



# -GCRU-

## Weekly Trading Strategies



Achieves gains by trading commodities, currencies and stocks

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December 15<sup>th</sup>, 2022

IN ITS 21<sup>st</sup> YEAR – Nº 1018

# INFLATION INDICATORS PULL BACK FURTHER IN NOV ALLOWING FED TO MODERATE PATH OF RATE HIKES...

# THE PIVOT HAS BEGUN DESPITE HAWKISH RHETORIC...

## MORE TRADING ACTION BELOW

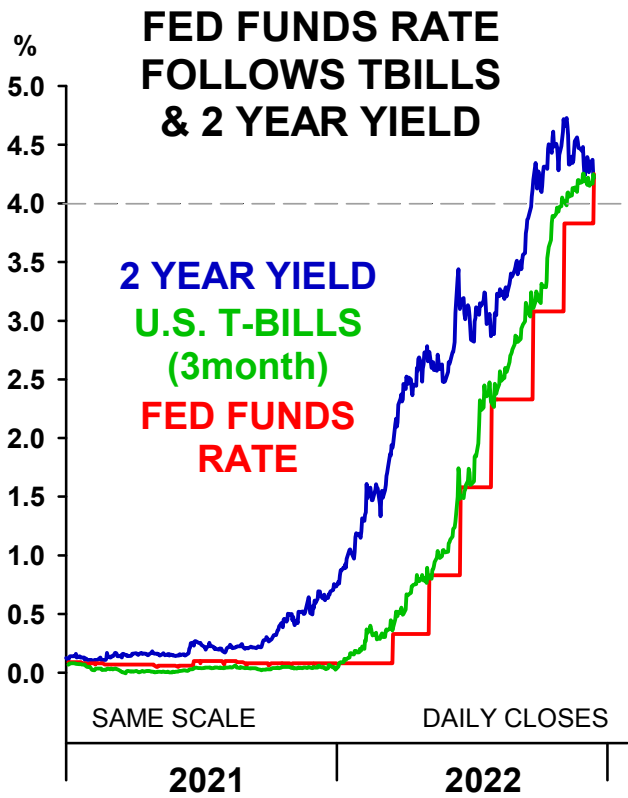
The Federal Reserve dialed down the pace of the rate hikes anticipating a decline in inflation given a variety of economic indicators, particularly the normalization of supply chains, declines in most commodities and the lagging effects of monetary policy.

Interestingly, the Fed's Powell remained otherwise hawkish insisting there's more that needs to be done to fight inflation, confirming all committee members that vote on monetary policy this year agree rates must rise further for inflation to return to a 2% level.

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*"Sometimes the best investments are the ones you don't make". – Donald G. Smith*



However, one of the main factors that could frustrate the Fed's guidance is the strength of the U.S. labor market with unemployment near historic lows and job openings near historic highs. This combination is (and will likely continue) driving wages higher, something that could keep the economy hot in 2023 as consumers remain strong and healthy.

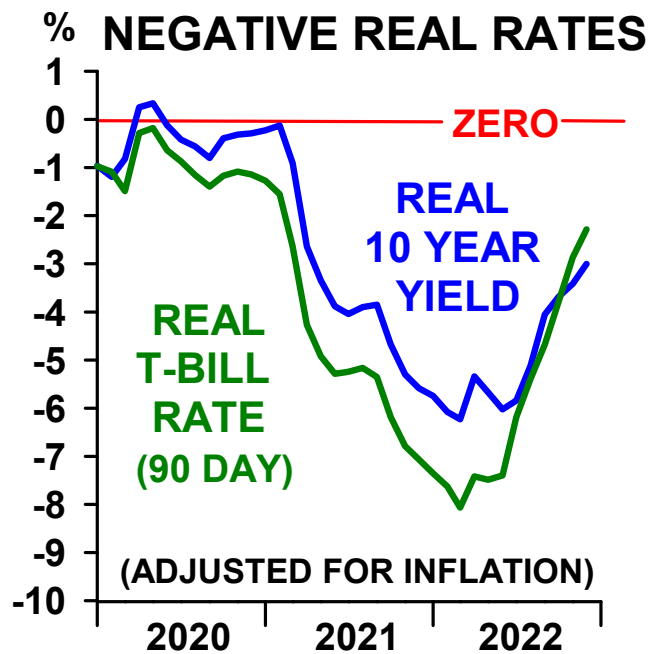
But, as noted in previous issues, the Fed tends to track market adjusted rates when it defines monetary policy. Notice this first chart showing the yield on a 2 year U.S. treasury, the 90 day T-bill rate and the Fed Funds rate since the start of 2021.

