



# -GCRU-

## Weekly Trading Strategies



Achieves gains by trading commodities, currencies and stocks

*Omar Ayales*

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IN ITS 21<sup>st</sup> YEAR – Nº 1012

# INFLATION EXPECTATIONS ENTRENCHED AS ECONOMIC DATA CONTINUES TO POINT TOWARDS STRONG ECONOMY

## MOST ASSETS REBOUNDED, BUT DOLLAR COULD BE NEAR A ST LOW AREA

**T**he recent pull back in the U.S. dollar has allowed for assets across the board to rebound from recent lows including stocks and commodities.

The expectation that growth may be moderating and with it, the Fed rate hike path, has been one of the catalysts for the recent bounce up in assets broadly. However, with economic data still showing a stubbornly strong economy, the table is set for the Fed to deliver on its guidance.

Consider the job opening survey published yesterday in the U.S. (JOLTS) came in stronger than expected, almost 10% stronger than expectations and the previous month reading. The job openings is one of the key indicators that is closely watched to determine 'heat' or intensity within the

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**“Half the plowing is in the planning” -Arthur Cutten**

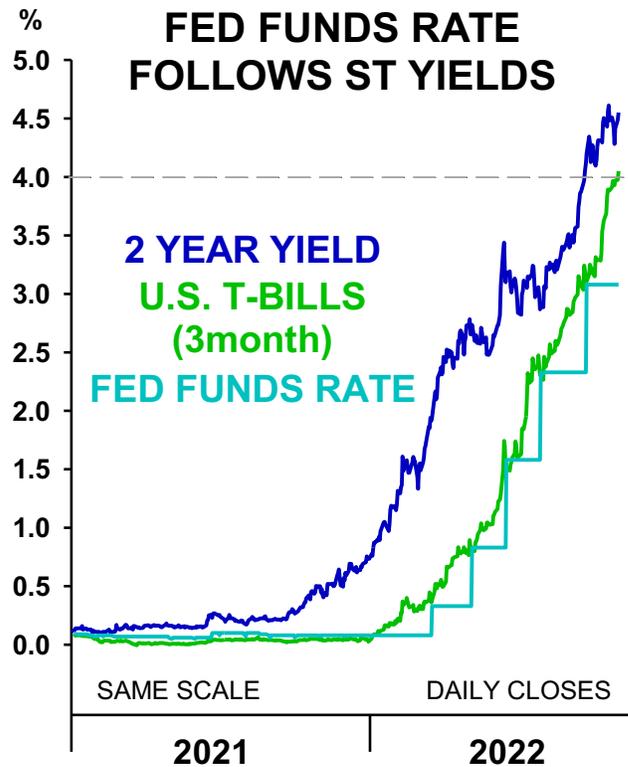
labor market. The more job openings, the stronger the labor market, particularly for employees. The stronger the employee, the stronger the consumer, the more likely inflation persists and the rate path remains.

Moreover, traditionally the Fed Funds rate has followed the 2 year yield on a U.S. treasury and the 90 day T bill rate. Both rates are set by markets and the Fed tends to adjust its rate accordingly. Notice on this first chart both the 90 day T bill rate and the 2 year yield are above 4%, meaning the Fed will likely reach that target on its next meeting, or two.

Interestingly, the stronger economic activity and the subsequent monetary policy is also pushing the U.S. dollar up. And although the dollar has been under pressure the recent month or so, it could be reaching a low and could now rebound and rise to the recent highs at 115. A rise to the recent peak would put downside pressure on assets across the board. A breakout rise to new highs would be crippling for most asset classes.

However, it's important to know that dollar strength will likely remain as long as economic indicators in the U.S. continue to point to a robust economy which would keep the Fed on its tightening cycle.

Last past week we sold the rest of our position in Coterra Energy (CTRA) for a 14% gain and will be protecting some profits by selling half of Lockheed Martin (LMT) to protect an 18% gain. We continue to have strong cash exposure, approximately 22% of total portfolio in U.S. dollars. We also have strong exposure to resources & energy, representing 44% of total portfolio, precious metals a 20% and other stocks a 14%. We'll be holding on to our short position (SDS) for what looks to be an upcoming rebound.



