 (GCZ21)**  
09/21/21 CLOSE = 1778.2



Gold failed to break above its key resistance level at the \$1850-\$1900. A break above this level would trigger a trend reversal in gold, confirming the end of its 'B' decline and the start of a new 'C' rise. The decline below \$1800 shows weakness, suggesting a bottom above gold's key support area at its 23 month MA continues to form. Notice Spinner back on the decline, approaching a key support level suggesting the down move ST could be nearly overdone. Keep your positions

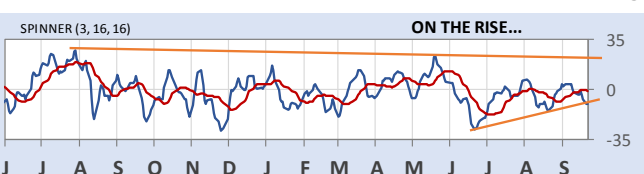
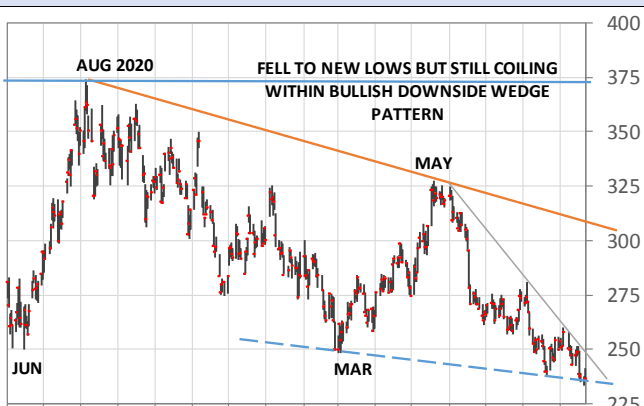
**SILVER DEC 2021 (SIZ21)**  
09/21/21 CLOSE = 22.611



Silver fell to a new low, breaking below \$23, reaching the lower end of the DEEPER SUPPORT AREA. Price action is bearish, but also weakness seems to be near an extreme level suggesting silver could hold at the bottom side of the key support area.

Our other longer term indicators are also at an extreme telling us silver is moving more in tandem with gold than resources. If silver holds above this support level, it must rise above the Jun downtrend near \$24 to show renewed signs of strength. Keep your positions for now.

**GOLD BUGS INDEX (HUI)**  
09/21/21 CLOSE = 236.76

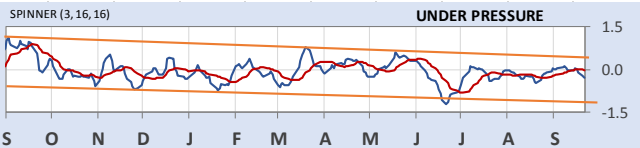
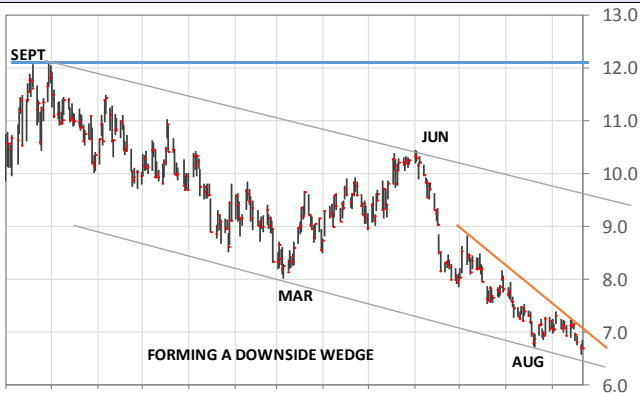


The miners are also looking very weak. The HUI Index fell to a new low yet again showing weakness. However, the HUI Index continues to coil within a bullish downside wedge pattern. HUI's price action is indicative of continued bottom forming. Look for a break above 250 to show a clean break above the bullish pattern that could push HUI to the Aug 2020 downtrend near 300, its first key resistance level.

