

# Precious Metal Stock Review

*Bridging Wealth Protection and Wealth Creation*

[www.preciousmetalstockreview.com](http://www.preciousmetalstockreview.com)  
2012

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## Morning Update

Before investing in any stock please do your own due diligence beginning with a visit to the company's website and seek the advise of a financial advisor. Also a minimum requirement is to read some of the most recent MD&A reports found on the Sedar or the SEC websites. This is especially prudent when talking about the mining portfolio

Reserved for [subscribers](#) is where I talk about physical metals percentages and allocation.

It was a gap opening yesterday followed by nothing. We pretty much didn't see any moves at all yesterday except in the odd stock but even those moves were pretty tame for the most part.

I was hoping to begin buying (A company we own which is reserved for [subscribers](#)) yesterday as I said I would but the stock was on fire and ended up the day over 17% on heavy heavy volume. Thanks a lot guys!

I know I always let you guys get the first go at the stock but I couldn't step in after that! Thanks a lot!!!

Maybe I should change my policy and buy the stock before I tell you I bought it...just joking.

Now I have to wait a few days or so and hope for a pullback but if I don't get one then I'll be paying up even higher.

Let's move into the charts and begin with **the company reserved for subscribers**.

**I cannot show the chart to you in this free sample.**

Massive volume and the buying began early. Ah well, what can I do, it happens to me sometimes. I'll wait it out a few days or more or jump in if we are really taking off and can move above the downtrend line or also remain above the 50 day average just below us here.

When I am buying something, from now on let's try and work as a team and not shoot the price up too much. Let's take our time and accumulate over several days or even weeks like pros!

Let's take a look at the index charts whom are indeed holding up well.



The S&P is working nicely here as it continues higher in slow fashion on solid volume. We didn't quite hit 1,300 yesterday but it was damn close and today we are off only 2 points early before the open today.



Looking today at the full Nasdaq index we see a great breakout with solid volume and now an uptrend channel as the index slowly trends higher. This is great to see and bodes well for our near-term trading future.



Let's look at the Russell 2K ETF today the IWM so we can see the volume. The breakout here is not on huge volume so I'm cautious but it is nice to finally see it move above the 200 day average.

Let's take a look at a few of the stocks I mentioned yesterday who did well today but I have no position in them yet as they are slow for the most part, but may be emerging as leaders for 2012.

**BHI** (Baker Hughes, Inc.) NYSE © StockCharts.com  
 10-Jan-2012 **Close 51.95 Volume 6.3M Chg +0.37 (+0.72%) ▲**



BHI is breaking out here slowly and struggling with both the 50 and 100 day averages. Still though, it is breaking out from a textbook type of tight base that I look for all the time.

Higher volume was great and exactly what you NEED to see in this situation.



DVN broke out kind of but it's debatable at the close of trading yesterday. Heavy volume is great but we need to see a followthrough day higher today.



A beauty of a breakout today from it's cup and handle pattern with FCX but unfortunately it gapped higher and didn't give me a chance to try it. Maybe once it breaks above next resistance at \$41 or so.

Increasing volume is perfect.



One of the better moving energy stocks I track is NOV and it broke out nicely on good volume today. Great stuff but I did not chase the gap, perhaps mistakenly.



OIH also broke out today but volume was not there and I'd prefer for it to break above the descending trend-line around \$123 on very large volume before committing to it.

Several other energy stocks are also doing well like EOG, OXY, PXD and others.

Many of them trade in lock step for a good part of it and their charts are very similar after having exhibited the few days tight pattern, a favorite of mine to trade, especially off the leading high beta stocks which these stock are not, at least yet.

It's good and fun to nail so many though after having my wind deflated lately with such a tough market to trade giving us no easy setups such as these. Again, these are slower moving stocks for the most part except perhaps NOV, OIH and certainly FCX which is a metals stock.

Let's move on into our swing trading positions which are doing well and poised to really move along with some of our mining equities which are really looking to have bottomed and I'm getting keener on by the day.

I cannot show the charts, nor the portfolios of our swing trading positions, dividend stocks, nor our mining equities unfortunately as it's reserved for [subscribers but the good news is you can easily become a subscribers for a very small price which includes deeper discounts for longer subscription terms.](#)

You'll get a report like this every day and it's never quite the same.

Hope to see you here tomorrow morning!

Warren Bevan