## OPEN POSITIONS

### PRECIOUS METALS: STABLE

Gold continues to struggle above the lows. The Mar 2022 downtrend near \$1700 is strong resistance and if gold is unable to break above this level, it could then fall and re-test



the Sept low & support near \$1625. A break below this level means the cyclical bear market could gain momentum. Notice the leading indicator unable to surpass the zero line, showing resistance and weakness. Be prepared for weakness.

Ongoing weakness within the gold universe has pushed us to reduce exposure by more than half in the past few months. Exposure today is at rock bottom levels, with a solid exposure to gold, smaller exposure to silver and with just two small positions in

Agnico Eagle Mines (AEM) and Hecla Mining (HL).

Someone recently asked if I was ready to reduce exposure even more. My response to that is no. At 20% of total exposure we're already at rock bottom. I feel very comfortable holding some gold, silver and miners in my portfolio during times of weakness. I'm also comfortable following the miners that I like, and jumping into them when a clear bottom emerges within the gold universe. When the time comes, we'll be doubling exposure.

The reason I keep gold during downturns is because gold is also a currency. Coincidentally, it's the strongest currency in the world with the exception to the U.S. dollar. In keeping your gold, you diversify your liquid holdings. Keeping exposure in other currencies excluding gold and the dollar, remains risky given global fundamentals.



Silver is looking good, reclaiming the \$19 handle, well above a new uptrend since Sept at \$18.50. Silver's leading indicator below is on the rise, breaking above the red and zero lines, showing momentum on the rise. If silver can now hold above support levels and rise above \$21, it would then show signs of renewed strength. If silver fails to break above resistance it could then decline and re-test the bottom side of the band near \$18. A break below this level would open the door to a continued decline.

Keep in mind the gold to silver ratio remains near a historical extreme suggesting that gold may not remain stronger than silver for much longer. In recent issues you've seen the industrial metals are poised to outperform precious metals moving forward. This is a positive for silver versus gold.

Agnico Eagle Mines (AEM) is forming a bullish ascending triangle between the Sept

**SILVER NEAR HISTORICAL LOW AGAINST GOLD**



uptrend at \$43 and the Aug highs near \$47. This means, if AEM continues to hold above \$43 and breaks above \$47, it could then open the door to a continued rise to possibly \$55, the Jun highs and AEM's next resistance. Notice the leading indicator below is on the rise, showing momentum favoring AEM. Keep your positions for now and wait for stronger signs of a bottom before picking up new positions.



Hecla Mining (HL) is pulling back from the Jun 2022 highs, but it's also holding near the highs by staying above \$4.50. The leading indicator below is falling below the red line, nearing the zero line, showing downside pressure increasing. HL continues to look good above \$4, but it must break above \$5 to confirm ongoing upside momentum. Keep your positions for now and wait for stronger signs of a bottom before picking up new positions.



**CASH & TREASURIES**

The U.S. dollar index extended the decline after breaking below a rising wedge pattern at 113. This past week, the dollar fell to the wedge target at 109 before bouncing up, reclaiming the 110 handle. The dollar is



confirming support at the Feb 2022 uptrend at 109 which could now allow it to continue rising with poise. Notice the leading indicator below is bouncing up from an extreme low level. The last two times the dollar fell to those levels, it marked lows in the dollar that preceded higher highs. Keep a close eye on the 109 level. If the dollar breaks this level, it could spell weakness; but if the dollar holds, it could then bounce up to the Sept high level near 115. A break above this level and it's off to the races. Keep cash positions in U.S. dollars. The dollar will remain on an upward path as long as the Federal Reserve stays the rate hike course.

Lots of the economic data for this week came out stronger than expected. Some of the headline indicators like Manufacturing Index (PMI) and job openings survey (JOLTS) came out stronger than anticipated, suggesting the U.S. economy remains hot. The strong print will give the Federal Reserve support to continue on its guidance. After all, the Fed has to work on credibility and will unlikely pivot unless the economic data shifts significantly. This means that rates across the yield curve are likely to remain rising even if they're overbought.

This chart of the 30 year yield shows the bull market in yields most clearly. Note it turned bullish when it broke above the 80 month moving average (MA). This MA has marked the bear market since the 30 year yield peaked in 1981. The blue line is a 65wk MA, a shorter term moving average that is now breaking above the red line. This bullish cross suggests the trend is shifting





on a longer term basis, which means higher rates could become the new normal.