Remember the miners tend to sell at a discount when gold is falling. The extreme reaction compared to gold is normal. They

**NOVAGOLD RESOURCES INC. (NG)**

09/21/21 CLOSE = 6.71



remain grossly undervalued compared to the broader market, particularly the good value buys. Keep your positions and ride through weakness. It's not the time to sell.

Novagold Resources (NG) failed to break above \$7.50 on the recent bounce up, falling back to the Aug lows. Spinner, the leading indicator below, is bearish showing weakness will likely remain. NG must break back above \$7 to start showing renewed signs of strength. Keep your positions during weakness. NG has great assets in North America, with great management and adequate funding. It's grossly undervalued compared to the rest of the market. Keep your positions. Patience will be rewarded.

**BLACKROCK SILVER CORP. (BRC.V)**

09/21/21 CLOSE = 0.83



Blackrock Silver Corp (BRC.V & BKRRF.OTC) is falling together with the rest of the gold universe, it's testing the Mar 2020 uptrend showing growing signs of weakness. However, consider BRC has deeper support at the Dec lows near \$0.60 (BKRRF: \$0.50). Keep your positions during weakness. BRC is another great company, with great assets and business model. It has great management and adequate funding. BRC could be a prime takeover target in the near future.

**KIRKLAND LAKE GOLD LTD. (KL)**

09/21/21 CLOSE = 42.09



Kirkland Lake Gold (KL) has been among the best. It has held strong in the face of overall weakness, above key support at \$38, coincidentally the bottom side of the mid channel line. KL, just like the rest of the gold universe is bottoming above key support levels. KL remains very bullish above \$40. If it holds and rises above the top side of the sideways band near \$45, it'll show renewed strength. Keep your



positions during weakness, even if the support level at \$38 is tested. We're near the end.

Equinox Gold (EQX) has been holding steady near \$7. It remains under pressure below the Oct downtrend near \$8. EQX must rise above this level to show signs of renewed strength. However, general weakness within the gold universe will continue to putting downside pressure. Be patient. Extreme weakness is near the end and a turnaround is near. It's not the time to sell.



Osisko Royalty (OR) gave way to the Jun downtrend, breaking below the Apr lows at \$12. It's showing weakness with more downside. A decline to its next support at \$11 is now likely. Notice the leading indicator below just breaking below zero, under pressure. However, OR is a great gold royalty company with lots of upside potential. Keep your positions during weakness.



Harmony (HMY) is another producer that pays out great dividends. It has a solid operation in North America and a great value play. It's currently under pressure, but still coiling within a downside wedge pattern with upside target at the Aug downtrend near \$5. Watch for a break above \$3.50 to show signs of renewed strength. Spinner below is under pressure, but also near an extreme low. Keep your positions during weakness.

Silver shares have also been under pressure. But, as with gold shares, they've fallen hard and long and are trading at great value. As the shift from risk to safety, resources to precious metals plays out, we could start





seeing demand for silver shares pick up again. Once they do, they will trade at a premium. Stay patient.

Hecla Mining (HL) is testing support at \$5.50, the key Mar 2020 uptrend. It had been among the few miners that had held above the 18 month long uptrend and support. The leading indicator below is now turning bearish, showing some downtime is likely. Keep your positions. Weakness in the silver market will likely be short lived.



Fortuna Silver Mines (FSM) failed to maintain upside momentum after breaking above \$4.50. It's now falling back, retesting the recent Aug lows. The leading indicator below is bearish, resisting below zero and under pressure. It suggests continued weakness is likely. Keep your positions for now.

