



SILVER CHARTIST

PREMIUM TECHNICAL ANALYSIS: SILVER | GOLD | URANIUM

THE SILVER CHARTIST —REPORT—

January 9th, 2022

Premium Technical Analysis

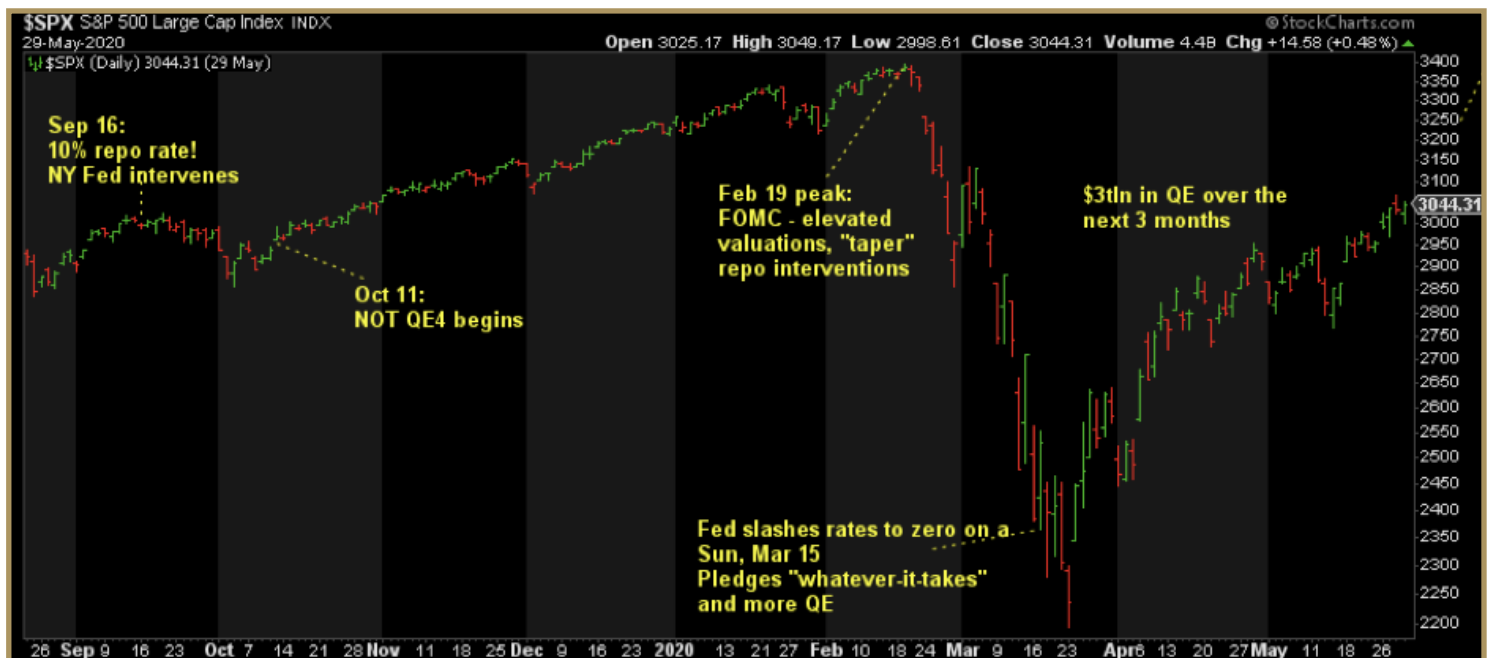
SILVER | URANIUM | GOLD

David Brady's Metals Briefing

David Brady | Sr Metals Analyst |  @GlobalProTrader

Spectacular Gains Ahead... Post The Coming Dump In Stocks...Or Sooner

Liquidity is all that matters to market, and who controls liquidity? The Fed, and the other central banks. The vast majority of people and analysts attribute the March 2020 sell-off in stocks to the Covid lockdowns. While it did contribute the speed and extent of the decline, it wasn't the trigger.



On September 16, 2019, the repo market rate skyrocketed to 10%. The Fed was forced to intervene to avoid another 2008-like meltdown in the banking sector. However, while the repo rate fell, the stock market did too. The S&P fell to a low of 2856 on October 3. Then Powell infamously announced his "Not QE" on October 11 and the S&P rose 19% to 3394 on February 19, 2020. This is what massive injections of liquidity do. But then the S&P began its dramatic dump.

On March 5, 2020, I wrote the following with respect to the nascent drop in stocks in a Sprott Money article:

"the catalyst was the Fed's announcement that they considered asset valuations to be elevated and planned to taper their liquidity injections into the stock, er, repo market. This occurred on February 19, the peak in stocks."

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Simply put, the Fed added massive amounts of liquidity and stocks soared. The Fed announced their plan to reduce that liquidity and stocks dumped.

Knowing that the market was on the brink of collapse in March, the Covid lockdowns provided the perfect cover for the Fed to justify a gargantuan \$3 trillion in stimulus over the next 3 months. And what happened? Stocks soared. It's not rocket science.