Cash represents nearly a fourth of total portfolio.

**RESOURCES: Looking good**

Resources continue to show a glimmer of strength, hinting toward a shift that could see higher prices.

Crude oil remains on the rise since the Sept lows. It's now testing the Jun downtrend showing a sign of strength. Crude oil must now break and stay above \$90 to confirm a breakout strength. The leading indicator below is on the rise too, showing momentum building. Crude oil will remain on the upmove as long as it holds above the Sept uptrend near \$85.

Coterra Energy (CTRA) held near the recent high this past week, allowing us to unload the rest of our position for a 14% gain. The leading indicator below is struggling to hold above the zero line, suggesting downside pressure remains. CTRA must now break above \$32 to show renewed strength that could push it to the Jun highs above \$36: or if it resists at \$32, it could decline back to re-test support at \$27, the Aug 2021 uptrend. A break below this level would extend the decline to possibly the lower \$20s. Stay out for now.

Antero Resources (AR) continues to bounce up from the recent Sept lows showing a sign of strength and brewing momentum. If AR now rises above \$40, it'll confirm the recent rebound & support level near \$30. It could then

rise to its next key resistance near \$45 and \$50, initially. Keep your positions.

Uranium producers continue to hold well above key support levels. Upside momentum continues to brew and more upside seems likely over the foreseeable future. Keep in mind, uranium itself remains in a secular bull market and the primary trend remains to the upside.

NexGen Energy (NXE) continues to test the Apr downtrend near \$4.25 showing persistence and strength. It's also re-confirming strong support near \$3.50. Keep in mind, a break above resistance at \$4.25 could propel NXE higher, to possibly the Jun highs near \$5.50. Notice the leading indicator is uptrending, showing momentum picking up steam. On the downside, if NXE fails to surpass resistance, it could then fall back to re-test the key support at \$3.50. Keep your positions.

Uranium Royalty Corp (URC.V & UROY) continues to hug the Jul uptrend & support level near CA\$3. URC has not bounced up as strong as NXE or URG, but it's held above support confirming price action within the uranium miners. URC must now rise above the Oct 2022 downtrend near \$4 to show a sign of renewed strength. Keep your positions for now.



UR-ENERGY (URG) is rebounding with strength, above the Jul uptrend & key support area near \$1.10. URG is now approaching a key convergence near \$1.50. If URG breaks above this level it could rise to possibly the Apr highs near \$1.85. If it fails, it could then decline to re-test the Jul uptrend & support near \$1.10, or



**COPPER DEC 2022 (HGZ22)**  
**11/01/22 CLOSE = 3.4725**



lower. The leading indicator is on the rise, showing momentum picking up. Keep our positions for now.

Copper remains on an upward path since the Jul lows. It continues to look and hold up stronger than gold and the precious metals. The ratios continue to show that a push towards industrial metals against precious metals, and industrial stocks more in favor versus utilities. This continues to unfold and it could remain for the foreseeable future.

**IVANHOE MINES LTD. (IVN.TO)**  
**11/01/22 CLOSE = 9.85**



Ivanhoe Mines ([IVN.TO](http://IVN.TO)) is looking good, holding above the Jul uptrend at \$8.50. IVN is reaching the Jun highs near \$10.50, a key resistance. Notice the leading indicator below is bullish, suggesting more upside is now likely. If IVN breaks above the Jun highs, it could extend the rise to possibly the Mar highs near \$12.50. Conversely, if IVN fails to surpass the resistance, it could pull back to the Jul uptrend near \$8.50, or lower. Keep your positions for now. Take advantage of any weakness below \$9 to buy.

**ALTIUS MINERALS CORPORATION (ALS.TO)**  
**11/01/22 CLOSE = 22.13**



Altius Minerals Corp ([ALS.TO](http://ALS.TO)) remains on a bullish upward path; it's solid above the Jul uptrend near \$19 and a break above \$22 could then confirm strength and open the door to a continued rise, to possibly the Apr highs near \$25. Note the leading indicator below is rising above the red and zero lines, building momentum. ALS is looking ready for a continued upmove. Keep your positions, especially if ALS holds above the Jul uptrend at \$19.