Both the 2 year yield and the 90 day T-bill rate are defined by markets. The Fed Funds rate is defined by the Federal Open Market Committee (FOMC), the committee Mr. Powell presides.

On the chart, notice for the first time since early 2021, the Fed Funds rate in red has just caught up with both the 2 year yield and the 90 day T-bill rate for the first time since last year. All three are converging near the 4.20-4.50% level. This is probably why Mr. Powell highlights that the committee will remain data dependent and will adjust the Fed Funds Rate accordingly in 2023.

It seems to me the Fed is being cautious. It can sense inflation moderating, but wants to keep a hawkish rhetoric and guidance for 2023 to help achieve its goal and maintain credibility. Otherwise, rising rates as the economic outlook moderates could signal painful stagflation.

This next chart can also provide some indication as to the extent of the rate hikes in 2023. It shows the 90 day T-bill rate and the U.S. 10 year yield adjusted for inflation (the nominal yield less the annual CPI). Notice real yields started to rise during the first months in 2022,



coincidentally around the time gold peaked. The rise extended into 2022 and it still has room to rise further.

Consider both the 10 year yield and the 90 day T-bill rate must increase an additional 200-250 bps to reach a neutral rate. This shows the Fed still has lots to do and could stay the course for longer than the market is pricing into asset values.

We're currently holding to a big stash of cash representing nearly 40% of total portfolio. One of the assets that keeps popping up are U.S. treasuries. However, if the Fed still has room to rise further in 2023, it could be that treasuries remain under pressure.

The higher yields for longer will inevitably put a damper on the U.S. economy which means commodities might not get out of the woods and in the clear as demand overall continues to decline. We'll continue to monitor closely and ready to invest our large cash pile as opportunities arise.

## OPEN POSITIONS

### PRECIOUS METALS: PUSHING HIGHER BUT RISING WEDGES REMAIN VALID

Gold bounced up above \$1800 once again this week showing strength. It's also confirming the 'A' rise remains in full effect. However, also notice gold continues to form a rising wedge pattern as the leading indicator below loses steam suggesting the 'A' rise may be nearing its peak. If gold now breaks below \$1800, the Nov uptrend & rising wedge, it could then fall back below \$1700. A break below \$1700 would confirm a 'B' decline and ongoing

weakness that could push it to the previous 'D' decline low near \$1625. Keep in mind, however, that what follows the moderate 'B' decline is a powerful 'C' rise. Keep your positions. We'll look to increase positions during the up & coming 'B' decline.



Silver continues to rise with strength, reaching a new high for the move! However, silver's leading indicator below is at a high area, suggesting momentum may be peaking soon. Moreover, silver continues to form a rising wedge pattern with downside target at the Oct

**SILVER MAR 2023 (SIH23)**  
**12/14/22 CLOSE = 24.136**



uptrend near \$22. This means, if silver fails to rise above \$25 and falls below \$23.50, it could remain weak, testing key support levels near \$22, initially, or lower, to the Sept uptrend & support near \$19. Keep your positions. We'll be waiting for weakness to buy more.

**GOLD BUGS INDEX (HUI)**  
**12/14/22 CLOSE = 232**



The HUI Index, a gold miner index, broke below a rising wedge of its own, showing a sign of weakness. However, it's since bounced up with strength, trying to regain the broken uptrend. The leading indicator below is downtrending, under pressure below the red line suggesting momentum continues to wane. If the HUI now fails to break above 250, it'll confirm weakness and fall back to the Sept uptrend near 215. Consider HUI also has support at 200 and deeper support at 175, the Sept lows. We've picked up new positions recently but are waiting for gold's 'B' decline before buying more aggressively. Keep your positions, especially during the up & coming 'B' decline. For now, exposure to precious metals, specifically the gold universe remains at 28% of total portfolio.