Fast forward to the FOMC minutes this week when the Fed shocked the markets with some surprisingly hawkish headlines. Note that these are just words, as it was on February 19, 2020, but consider the effect they had:

- The balance sheet could shrink faster than last time (QT)
- Chance of earlier, faster rate hikes
- Most agreed that risks to inflation were weighted to the upside (so much for 'transitory')
- Conditions for rate hike could be met relatively soon

The S&P immediately fell straight down to key support levels. Precious metals and miners were dragged down too. Real yields soared and the dollar rebounded.

All of this is to show that this is not a free market, quite the opposite, it is a centrally rigged market, managed by the Fed. More akin to socialism and certainly not capitalism. However, there is a silver lining. The Fed is predictable. *Once you accept that the Fed controls the major trends in the market, then you can forecast where the market is headed by anticipating what they're going to do.*

Cutting to the chase, I believe the S&P will either fall straight down to 4400 or Powell and a few Fed speakers will provide some soothing words next week that will trigger a rebound to new record highs. If the latter occurs, the market is ripe for a shock when the Fed reiterates or follows through on the words above, and then down to 4400 we go. I'm leaning towards the latter but both scenarios are equally possible at this time. The point being that a ~10% drop to around 4400 is inevitable one way or another, imho.

Why am I writing about the Fed, liquidity, and the S&P, when I should be discussing precious metals? Because more often than not, the fate of the

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stock market, driven by changes in Fed policy, impact the performance of precious metals and miners. The examples are numerous.

Getting back to 4400 and forecasting the Fed's actions. At such elevated levels for so long, stocks are wholly dependent on liquidity provided by the Fed. If they don't stop the slide at 4400, they risk collapsing this Ponzi scheme for decades. Hence, I believe they will ride to the rescue yet again with stimulus far greater than \$3 trillion and for far longer than 3 months. The fact that Mid-term elections are coming up later this year just reinforces my belief. The Democrats will be routed if stocks, and therefore the economy, collapse.

"When" the Fed responds to the next drop in stocks of around 10% or more with stimulus on steroids, Gold, Silver, and the miners will skyrocket to new highs, just as they did in 2020 and 2008. In fact, they could take off even sooner if they anticipate the Fed's actions, as they did in October 2008, 6 months ahead of QE1 in March 2009. I consider this inevitable. The only alternative is the total collapse of global markets, the world economy, and the financial system itself. It's all up to the Fed.

One final note, I also believe that the resulting inflation from the Fed's actions will risk hyperinflation in the next 18 to 30 months and, at that point, confidence in the Fed and the dollar will be lost. The stock market will peak and begin a massive multi-year downtrend that triggers the Greatest Depression. Almost every inflated asset will fall hard, including real estate. While Gold and Silver could rise in nominal terms, it will certainly soar in real terms. Precious metals are the new TINA, "There is no alternative." China and Russia know this. Follow the smart money.