Freeport McMoran (FCX) continues to trend up after breaking above \$30. If FCX now

### FREEPORT-MCMORAN INC. (FCX)

11/01/22 CLOSE = 32.89



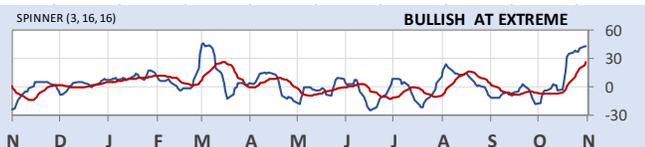
stays above the Sept uptrend near \$29, it could then rise to the top side of the Jul upchannel near \$36. It's starting to form a stronger upchannel and if \$36 is broken, we could see \$40 tested, the top of the growing upchannel. The upside looks good.

Resources represent the largest share of my portfolio at 44%. We'll continue to hold strong exposure as long as they remain favored to precious metals and others.

### OTHER STOCKS

### LOCKHEED MARTIN CORPORATION (LMT)

11/01/22 CLOSE = 485.69



Lockheed Martin (LMT) continued to rise with strength, breaking above the Apr highs at \$480. The leading indicator below is bullish but near an overbought area suggesting the upmove for now may be overdone and a pull back is likely. A pull back to the original break out level at \$440 is technically likely. I'll take advantage of current strength to sell half of my position at mkt. Keep the rest and by on a pull back to the \$440 level, or lower.

### PROSHARES ULTRASHORT S&P500 (SDS)

11/01/22 CLOSE = 46.44



Proshares Ultrashort S&P 500 (SDS) broke below the Aug uptrend near \$47.50 showing weakness, but it's confirming support above \$46, our stop, the adj Aug uptrend and the 15wk MA (not shown). More importantly, notice the leading indicator below bottoming at an extreme low level. This tells us the downside is limited, and a continued upmove to the Jun/Oct highs at \$53 is now likely. Keep your positions for now and wait for a rebound rise from current levels before unloading.

The potential pull back in SDS means that the S&P 500 and stock averages within the U.S. broadly are likely to pull back after rallying thus

<b>KEY PRICES</b>			
<b>Name/Symbol</b>	<b>Nov 01,22 Price</b>	<b>Change</b>	<b>Oct 25,22 Price</b>
Gold (GCZ22)	<b>1649.70</b>	-8.30	<b>1658.00</b>
Silver (SIZ22)	<b>19.67</b>	0.32	<b>19.35</b>
HUI (HUI)	<b>198.66</b>	1.17	<b>197.48</b>
Copper (HGZ22)	<b>3.47</b>	0.08	<b>3.40</b>
Crude Oil (CLZ22)	<b>88.37</b>	3.05	<b>85.32</b>
S&P500	<b>3856.02</b>	-3.09	<b>3859.11</b>
U.S.Dollar (DXZ22)	<b>111.36</b>	0.53	<b>110.83</b>
30 Year T-Bond (ZBZ22)	<b>121.03</b>	0.97	<b>120.06</b>
10 Year T-Note Yield	<b>4.052</b>	-0.056	<b>4.108</b>
13-week Treasury Bill	<b>4.050</b>	0.085	<b>3.965</b>

far. The pull back doesn't necessarily mean the rise is over. We'll be looking at the intensity and volatility of the move to determine timing.

Good luck and good trading,



Omar Ayales

Chief Strategist/GCRU

[www.goldchartsrus.net](http://www.goldchartsrus.net)