## RESOURCES

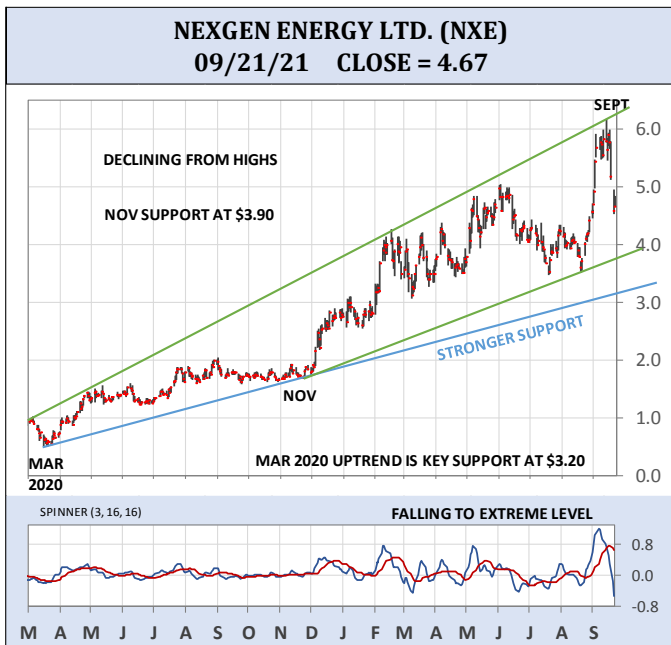
Dr. Copper remains under pressure since forming a top in May. We've been showing price action develop, showing weakness. Copper is now testing the Mar 2020 uptrend near \$4 just as its leading indicator, Spinner, takes a turn down showing weakness. A break below \$4 could open the door to further weakness, to possibly \$3.50 initially. Dr. Copper is suggesting the decline in resources still has room to develop further.



Ivanhoe Mines (IVN.TO) has been a great proxy for copper. We took profits on this trade back in May, above \$9. It has been backing and filling since, but did reach a new high at \$10. It's now showing resistance with some downtime likely. IVN is breaking below the Mar 2020 uptrend showing weakness is growing. The



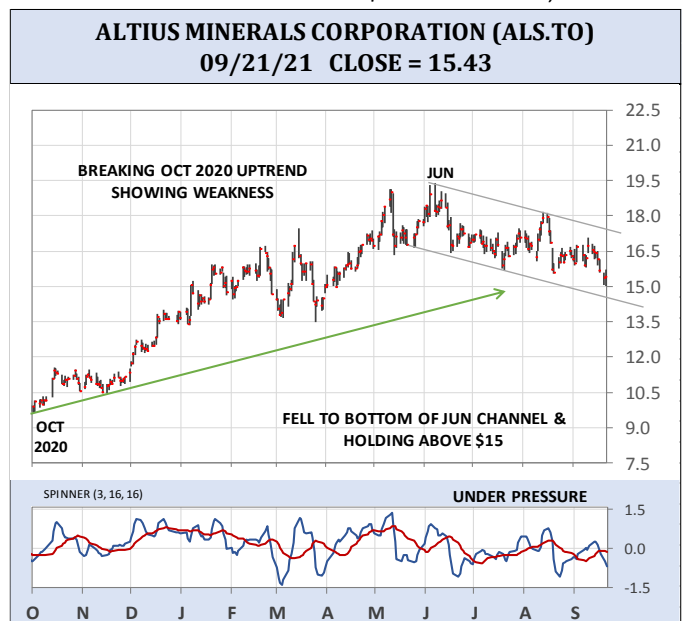
leading indicator below is at an extreme low, but also suggesting a support area may be near. We've been waiting for weakness in IVN to buy. I'll wait to buy some near the Mar 2021 lows below \$7.



NexGen Energy (NXE) reached the top side of the Mar 2020 funnel, above \$6 showing impressive strength. We had taken profits at the highs earlier and are holding still a full position. NXE could now fall to test the Mar 2020 uptrend near \$3.50 on overall weakness in energy and resources. Keep your positions for now, I'll be looking to increase exposure below \$4.



Uranium Royalty (URC) blew out, breaking to the top side of the Dec upchannel, above \$6. We sold half of our position above \$6.25 for a 105% gain in less than a month! I'm still keeping the second half and waiting for a pull back to the Dec uptrend below \$4 to buy again.



Altius Minerals (ALS.TO) is also under pressure, it broke below the Oct 2020 uptrend showing weakness. Price action now suggests ALS could fall back to the \$13.50 level, or even



lower. The leading indicator below is under pressure, with room to fall further. ALS is a great company that has allowed great profits in the past. I'm keeping my positions through weakness and buying again once weakness settles.