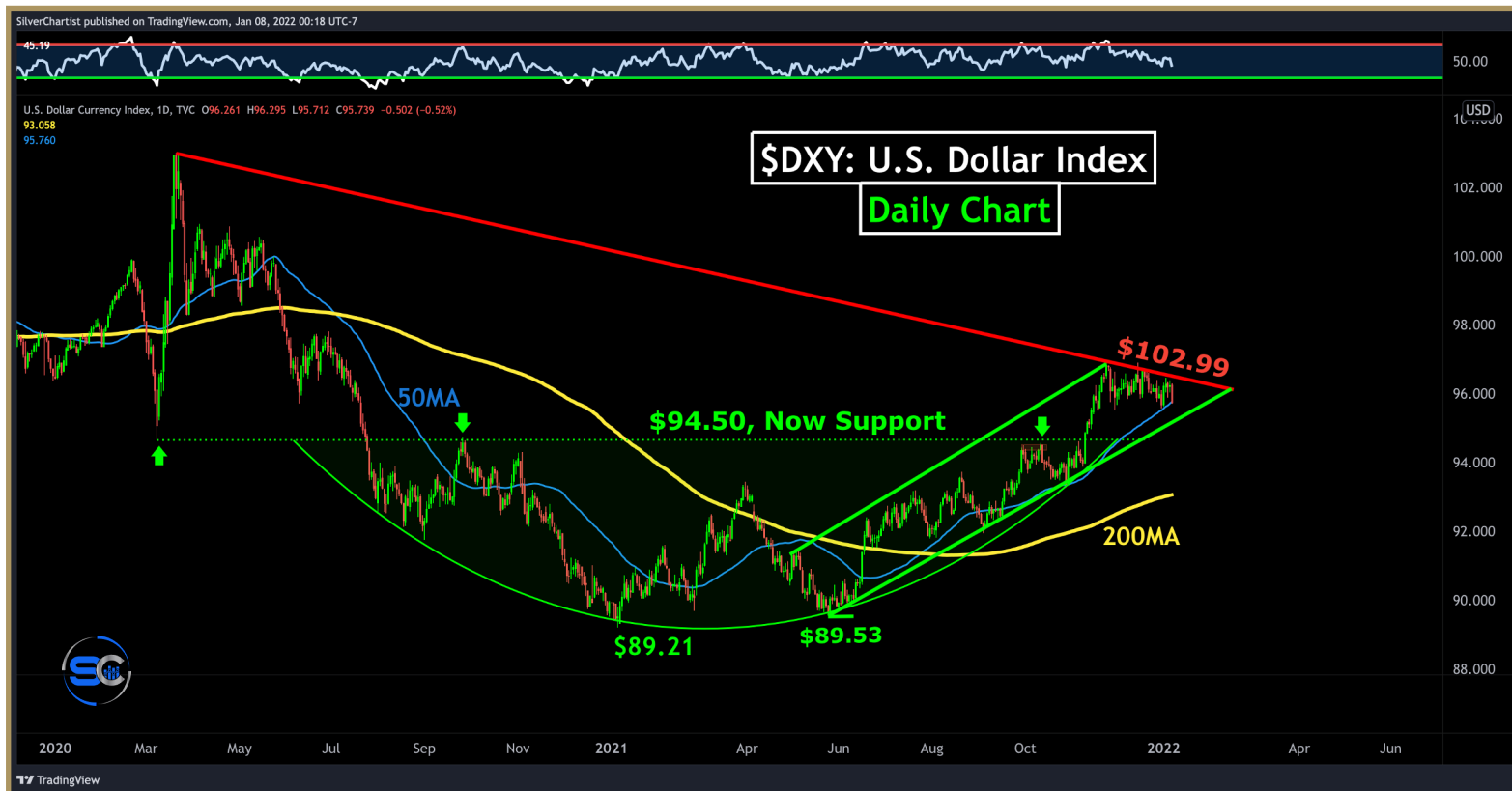
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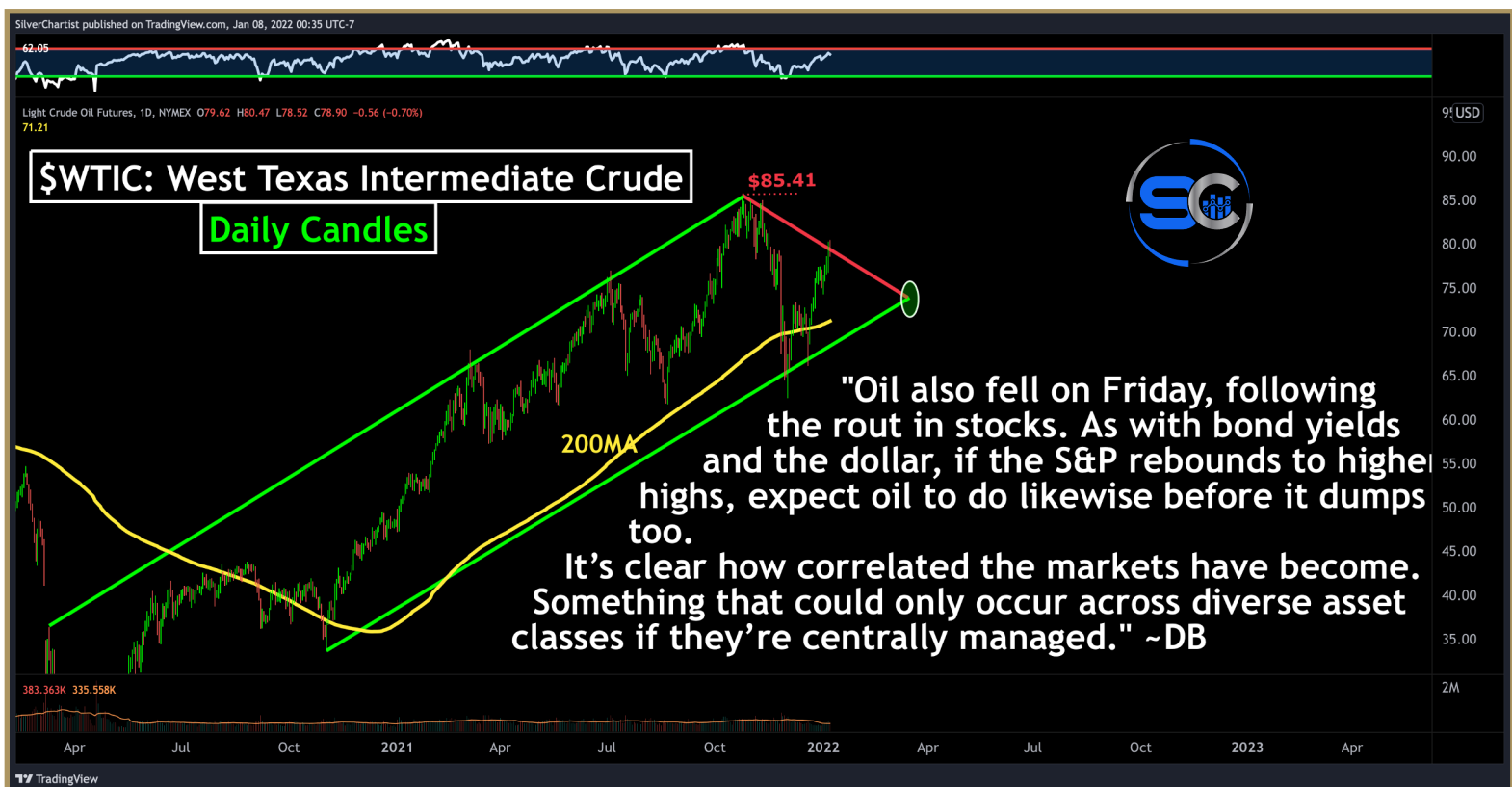
The S&P tested critical support at 4665 and it has held, so far. It closed the week right at the 50MA. We should get some kind of bounce soon and the extent of that bounce will tell us whether we are going up to new highs or heading straight down to lower lows. Either way, I believe it has a date with the 200MA sooner or later.