**ALAMOS GOLD INC. (AGI)**  
**12/14/22 CLOSE = 9.94**

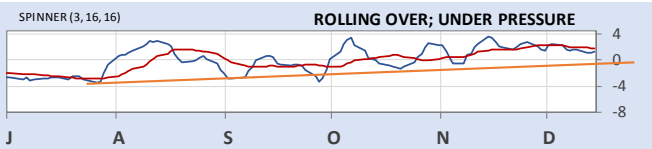
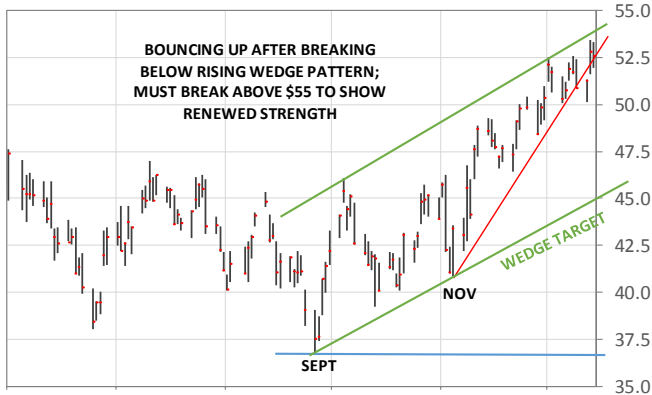


Alamos Gold (AGI) broke below a rising wedge pattern with downside target at \$9, the Sept uptrend. Coincidentally, if AGI now fails to rise and stay above \$10, it could then re-confirm weakness and fall back to the Sept uptrend & support near \$9. The leading indicator below is under pressure below the red line suggesting more weakness is likely. We're out, waiting to buy. Wait for a decline below \$9.5 to buy.

Agnico Eagle Mines (AEM) is bouncing up but remains under pressure below \$55. Moreover, this week AEM broke below a rising

**AGNICO EAGLE MINES LIMITED (AEM)**

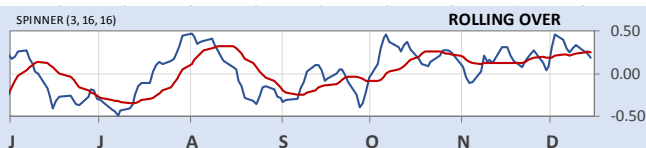
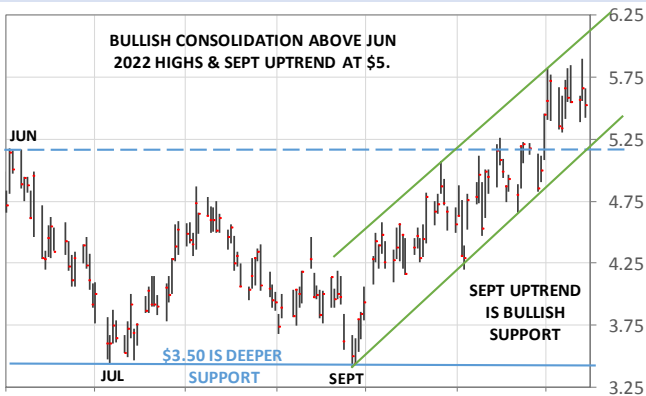
12/14/22 CLOSE = 52.615



wedge pattern confirming weakness. If AEM now falls below \$50 it could then decline to the Sept uptrend & support near \$46. Notice the leading indicator below continues to downtrend suggesting momentum still unwinding. Keep your reduced positions for now and wait for weakness to buy again.