Cleveland Cliffs (CLF) continued to fall after reaching the Aug highs last month. It broke below the Oct uptrend confirming weakness with more downside likely. CLF could now fall to its next support at \$18. Keep your positions during weakness and be ready to buy more at the lower levels.



American Pacific Mining Corp (USGDF) is looking good. It's holding above the May uptrend near \$0.65 just as the Spinner below breaks above zero. Although the up move and rise has been impressive, overall weakness in resources could continue putting downside pressure. Keep your positions during weakness. USGDF is proving to be resilient and it's also a great takeover target.

**STOCKS**



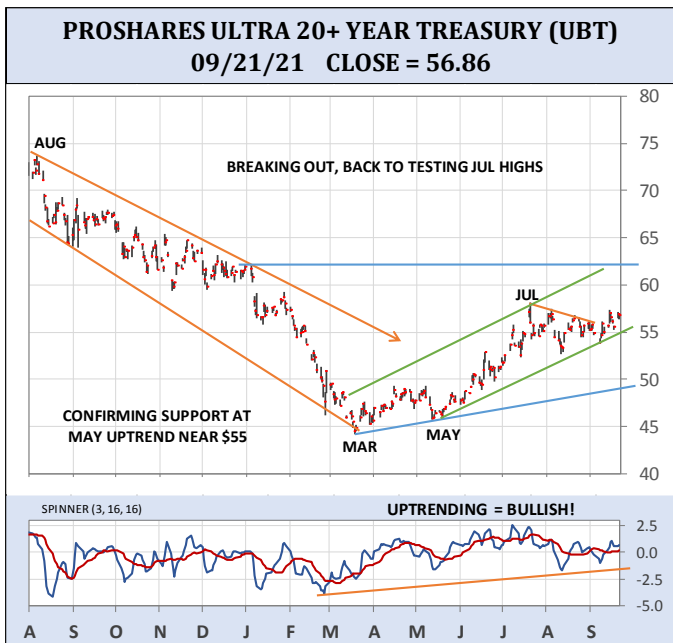
Shopify (SHOP) continues to move lower. It's nearing \$1400 as its leading indicator remains under pressure below zero. Price action suggests a continued decline to the Jun 2020 uptrend is now likely. We've been waiting for weakness to buy more. The correction or pull back is long overdue. Keep your reduced positions and buy more below \$1200.

PayPal (PYPL) is breaking below the Nov 2020 uptrend near \$175 showing weakness. It failed to surpass the bullish ascending triangle with resistance at \$310. Notice Spinner on the decline after breaking below zero. It has room



to fall further too. Overall weakness in stocks could push PYPL back down to the \$240 level. Keep your positions for now and wait for weakness to develop and mature to buy more.

Long dated U.S. Treasuries are about the best trade out there moving forward and as the broader stock market pulls back or corrects. We're holding a full position in UBT, a 2x levered ETF that will double the price action on other traditional ETFs like TLT. However, I'm using some of my cash position to buy a full position in TLT. Together with UBT, exposure to bonds within our stock portfolio should be about 8%. We'll be looking to profit from what seems to be a violent up move forming. I'm not showing a chart on TLT as it will move exactly like UBT but will keep a separate line item on the trader sheet below.