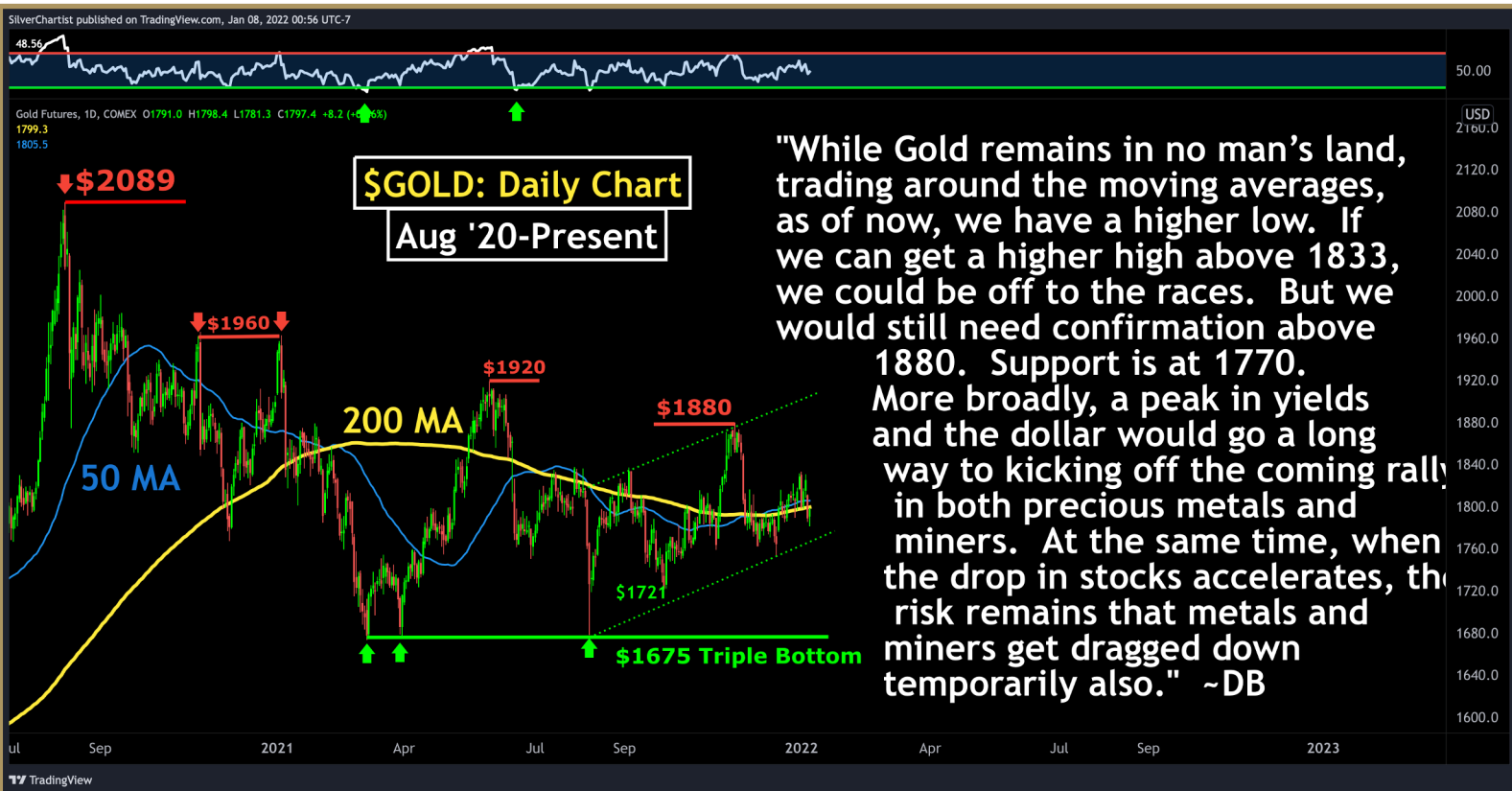
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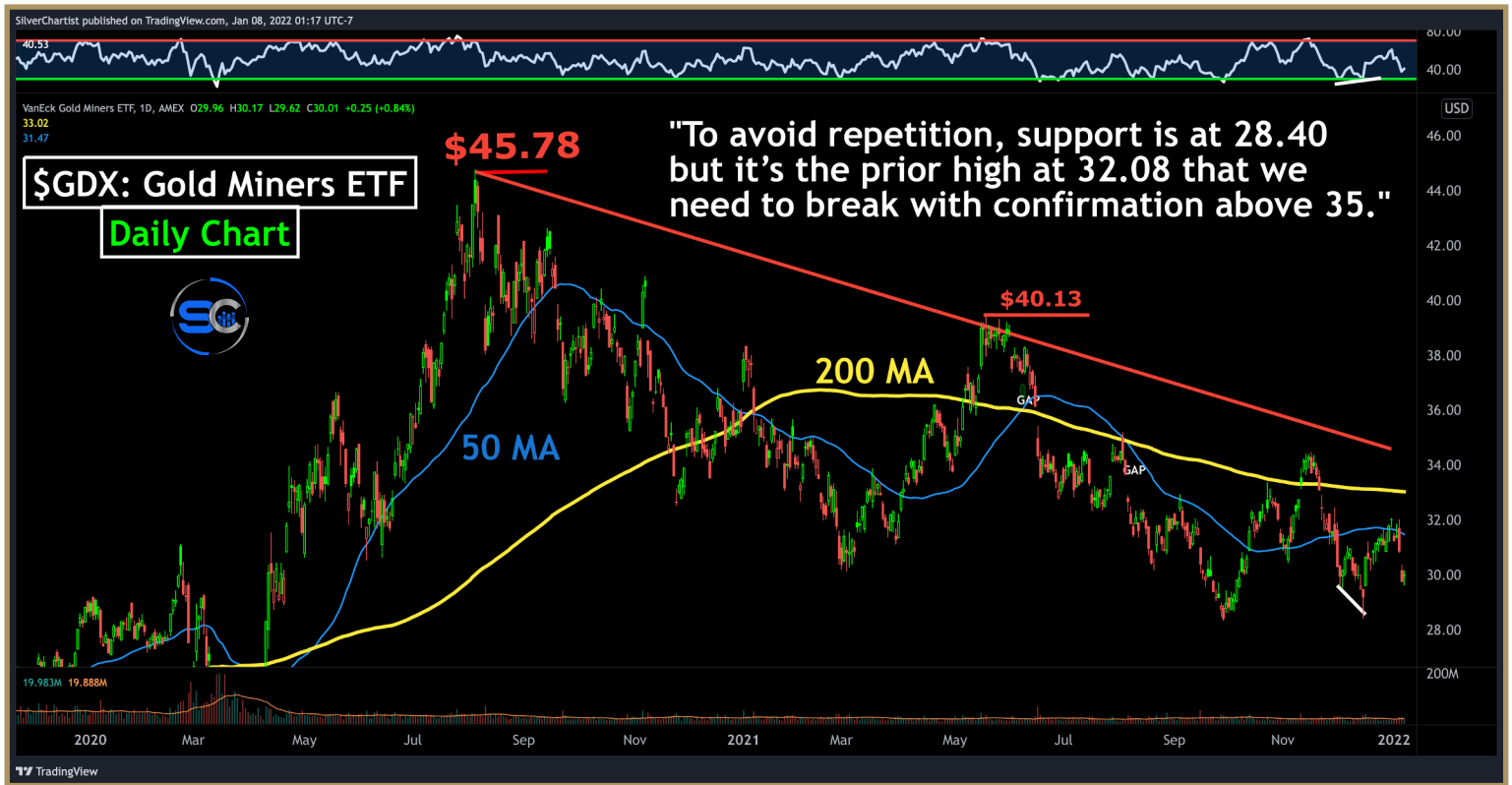
The dollar may have already peaked, but I still don't think so. It dumped alongside stocks post the FOMC minutes this week but did not break its 50MA. If we do get a rebound to a higher high in stocks, the dollar likely follows suit and then they go down together, bond yields too.