**HECLA MINING COMPANY (HL)**

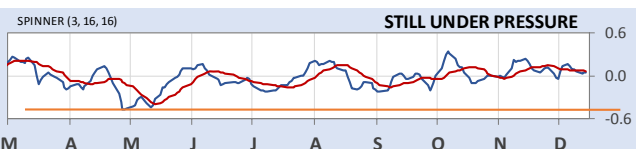
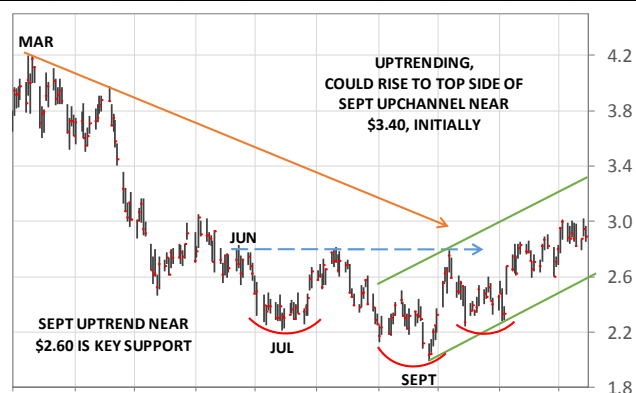
12/14/22 CLOSE = 5.53



Hecla Mining (HL) is among the strongest, holding near the highs, well above the Sept uptrend & support at \$5.25. HL recently tested the \$6 handle but failed to regain that level showing weakness & exposing a new key resistance. The leading indicator below is starting to roll over, showing momentum may have peaked for now. Keep your positions but keep a close eye on the Sept uptrend near \$5.25. A break below could open the door to further weakness. But, if HL holds above this level, it could resume its rise, to possibly the top side of the Sept upchannel near \$6.25. Keep your positions.

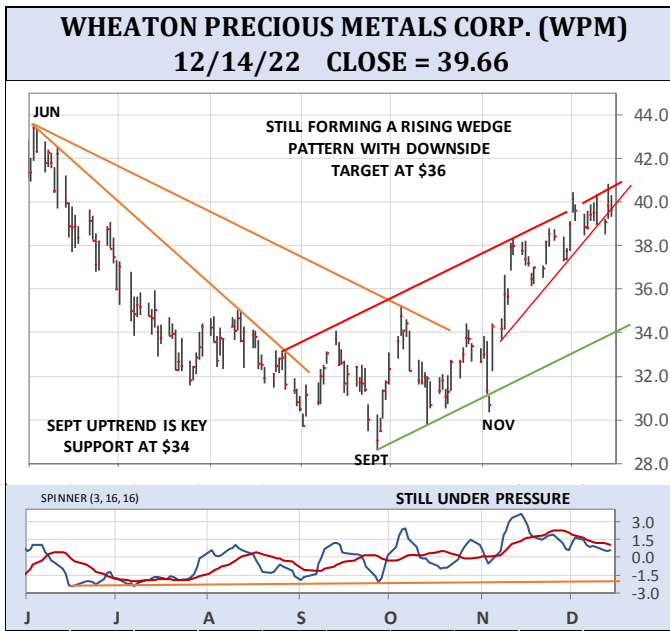
**SILVERCORP METALS INC. (SVM)**

12/14/22 CLOSE = 2.9



Silvercorp Metals (SVM) is on the rise. It's flirting with the \$3 handle, looking very strong above the Sept uptrend near \$2.60. SVM could now rise to the top side of the Sept upchannel near \$3.40. Keep in mind, however, the recent breakout from SVM's H&S bottom pattern has a target at \$3.80, suggesting a strong rise is coming. The leading indicator below is under pressure, but holding at zero for now. Keep your positions.

Wheaton Precious Metals (WPM) broke below the rising wedge pattern earlier this week, but quickly bounced back to a new intraday high yesterday. Volatility remains high, pushing asset valuations from support to resistance, back to support levels. Notice the



leading indicator below is under pressure showing weakness, just as WPM coils deeper into a rising wedge pattern with downside target at the Sept uptrend near \$34. We're still waiting for weakness to buy new positions.

Precious metals currently represents a 28% of total portfolio. It's been growing slowly as we look to pick great opportunities that may become available with an up & coming 'B' decline in gold.