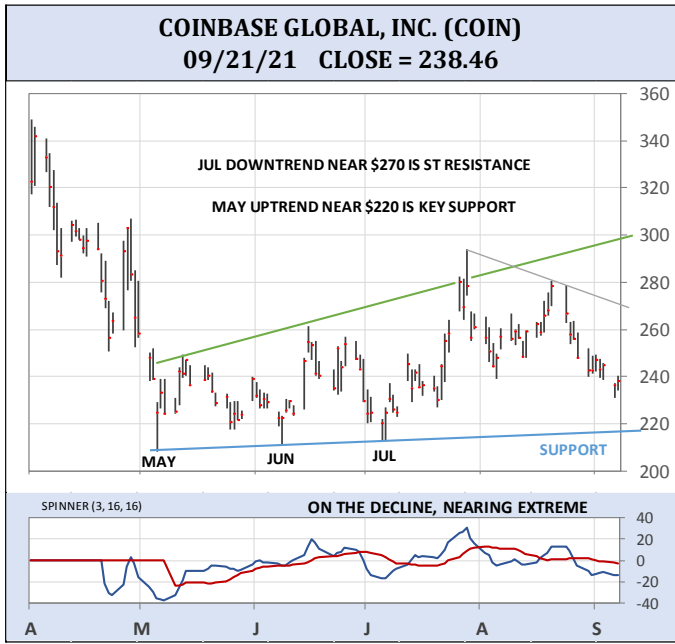


On the chart, UBT is confirming support at the May uptrend near \$55 by breaking above the downtrend since Jul. Watch for a breakout above the Jan 2021 highs near \$62 to show renewed strength. Keep your positions.



Airbnb (ABNB) has been great to trade too. As the leisure and hospitality industry catches up to the overall economy, ABNB is among the companies that could thrive particularly post covid-19. ABNB remains bullish above the Jul uptrend but must break above the Feb downtrend near \$180 to show renewed strength. Keep your positions for now.

Coinbase (COIN) broke below the Jul uptrend at \$260 and fell further, nearly approaching a key support at \$220. The leading indicator below is under pressure below zero, but near and extreme low suggesting COIN



could have growing support at the May uptrend. Keep your positions for now. If you're not in and are looking for exposure, consider buying below \$230.

Good luck and good trading,



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Chief Strategist/GCRU

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KEY PRICES			
Name/Symbol	Sep 21,21 Price	Change	Sep 14,21 Price
Gold (GCZ21)	1778.20	-28.90	1807.10
Silver (SIZ21)	22.61	-1.27	23.89
HUI (HUI)	237.24	-11.05	248.30
Copper (HGZ21)	4.13	-0.19	4.32
Crude Oil (CLV21)	70.49	0.03	70.46
S&P500	4354.16	-88.89	4443.05
U.S.Dollar (DXZ21)	93.20	0.59	92.61
30 Year T-Bond (ZBZ21)	165.38	-0.50	165.88
10 Year T-Note Yield	1.324	0.047	1.277
13-week Treasury Bill	0.020	-0.015	0.035