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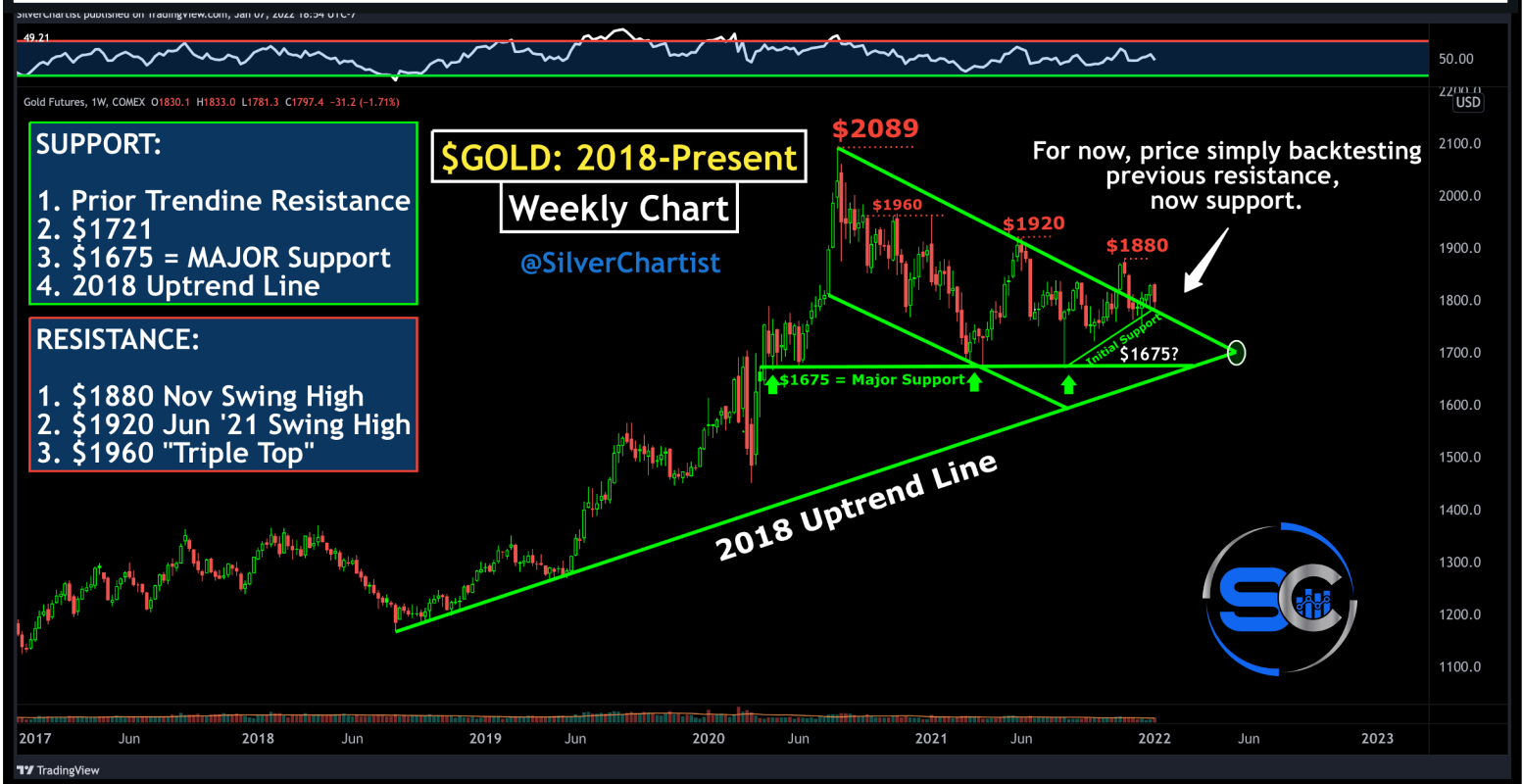