**CASH & TREASURIES: DOLLAR HOLDING ABOVE DEEPER SUPPORT**



The U.S. dollar index fell further, reaching a new intraday low, below 104. However, the dollar continues to fall in a downside wedge pattern as the leading indicator below is coming out from an extreme low. This means the dollar is likely to hold above the May 2021 uptrend & key support levels near 101. If the dollar now breaks back above 105, it could then show signs of strength that could fuel a bounce up to the Sept downtrend near 110. The U.S. dollar index will remain the strongest currency relative to most others. I'll continue to keep strong cash balances and in U.S. dollars for now.

Treasury yields continue to decline showing peak rates might be behind us and a new downward trend may be emerging. U.S. treasuries continue to bounce up showing growing strength. I'm looking to buy U.S. treasuries once again, but I'll wait for further indication of strength before committing. Inflation and high interest rates may be stickier than some anticipate.

### LIGHT CRUDE OIL JAN 2023 (CLF23)

12/14/22 CLOSE = 77.28



### RESOURCES: Looking better

Crude oil slipped below the Jan 2022 lows showing growing weakness. However, it's now essentially holding above the Jan lows showing support, just as the leading indicator below starts to rise showing momentum could pick up steam. If crude oil holds above the Jan lows, it could rise to the Jun downtrend near \$85 initially. A break above this level and it's off to the races. Crude, it seems, could be staging a rebound rise. I'll be picking up a new position that could benefit from a bounce up in crude oil: Pioneer Natural Resources Company (PXD).

### PIONEER NATURAL RESOURCES COMPANY (PXD)

12/14/22 CLOSE = 225.12



PXD is an explorer and producer of natural gas and natural gas liquid with main operations in the Permian basin, the most prolific basin in the U.S. PXD has had great revenue streams from the sale of liquified gas. However, it's been falling from the recent peak in Oct near 275 to a recent low of 215, the 1 year uptrend, in a decline near 20% in just a couple of months. The leading indicator below is near an extreme, suggesting the lows might be in for now. Buy at mkt.

### ANTERO RESOURCES CORPORATION (AR)

12/14/22 CLOSE = 33.62



We picked up some more Artero Resources Corp (AR) last week as it approached key support at \$30. We're back to holding a full position. It has since bounced up showing signs of strength. The leading indicator below is on the rise, showing momentum building. If AR now breaks above the Jun downtrend near \$38, it's off to the races! A rise to the Jun highs near \$50 would then be likely. Keep your positions.

Uranium producers for the most part have been struggling since resisting at key

**NEXGEN ENERGY LTD. (NXE)**  
**12/14/22 CLOSE = 4.155**



resistance levels recently. However, they're bouncing up, showing signs of strength that could now go on to re-test the resistance. If the resistance levels are broken, it'd mark a renewed bullish rise in uranium overall. Uranium continues to grow in importance in a world starved for clean energy sources.

NexGen Energy (NXE) is bouncing up, showing signs of support above \$4 and opening the door to further upside potential. The leading indicator below has been on the rise since Jun this year showing momentum building. If NXE now breaks and holds above \$5, it'll confirm strength and extend its secular bull market upmove. If it fails, it could fall back to re-test ST support at \$4. Keep your positions for now.

**URANIUM ROYALTY CORP. (URC.V)**  
**12/14/22 CLOSE = 3.16**



Uranium Royalty Corp (URC.V) is consolidating the recent decline, above the Jul uptrend & support level near \$3. The leading indicator below remains under pressure, but could be showing signs of a bottom, potentially reversing waning momentum. If URC now holds above the Jul uptrend near \$3, and rise above the Oct 2021 downtrend at \$4, it'll show renewed strength that could push URC higher, to possibly the Mar highs near \$6.50, initially. Keep your positions.

**UR-ENERGY INC. (URG)**  
**12/14/22 CLOSE = 1.17**



UR-Energy (URG) drifted down, approaching its Jul uptrend. By staying above it, at \$1.50, it'll remain firm and could then shoot to overtake the \$150 level, the Nov 21 downtrend. The indicator is slowly reaching a low area, but it has room to go further. Keep an eye on \$1.10.