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## 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
<b>PRECIOUS METALS PORTFOLIO (45%)</b>						
<b>GOLD (GCZ21)</b>	Overweight. Showing support near key intermediate support at its 23 month MA after falling below \$1800 last week. Gold continues to back and fill, forming a strong base above key support. Keep your positions.	H	\$1900 (Sept-21-20), \$1880 (Dec-23-20); \$1775 (Feb-17-21), \$1865 (May-25-21). Sold some at \$1900 for small gain. Bot: \$1795 (Jul-8-21) AVG: \$1840.	<b>1778.20</b>	2dc below \$1675.	ST: \$2100 & MT: \$3000
<b>PHYS</b>	Alternative to trading gold as commodity.	H	\$15.20 (Sept-21-20), \$15.15 (Dec-23-20), \$14.23 (Feb-17-21), \$14.90 (May-25-21), Sold some at \$15.20 for small gain. Bot \$14.25 (Jul-8-21) AVG: \$14.80.	<b>13.99</b>	2dc below \$11.20	-
<b>SILVER (SIZ21)</b>	Overweight. Fell to lower side of deeper support area near \$22. Indicators have reached an extreme low level. The gold universe is also reaching an extreme low level. Keep your positions for now; it's not a time to sell. Wait for a bounce up or upmove within the gold universe.	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). Bot: \$23 (Sept 23-20), \$25.50 (Dec-22-20). Sold some at \$24.25 (Mar-31-21) for average 14% gain. Bot: \$27.50 (May-21-21), AVG position: \$23.25.	<b>22.611</b>	2dc below \$22	ST: \$35, MT: \$50
<b>PSLV</b>	Alternative to trading silver as commodity.	H	Bot: 5.50 (Jul-17-2019), 6.25 (Aug-7-19), 6.19 (Nov-8-19), 4.65 (Mar-18-20) (AVG: 5.65). Sold half for 17% gain. Sold more at 9.50 for 70% gain (Aug-4-20). 8.20 (Sept-23-20), 8.87 (Dec-22-20)	<b>7.850</b>	2dc below \$5.25	-
<b>NG</b>	Overweight. Failed to break above ST resistance, slipping below the Aug lows. NG will likely remain weak while the gold universe continues to bottom and the shift from resources to precious metals continues to take place. Keep your positions.	H	Bot: \$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). Bot: \$10 (Jan-6-21), \$9 (Mar-17-21), \$7.96 (Jun-30-21). Sold some of the excess for 16% loss. AVG: \$8.90.	<b>6.71</b>	Ride through weaknesses.	ST: \$12; MT: \$20
<b>BRC.V BKRRF.OTC</b>	Overweight. Showing some weakness as BRC tests the Mar 2020 uptrend at \$0.80. However, BRC is a great company with prime take over potential. Keep your positions during weakness. Consider BRC has deeper support at the Dec lows near \$0.60 (BKRRF: \$0.50).	H	\$1.10 (Sept, 21- 20), \$0.65 (Dec-16-20), \$0.92 (May-19-21). Sold excess at \$1.13 for 27% gain (Jun-9-21); Bot \$0.92 (Jun-28-21) AVG: \$0.91 (BKRRF: \$0.72).	<b>0.83</b>	Keep your positions during weaknesses.	ST: \$1.60 (BKRRF: US\$1.40), MT: \$3
<b>KL</b>	Overweight. Holding strong above support at \$38. It's very strong above \$40 the Aug uptrend. Consider KL must rise above the top side of the band near \$45 to show renewed strength. Keep your positions during weakness.	H	\$40.75 (Dec-22-20), \$42.50 (Jan-6-20), KL: \$36 (Feb-17-21). Sold excess at \$43.25 to protect a 9% profit (Jun-9-21). Bot \$39 (Jul-8-21) AVG: \$39.55.	<b>42.09</b>	Ride through weaknesses.	\$58 & \$75
<b>EQX</b>	Holding full position. Bearish below the Oct downtrend near \$8. Leading indicator showing EQX remains under pressure. Keep your positions during weakness, it'll likely be short lived. EQX is another great company, with great upside potential as soon as the shift from resources to precious metals takes place. Keep your positions during weakness.	H	\$10.20 (Dec-22-20), \$10.80 (Jan-6-21), \$9.20 (Feb-17-21), AVG: \$10. Sold excess for a 20% loss (Mar-31-21).	<b>7.04</b>	Waiting for bounce up to unload.	ST: \$14, MT: \$20
<b>FSM</b>	Holding full position. Looking weak, but holding above Aug low. Unable to maintain upside momentum with the gold universe under pressure. FSM is a great silver miner with great potential. Keep your positions during weakness.	H	\$8.30 (Jan-11-21), \$7.40 (Jan-18-21), \$7 (Jan-27-21). Sold some for 14% loss (Mar-31-21), \$6.25 (May-5-21), AVG:\$7.	<b>4.15</b>	Hold through weaknesses.	ST: \$10, MT: \$15
<b>HL</b>	Holding a full position. Holding near support at \$5.50 on overall gold universe weakness. Keep your positions for now. HL has been among the best companies out there and downtime could be short lived.	H	\$5.90 (Dec-22-20), \$5.90 (Jan-7-21), \$5.45 (Jan-20-21). Sold half at \$9 for 56% gain (Jun-9-21), \$7 (Jul-8-21), AVG: \$6.	<b>5.46</b>	Hold during weaknesses.	ST: \$10 & MT: \$12
<b>OR</b>	Holding full position. OR broke below key support at \$12 after failing to surpass downtrend near \$12.50. However, weakness is attributable to overall weakness within gold universe. Keep your positions, weakness will likely be short lived, and OR could hold at Aug low.	H	Bot: \$13.60 (Jul-8-21), \$13.30 (Jul-12-21). AVG: \$13.45.	<b>11.78</b>	Hold during weaknesses.	\$16 & \$20.
<b>HMY</b>	Holding full position. HMY continues to form a bullish downside wedge pattern. It must break above \$3.50 to complete the pattern and rise to the target at the Aug downtrend near \$5. Keep your positions during weakness. Good support at \$3.	H	\$3.90 (Jul-7-21).	<b>3.28</b>	Holding during weaknesses.	\$5.25 & \$7.50.