Steve's Personal Mining Stock Portfolio, CAO 1/6/22

STEVE'S METALS & MINING 1-5 YR "HODL" PORTFOLIO, CAO 1/6/22						
Ticker	Shares	Current Market Value	Cost Basis \$USD	% Gain	% Portfolio	Rating
ETFs		\$62,683.00			14%	
\$SILJ (Jr Silver Miner ETF)	5465	\$62,683.00	\$12.05	-4%		BUY
PM Royalty / Streamers		\$74,571.00			17%	
\$WPM (Wheaton PM)	650	\$25,116.00	\$37.01	5%		Best Buy <\$38, Stink Bid <\$34
\$MTA (Metalla Royalty)	3900	\$24,921.00	\$4.19	52%		Best Buy <\$6.50, Stink Bid <\$5.75
\$SAND \$SSL (Sandstorm)	4350	\$24,534.00	\$4.99	15%		Best Buy <\$5.75, Stink Bid <\$4.90
PM Producers		\$50,944.00			11%	
\$AG \$FR (First Majestic)	2000	\$20,520.00	\$7.85	31%		BUY
\$MAG (Mag Silver)	850	\$12,384.00	\$10.85	35%		BUY
\$EXK \$EDR (Endeavour)	3750	\$14,400.00	\$2.30	67%		BUY
\$MUX (McEwen Mining)	4000	\$3640.00	\$0.99	-8%		BUY
PM Explorers / Developers (Higher Risk)		\$62,847.00			14%	
\$SILV \$SIL (Silvercrest)	2150	\$15,071.00	\$8.47	-16%		Best Buy <\$7.00, Stink Bid <\$6.25
\$RSNVF \$RSLV (Reyna Silver)	12,500	\$7883.00	\$0.55	15%		BUY
\$GLDG \$GOLD (Goldmining Inc)	4000	\$5840.00	\$1.18	24%		BUY
\$SLVRF \$SVE (Silver One)	17,500	\$5687.00	\$0.50	-34%		Best Buy <\$0.35, Stink Bid <\$0.27
\$DSVSF \$DSV (Discovery Silver)	3500	\$5320.00	\$1.46	5%		BUY
\$HAMRF \$HAMR (Silver Hammer Mining)	10,000	\$5200.00	\$0.43	21%		BUY
\$MMNGF \$MMG (Metallic Minerals)	15,000	\$5115.00	\$0.44	-17%		BUY
\$SSVFF \$SSV.V Southern Silver	16,000	\$3560.00	\$0.33	-32%		BUY
\$LGDTF \$LGD (Liberty Gold)	5000	\$3421.00	\$1.23	-40%		BUY
\$DNCVF \$DEF (Defiance Silver)	10,000	\$2990.00	\$0.16	88%		BUY
\$MGMLF \$MGM (Maple Gold Mines)	10,000	\$2760.00	\$0.24	15%		BUY
Battery Metal / PGM Plays		\$34,818.00			8%	
\$NOVRF \$NOVR (Nova Royalty)	6000	\$13,830.00	\$2.18	7%		BUY
\$BSBW (Sibanye Stillwater)	800	\$10,152.00	\$12.86	1%		BUY
\$ELEC \$ELEC (Electric Royalties)	20,000	\$5840.00	\$0.32	-9%		Best Buy <\$0.29, Stink Bid <\$0.25
\$PGEZF \$PGE (Group Ten Metals)	17,000	\$4996.00	\$0.23	25%		BUY
Uranium Miners		\$113,957.00			26%	
Energy Fuels (\$UUUU \$EFR)	2200	\$17,248.00	\$1.93	305%		BUY
Global Atomic (\$GLATF \$GLO)	4500	\$14,445.00	\$0.45	630%		BUY
Uranium Royalty Corp (\$UROY)	3500	\$13,650.00	\$2.53	54%		Best Buy <\$3.55, Stink Bid <\$3.00
Uranium Energy Corp (\$UEC)	3500	\$12,880.00	\$0.75	388%		BUY
NexGen Energy (\$NXE)	2700	\$11,961.00	\$1.37	225%		Best Buy <\$4.40, Stink Bid <\$3.75
Denison Mines (\$DNN \$DML)	8,000	\$11,440.00	\$0.43	230%		BUY
Cameco Corp (\$CCJ \$CCO)	500	\$11,360.00	\$8.49	167%		BUY
enCore Energy (\$ENCUF \$EU)	7,500	\$9,975.00	\$0.15	802%		Best Buy <\$1.25, Stink Bid <\$1.00
Boss Energy (\$BQSSF \$BOE)	30,000	\$6,243.00	\$0.14	44%		BUY
Iso Energy (\$ISENF \$ISO)	1,500	\$4755.00	\$0.38	742%		BUY
CASH: (Includes Trading Acct)		\$44,484.00			10%	
TOTAL		\$444,304.00				
Steve's Watchlist:		Nova Royalty (\$NOVRF \$NOVR), Sibanye Stillwater (\$BSBW), Group Ten Metals (\$PGEZF \$PGE), Uranium Royalty Corp (\$UROY)				