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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 (20%)</b>						
<b>GOLD (GCZ22)</b>	Overweight. Re-testing support at \$1625 after failing to surpass resistance at \$1700. A break below support would open the door to a continued decline to possibly mid \$1500s. A break above \$1700 is necessary to confirm support at \$1625, and open the door to upside potential. Keep your positions through weakness.	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>1649.70</b>	Holding for now	ST: \$2100 & MT: \$3000
<b>PHYS</b>	Alternative to trading gold in commodity markets.	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>12.74</b>	2dc below \$11.20	-
<b>SILVER (SIZ22)</b>	Holding a full position. Firm above Sept uptrend near \$18.50. Must now break above \$21-\$22 to confirm support and show signs of renewed strength. On the downside, keep an eye on support near \$18. A break below would open the door to continued weakness. 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). 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), \$23.95 (Oct-29-21). Sold half at \$19.20 for 17% loss. \$20.25 (Oct-5-22). AVG position: \$21.70.	<b>19.667</b>	Hold for now	ST: \$30, MT: \$50
<b>PSLV</b>	Alternative to trading silver in commodity markets.	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). Sols some at \$8.75 (Mar-31-21) for average 14% gain. Bot 9.99 (May-21-21), 8.35 (Oct-29-21). Sold half at 6.40 for 17% loss. 6.95 (Oct-5-22) AVG:\$ 7.50	<b>6.81</b>	2dc below \$5.25	-
<b>AEM</b>	Holding a reduced position. AEM is uptrending since the Sept lows, forming a bullish ascending triangle with resistance at \$47. This means a break above the resistance opens the door for a continued upmove to higher levels. Keep your positions for now. Keep a close eye on resistance at \$47.	H	\$49 (Feb-9-22). Sold some at \$61.50 (Mar-17-22) for 26% gain! Bot \$52.75 (Jun-1-22); Sold some at \$43 for 15% loss. Sold more at \$40 for loss. AVG: \$50.88	<b>45.77</b>	Hold during weakness.	\$80
<b>HL</b>	Holding reduced position. HL is pulling back after reaching a high in Jun this year. HL will remain positioned to move up as long as it stays above support at \$4. Keep your positions.	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), \$5.80 (Oct-29-21), \$4.50 (May-18-22). Sold half at \$4 for 30% loss. AVG: \$5.75.	<b>4.64</b>	Hold during weakness.	ST: \$9.50 & MT: \$12
<b>CASH &amp; TREASURIES (22%)</b>						
<b>U.S. DOLLAR (DXZ22)</b>	The U.S. dollar index is pulling back after failing to rise above the Sept peak to a new high for the move. The break below the Aug uptrend at 113 triggered a rising wedge pattern with downside target at the Feb 2022 uptrend suggesting 109 could be the low for the move. Moreover, ST momentum indicators are extremely oversold, suggesting dollar weakness could be ready to bounce up. Keep in mind, a break below 109 would be bearish extending a decline to possibly the lower 100s, to the May 2021 uptrend. Keep healthy cash positions in U.S. dollars.	H	-	<b>111.36</b>	-	-