**TRADER SHEET CONTINUED**

Symbol	Trade Update &/or Current Position	Status B=Buy S=Sell O=Out H=Hold	Long or Short	Last Closing Price	Stops	Targets
<b>CURRENCY - CASH (18%)</b>						
<b>U.S. DOLLAR (DXZ21)</b>	Bullish! The U.S. dollar index rose back above the 93 handle showing impressive strength. It's near the top side of the Jan upchannel at 94. Coincidentally, 94 is nearing a key mega trend and resistance. A break above 95 would be very bullish and off to the races. A continued rise into the higher 90s would be likely. The dollar's leading indicators continue to point towards more upside. Cash positions have increased with recent profit taking in uranium companies, resources and stocks. Keep solid exposure to cash, particularly in U.S. dollars.	H	-	<b>93.20</b>	-	-
<b>INDUSTRIAL METALS AND ENERGY (20%)</b>						
<b>IVN.TO IVPAF.OTC</b>	Out. IVN is breaking below the Mar 2020 uptrend & support showing weakness. Leading indicator is at an extreme, but could still fall further. I'm waiting for a dip below \$7 to start buying back new positions.	O, B	Out	<b>8.15</b>	-	-
<b>SCO</b>	SCO is an levered ETF that trades opposite to crude oil by a factor of 2x. Buy some at mkt.	B		<b>17.01</b>		
<b>NXE</b>	Holding a full position. NXE is pulling back after reaching new highs at \$6. It could fall back to the Mar 2020 uptrend below \$4. If it does, I'm buying back more.	H	Bought: \$3.25 (Mar-10-21), \$3.77 (Apr-14-21). Sold half for 48% gain! Bot: \$3.85 (Jul-21-21), \$4.10 (Aug-25-21). Sold some at \$5.80 for 55% gain! AVG: \$3.735.	<b>4.67</b>	2dc below \$3.70 (adj)	MT: \$8
<b>URC.V</b>	Holding a reduced position after taking profits. URC blew up, breaking the top side of the Dec upchannel, reaching an intraday high above \$7. It's pulling back now and could now fall back to test the Dec uptrend near \$3.50. Keep your reduced positions and buy back new positions below \$4.	H	\$3 (Aug-18-21), \$3.10 (Aug-26-21). Sold half at \$6.30 for 105% gain! AVG: CA\$3.05	<b>5.58</b>	2dc below \$3.25.	\$8
<b>ALS.TO</b>	Holding full position. ALS broke below the Oct 2020 uptrend showing weakness. It's now holding at bottom of Jun downchannel, at \$15. Keep your positions during weakness and buy more when weakness settles. ALS is a great company, with great take over potential.	H	\$16.75 (Jun-28-21), \$16 (Aug-18-21). AVG: \$16.38.	<b>15.43</b>	Hold during weakness.	\$21 & \$30
<b>CLF</b>	Holding a full position. CLF fell to bottom of downchannel below \$20. Weakness could push CLF lower, to its support at \$18. Keep your positions for now, buy more on weakness.	H	\$24 (Jul-29-21), \$24.90 (Aug-13-21). AVG: \$24.25	<b>19.82</b>	Hold during weakness.	\$35 & \$45
<b>USGDF</b>	Holding full position. Has been among the strongest, reaching a new high above \$0.80. Leading indicator is breaking out. However, overall weakness in resources could keep downside pressure. Keep your positions during weakness.	H	\$0.73 (Aug-11-21), \$0.68 (Aug-25-21). AVG:\$ 0.705.	<b>0.834</b>	2dc below \$0.55	Open
<b>MELT UP RISE PORTFOLIO (17%)</b>						
<b>SHOP</b>	Holding reduced positions. SHOP is falling deeper, lower, together with the broader market. A decline to the Jun 2020 uptrend below \$1200 is now likely. Keep your reduced position and buy more below \$1200.	H	\$930 (Jul-16-20), \$900 (Jul-24-20), \$875 (Sept-18-20). Sold half at \$1200 for 32% gain (Dec 2020). Bot: \$1090 (Jan-27-21). Sold some at \$1415 (Feb-17-21) for 42% profit. Bot \$1100 (Mar-10-21); Sold half at \$1530 for 46% profit (Jun-21-21). AVG: \$1040	<b>1437.15</b>	2dc below \$1100	ST: \$1800
<b>PYPL</b>	Holding a full position. PYPL showing weakness after breaking below Nov 2020 uptrend. It could now fall to its next support at \$240. Keep your positions, buy more on weakness.	H	Bot: \$255 (Mar-4-21), \$225 (Mar-5-21); Sold half at \$300 for 25% gain (Jul-12-21). Bot: \$274 (Aug-26-21) AVG: \$257.	<b>269.49</b>	2dc below \$260.	\$360 ST, \$400 MT.
<b>UBT</b>	Holding a full position. UBT confirmed support above the May uptrend near \$55 by breaking above the Jul downtrend. It's now poised to test the Jan 2021 highs near \$62. A break above this level and it's off to the races. IF not in and looking for exposure, buy at mkt. I'm also buying a full position in TLT, increasing total exposure to LT U.S. Treasuries to 8% of total portfolio.	H	\$48.25 (Mar-3-21), \$49 (Jun-16-21). Sold the excess for 11% profit (Aug-21). AVG: \$48.63	<b>56.86</b>	2dc below \$47.	MT: \$72.
<b>TLT</b>	TLT is one of the largest traded LT U.S. treasury ETFs. Buy at mkt.	B		<b>150.89</b>		
<b>COIN</b>	Holding a full position. COIN is unwinding after breaking the Jul uptrend. It's under pressure but quickly approaching key support at the May uptrend near \$220. Keep your positions; if not in and looking for exposure, consider buying on weakness that holds above the May uptrend.	H	\$295 (Apr-29-21), \$270 (Aug-10-21). AVG: \$283	<b>238.46</b>	2dc below \$220.	ST: \$325 & MT: \$450
<b>ABNB</b>	Holding a full position. ABNB looks good above the Jul uptrend near \$157. If it holds and rises above the Feb downtrend near \$180, it'll show super strength and would be off to the races! Keep your positions. If not in, take advantage of broader stock market weakness to buy.	H	\$149 (Jun-16-21), \$139.50 (Jul-14-21). AVG: \$144.25	<b>169.29</b>	2dc below \$130	\$200