Currently, *Battery Metal & Platinum Miners* only make up roughly 8% of the portfolio, and I would like that weighting to be closer to 10-15%. Nova Royalty, Sibanye Stillwater, Group Ten Metals & Electric Royalties are at the top of my shopping list, although Sandstorm Gold, Metalla Royalty, SilverCrest, Silver One and MAG Silver all look especially compelling for those with a 1-3yr time horizon..

\$GOLD: Backtesting Support



\$SILVER: Green Support Line Must Hold





PLATINUM REMAINS CHEAP RELATIVE TO OTHER METALS

PLATINUM: Weekly Chart

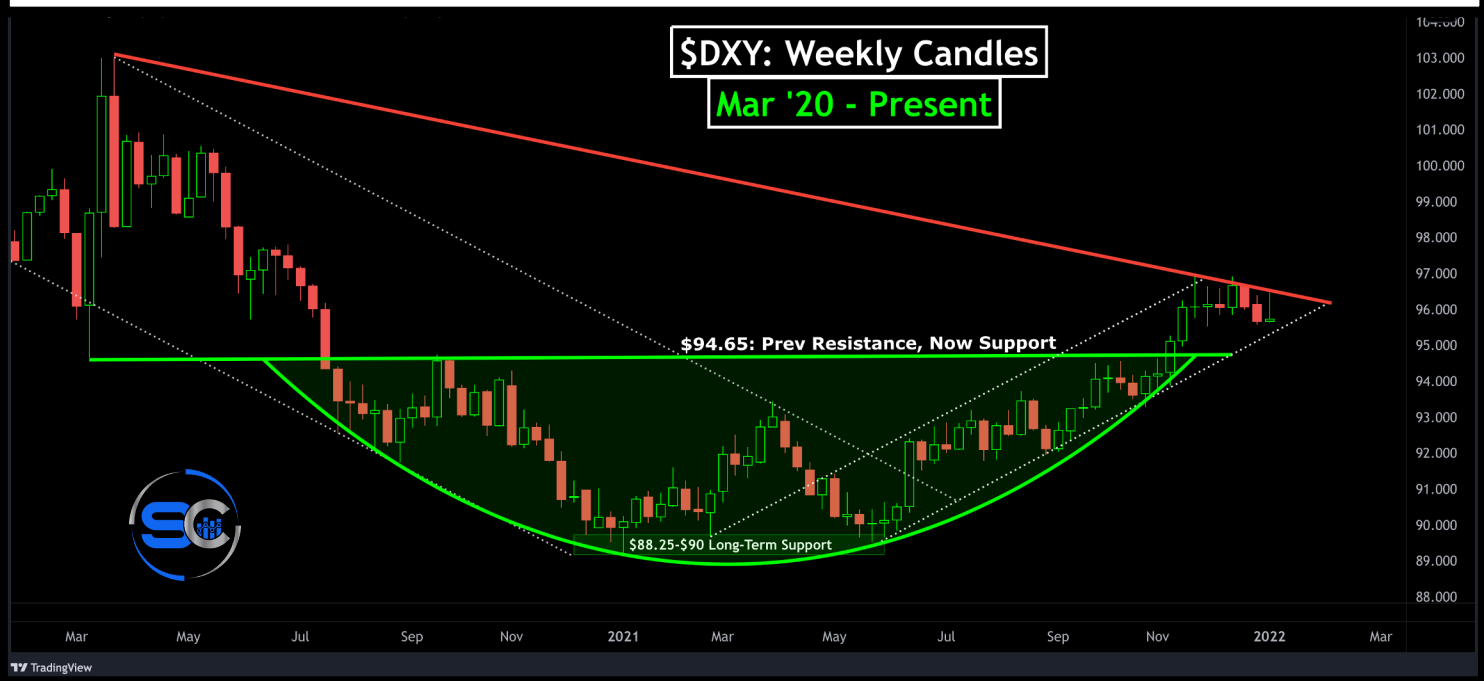


PLATINUM vs SILVER: Close to Resolution