**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>INDUSTRIAL METALS AND ENERGY (44%)</b>						
<b>IVN.TO IVPAF.OTC</b>	Holding reduced position. Trending up, reaching a new closing high for the move, approaching the top side of the Jul upchannel and resistance near \$10.50. This resistance coincides also with the Jun 2022 peak. IVN must break above this level to show signs of renewed strength. If it fails, it could fall back down to the Jul uptrend below \$9. Keep your positions. Be ready to buy more on weakness below \$9.	H, B	\$9.90 (Nov-17-21). Sold at \$12.05 (Jan-18-22) for 21% gain. \$10.50 (Mar-16-22), \$9.95 (May-18-22), \$8 (Jun-22-22). Sold half at \$8.50 for loss. AVG: \$9.48.	<b>9.85</b>	2dc below \$8.	\$10 & 12.50 (ATUSF: \$10.50).
<b>ALS.TO &amp; ATUSF.OTC</b>	Holding full position. ALS jumped up to a new high, to the top of 4 mon upchannel, showing strength and momentum. Must now stay above \$22 to fuel a rise to the Apr highs near \$25. Keep your positions.	H	Bot: \$16.75 (Jun-28-21), \$16 (Aug-18-21), \$16.15 (Oct-18-21). Sold half at \$21 to protect 30% gain. Bot: \$18.25 (May-12-22). Sold some near \$18.10 for small gain. AVG: CA\$16.75.	<b>22.13</b>	Keep through weakness	\$30 (ATUSF: \$28).
<b>NXE</b>	Overweight. Continues to bounce up from recent lows; now testing the Apr downtrend near \$4.25. A break above this level would re-confirm support at \$3.50 and open the door to a continued rise, initially to the Jun highs near \$5.50. Keep your positions.	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! Bot: \$4.90 (Nov-24-21). Sold some at \$5.65 for 33% gain (Mar-31-22). Bot: \$3.90 (May-12-22). \$3.95 (Oct-22) AVG: \$4.	<b>4.18</b>	Sell half on break below \$3.50.	ST: \$7 & MT: \$10.
<b>URC.V &amp; UROY</b>	Overweight. Continues to hold above key support at Jul uptrend near \$3. Could now rise to the Oct downtrend near \$4. A break above would be bullish and would re-confirm support at the Jul uptrend. But a break below the Jul uptrend could spell ongoing weakness. Keep your positions for now.	H	\$3 (Aug-18-21), \$3.10 (Aug-26-21). Sold half at \$6.30 for 105% gain! Bot: \$5.75 (Oct-15-21), \$5.65 (Oct-29-21). Sold excess at CA\$6.50 for 48% gain! Bot: CA\$4.90 (Dec-3-21), \$3.62 (May-11-22). AVG: CA\$4.40.	<b>3.03</b>	Holding during weakness.	ST: \$7, MT: \$10 (UROY: ST: \$5.70 & MT: \$8).
<b>URG</b>	Overweight. On the rise! Looks good above Jul uptrend near \$1.10. Could now rise to next key resistance at \$1.50. A break above this level would confirm strength. Keep your positions.	H	Bot: \$1.90 (Nov-10-21), \$1.45 (Nov-30-21), \$1.30 (Dec-22-21), \$1.15 (May-11-22), \$1.18 (Oct-5-22) AVG: \$1.39.	<b>1.26</b>	Holding during weakness.	ST \$2.10; MT: \$2.60
<b>FCX</b>	Holding a full position. Looks good above Sept uptrend near \$29. Must now rise above the top side of the Jul upchannel near \$36 to show renewed strength that could push FCX to the Jun highs near \$44 initially, while a stronger channel emerges. Keep your positions for now.	H	Bot: \$39.25 (Jun-1-22), \$34 (Jun-20-22). AVG: \$36.60.	<b>32.89</b>	\$25	ST: \$50; MT: \$80
<b>CTRA</b>	Out. CTRA is now testing the Jun downtrend & resistance level showing a sign of strength. CTRA must now rise above the recent Sept peak at \$32.50 to confirm support and rise up to the Jun highs. Stay out for now, would consider buying again on a pull back that holds above the Aug 2021 uptrend near \$27.	O	\$26.50 (Jun-22-22), \$26.75 (Jun-30-22). Sold some at \$26.75 for small gain. Sold the rest at \$30.40 (Oct-26-22) for 14% gain.	<b>30.78</b>	2dc below \$25.	\$35
<b>AR</b>	Overweight. Bouncing up from recent Sept lows. Must now break above \$40 to show signs of renewed strength that could push AR to the Jun highs, initially. If AR fails to surpass resistance, it could then fall back to re-test support near \$30. Keep your positions.	H	\$30.75 (Jul-13-22), \$35 (Aug-5-22), \$32.50 (Oct-5-22); AVG: \$32.5.	<b>36.04</b>	Hold through some weakness.	ST: \$47; MT: \$60
<b>MELT UP RISE PORTFOLIO (14%)</b>						
<b>SDS</b>	Overweight. SDS continued to decline. It's now testing our support level near \$46, but continues to hold. Consider the pull back has been deep and harsh and it could end up holding at the support level ST. If it does, a rebound rise to the recent highs near \$53 will be likely. Keep your positions for now. Wait for Spinner to jump back up from extremes before selling.	H	\$51.50 (Sep-26-22), \$53.75 (Oct-12-22). AVG: \$52.66.	<b>46.44</b>	2dc below \$46	-
<b>LMT</b>	Overweight. Breaking above the top side of the band & Apr highs near \$480 showing signs of renewed strength. A rise to the \$500 level is now likely. However, keep in mind the rise has been parabolic and could now see a pull back to a key breakout level near \$440. Sell some at mkt to protect a 18% gain on average since Mar. More recent buyers will bank closer to 25%.	H, S	\$415 (Mar-16-22), \$430 (May-12-22), \$395 (Oct-13-22). AVG: \$412.	<b>485.69</b>	2dc below \$380	\$600

## 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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