## Trading Strategy

GCRU Trading is all about achieving profits by trading stocks, commodities and bonds. We have a diversified approach using companies with great fundamentals offering great value compared to the broader market. Trades are driven mainly by technical analysis but stocks are picked based on their fundamentals, momentum and their overall strength in their sector. All recommended companies are great assets, and even though we trade short and intermediate trends, they are worthwhile keeping longer term if you're building a longer-term portfolio.

I also believe in an approach that allows us to average in and average out. This is important because averaging in near a low, and averaging out near a peak gives us great profit advantages.

My portfolio is designed for you to follow it down to the penny, but you can also use it as a reference or guide. Or you can just use the individual trades I'm constantly coming up with.

The track record I keep takes into account all of the trades executed. It doesn't take into account performance on cash, dividends nor does it contemplate associated fees or expenses.

For trading purposes, I consider a full position to be one that is 4% of my total portfolio. I tend to buy partial positions (consisting of 2% of total portfolio) and at any given moment I could be overweight, meaning owning more than a full position.

On the trader sheets found in the final pages of each issue, you'll see a reference to our positioning, be it overweight, full, reduced or small. I also include next to each portfolio section, the percentage allocated to that particular sub portfolio.

Transparency, communication and discipline are keys to successful trading. If you have any questions or concerns, please feel free to email me at [oayales@adenforecast.com](mailto:oayales@adenforecast.com).



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**Note:** U should NOT feel our recommended prices are set in concrete. If mkts suddenly feel hot or cold to U, or dramatic news occurs, U can buy or sell, or stop at slightly higher or slightly lower prices. It also hinges on your experience level. Some people can use our prices as guides & know when they can take bigger risks.

**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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