### COPPER MAR 2023 (HGH23)

12/14/22 CLOSE = 3.878



Copper remains on the rise. It's approaching a key resistance level near \$4. A break above this level and it's off to the races! However, notice the leading indicator below rolling over, suggesting some consolidation remains likely. If copper fails to surpass resistance, it could then fall back to re-test the Jul uptrend & support near \$3.50. In anticipation of weakness, we unloaded Ivanhoe Mining ([INV.TO](#)) recently and we'll be selling half of our positions in Freeport McMoran today to protect profits. We'll be looking to buy again on weakness.

### FREEPORT-MCMORAN INC. (FCX)

12/14/22 CLOSE = 39.44



Freeport McMoran (FCX) broke above \$40, but failed to once again stay above this key ST resistance. The leading indicator below is under pressure, showing momentum continues to unwind. If FCX now breaks below \$38, it would confirm a bearish rising wedge pattern that could then push FCX to the \$32 support level. Sell half of your position near \$40 to protect profits built. We'll be looking to buy back more again on a decline near \$32.

### ALTIUS MINERALS CORPORATION (ALS.TO)

12/14/22 CLOSE = 22.08



Altius Minerals ([ALS.TO](#) & [ATUSF.OTC](#)) continues to hold near the highs. It's looking strong above the Jul uptrend & support level near \$20.50. If ALS stays above this level, it could then rise to the top side of the Jul upchannel near the 2022 highs at \$25. But, if ALS falls below \$20, it could decline further, to possibly the Sept lows near \$18. Keep your positions for now.

Ivanhoe Mines ([IVN.TO](#) & [IVPAF.OTC](#)) continues to look strong, holding near the highs. It's also showing signs of weakness as a rising wedge pattern continues, with a downside target near \$10.50, or lower. IVN



must now rise above \$13 to show renewed strength and more upside ST. But, if it fails to surpass resistance and falls back below \$11.50, it'll trigger the rising wedge pattern and a decline to the pattern's target at \$10.50 would then be likely. Wait for weakness to buy again, ideally below \$10.50.

**STOCKS: OPTIMISM STILL HIGH**

Optimism for stocks remains high but could now be shifting, showing signs weakness is growing as economic forecast in the U.S. declines and interest rates remain on an upward path. The effects could be lower stocks. If the S&P 500 now breaks below \$3,900, it could open the door to a continued decline to the Oct uplows near 3600. If the S&P 500 continues to resist below \$4,100, I'll be looking to buy SDS, an inverse ETF to the S&P 500. An ETF that gains when the S&P 500 falls.



Lockheed Martin (LMT) continues to consolidate at the highs, but has failed to surge to a new closing high. It's showing strong resistance since testing the \$500 level recently. The leading indicator below is under pressure and could fall further, suggesting the highs might be in for now and some downtime could now be likely. Keep in mind, if LMT breaks below \$460 support, it could then fall back to the Nov 2021 uptrend & support near \$400. Sell the rest of your positions at mkt to protect profits. We'll consider buying back new positions at lower levels.

**KEY PRICES**

| Name/Symbol            | Dec 14,22 Price | Change | Dec 06,22 Price |
|------------------------|-----------------|--------|-----------------|
| Gold (GCG23)           | 1818.70         | 36.30  | 1782.40         |
| Silver (SIH23)         | 24.14           | 1.80   | 22.34           |
| HUI (HUI)              | 232.33          | 4.43   | 227.91          |
| Copper (HGH23)         | 3.88            | 0.06   | 3.82            |
| Crude Oil (CLF23)      | 77.28           | 3.03   | 74.25           |
| S&P500                 | 3995.32         | 54.07  | 3941.25         |
| U.S.Dollar (DXZ22)     | 103.74          | -1.80  | 105.54          |
| 30 Year T-Bond (ZBH23) | 131.16          | 0.75   | 130.41          |
| 10 Year T-Note Yield   | 3.503           | -0.010 | 3.513           |
| 13-week Treasury Bill  | 4.220           | 0.000  | 4.220           |

Good luck and good trading,



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## TRADER SHEET

| Symbol                                 | Trade Update &/or Current Position   | Status<br>B=Buy<br>S=Sell<br>O=Out<br>H=Hold | Long or Short  | Last Closing Price | Stops                 | Targets                 |
|--|--|--|--|--------------------|-----------------------|-------------------------|
| <b>PRECIOUS METALS PORTFOLIO (28%)</b> |  |  |  |                    |                       |                         |
| <b>GOLD (GCG23)</b>                    | Overweight. Volatile near the highs. Testing resistance at \$1820 but continues to form rising wedge pattern with downside target near \$1650. Must now rise and stay above \$1900 to show signs of renewed strength. Keep your positions, wait for weakness to buy.                               | 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>1818.70</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>13.91</b>       | 2dc below \$11.20     | -                       |
| <b>SILVER (SIH23)</b>                  | Holding a full position. New highs for move & bullish above the Oct uptrend near \$22. Forming rising wedge pattern with downside target at the \$22 support level. Must rise above \$25 to show signs of renewed strength. Keep your positions. We'll be looking to buy more on weakness.         | 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>24.136</b>      | Hold                  | 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>8.12</b>        | 2dc below \$5.25      | -                       |
| <b>AEM</b>                             | Holding a reduced position. Bouncing up after breaking below rising wedge pattern. Must now rise above \$55 to show signs of renewed strength. Otherwise, AEM could fall back to re-test support at Sept uptrend near \$46. Keep your positions. We're patiently waiting for weakness to buy more. | 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>52.62</b>       | Hold during weakness. | \$80                    |
| <b>WPM</b>                             | Out. Bounced back after breaking below rising wedge pattern. Could still fall to target at \$36. But if it hold at current levels and rises above \$42, it'll show renewed strength and more upside potential. Wait for weakness to buy.   | O, B   | Out.   | <b>39.655</b>      | 2dc below \$32        | \$48                    |
| <b>SVM</b>                             | Holding full position. Broke above key resistance suggesting the lows for the longer term move are in and more upside is now likely. The recent break-out rise opens the door to a continued rise to possibly the \$3.80 level. Keep your positions.   | H  | \$2.65 (Nov-9-12), \$2.85 (Nov-23-22). AVG: \$2.75   | <b>2.895</b>       | 2dc below \$2.50.     | \$3.80                  |
| <b>AGI</b>                             | Out. Bounced up after breaking below the Sept uptrend showing signs of strength. However, lots of selling pressure remains, and AGI is still poised to fall and test the Sept uptrend near \$9. Buy some below \$9.50.   | O, B   | Out  | <b>9.935</b>       | -                     | -                       |
| <b>HL</b>                              | Holding full position. Consolidating above Jun 2022 highs & Sept uptrend near \$5, showing strength. HL will continue to show upside potential as long as it stays above \$5. Keep your positions for now.   | 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. \$4.85 (Nov-10-12) AVG: \$5.30.  | <b>5.53</b>        | Hold during weakness. | ST: \$9.50 & MT: \$12   |

**TRADER SHEET CONTINUED**

| Symbol                                    | Trade Update &/or Current Position  | Status<br>H=Buy<br>S=Sell<br>O=Out<br>H=Hold | Long or Short  | Last Closing Price | Stops                            | Targets   |
|---|---|--|--|--------------------|----------------------------------|---|
| <b>CASH &amp; TREASURIES (37%)</b>        |   |  |  |                    |                                  |   |
| <b>U.S. DOLLAR (DXZ22)</b>                | The U.S. dollar index continues to coil within a downside wedge pattern with an upside target near 109. This means, if the dollar holds above the May 2021 uptrend and breaks above 105, it could then continue its rise to the Sept downtrend near 109. However, if the dollar breaks clearly below the May 2021 uptrend at 101, it could trigger more weakness and an ongoing decline to possibly the lower 90s. Keep cash in U.S. dollars. | H  | -  | <b>103.74</b>      | -                                | -   |
| <b>INDUSTRIAL METALS AND ENERGY (32%)</b> |   |  |  |                    |                                  |   |
| <b>IVN.TO<br/>IVPAF.OTC</b>               | Out. Rose higher, breaking above \$12, but showing strong resistance at a previous resistance near \$12.50. If it now breaks below \$11.50, it'll confirm a rising wedge pattern that could push IVN to the \$10.50 level or lower. Wait for weakness to buy again, ideally near \$10.50, or lower.   | O  | \$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. Sold the rest at \$11.60 for 22% profit.   | <b>12.28</b>       | -                                | -   |
| <b>ALS.TO &amp;<br/>ATUSF.OTC</b>         | Holding reduced position. Continues to consolidate near the highs. Looking bullish above Jul uptrend near \$20. If it holds, it could then reach the top side of the channel that coincides with the Apr peak. But, if ALS breaks below \$20, it could then open the door to a decline to lower levels.   | 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 8% gain. Sold half at \$22 for 31% gain. AVG: CA\$16.75.  | <b>22.08</b>       | Keep through weakness            | \$30 (ATUSF: \$28).                             |
| <b>NXE</b>                                | Holding full position. Bouncing up showing support at \$4. Must now rise and stay above \$5 to show renewed strength. 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). Sold some at \$4.60 to protect 15% gain. AVG: \$4. | <b>4.16</b>        | Sell half on break below \$3.50. | ST: \$7 & MT: \$10.                             |
| <b>URC.V &amp;<br/>UROY</b>               | Overweight. Consolidating above key support level at \$3. Must now rise above \$4 to show signs of renewed strength. Keep your positions.   | 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>3.16</b>        | 2dc below \$3.                   | ST: \$7, MT: \$10 (UROY: ST: \$5.70 & MT: \$8). |
| <b>URG</b>                                | Overweight. Showing support above the Jul uptrend near \$1.10. Could now rise and re-test key resistance at \$1.50 where the Nov 2021 downtrend and the recent Jun highs converge. Keep your positions for now.   | 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>1.17</b>        | 2dc below \$1                    | ST \$2.10; MT: \$2.60                           |
| <b>FCX</b>                                | Holding a full position. Continues to coil within rising wedge, while showing resistance is strong near \$40. If FCX now breaks below \$38, it would confirm the bearish pattern and could then fall back to the \$32 support level. Sell half of your position near \$40 to protect some profits. We'll buy again on weakness.   | H, S   | Bot: \$39.25 (Jun-1-22), \$34 (Jun-20-22). AVG: \$36.60.   | <b>39.44</b>       | 2dc \$29                         | ST: \$50; MT: \$80                              |
| <b>AR</b>                                 | Back to holding full position after buying again near the lows this past week. AR could now bounce up to test the Jun 2022 downtrend near \$38. A break above this level and it's off to the races! Keep your positions for now.  | H  | \$30.75 (Jul-13-22), \$35 (Aug-5-22), \$32.50 (Oct-5-22). Sold half at \$37 for a 14% gain. 30.90 (Dec-7-12) AVG: \$31.70.   | <b>33.62</b>       | 2dc below \$29.                  | ST: \$47; MT: \$60                              |
| <b>MELT UP RISE PORTFOLIO (3%)</b>        |   |  |  |                    |                                  |   |
| <b>PXD</b>                                | Out. PXD is an explorer and producer of natural gas. It's a great company that is oversold & holding above a 1 year uptrend. Buy some at mkt.   | O,B  | Out.   | <b>225.12</b>      | -                                | -   |
| <b>LMT</b>                                | Holding reduced positions. Consolidating at the highs, but showing signs of weakness as it fails to break above \$500. Leading indicator under pressure suggesting more downside is now likely. Sell the rest of your position at mkt to protect profits.   | S  | \$415 (Mar-16-22), \$430 (May-12-22), \$395 (Oct-13-22). Sold half at \$485 for 18% gain (Nov-2-22). AVG: \$412.   | <b>485.27</b>      | 2dc below \$400.                 | \$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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