\$DXY: \$94.65 Now Support



Precious Metals Weekly Focus List:

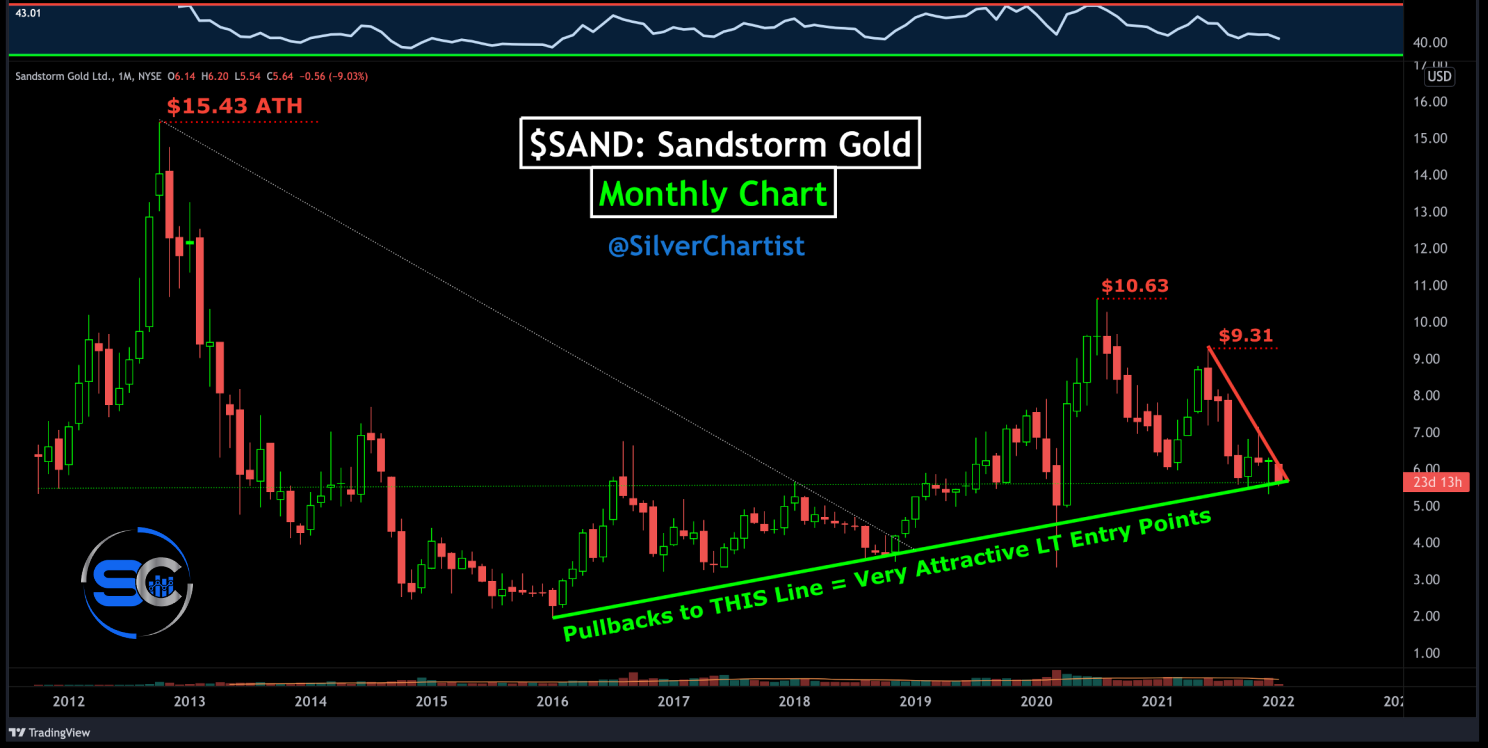
Each Friday we will update our weekly **"Focus List,"** highlighting 3-7 fundamentally sound mining stocks that currently present the most favorable chart-based entry points. This week, our favorite royalty and streaming stocks are at the top of the list, as they currently present the most compelling value propositions.

1. Sandstorm Gold, \$SAND
2. Metalla Royalty, \$MTA
3. Wheaton Precious Metals, \$WPM
4. Mag Silver, \$MAG
5. Silver One Resources, \$SLVRF | \$SVE
6. SilverCrest Metals, \$SILV | \$SIL
7. Electric Royalties



1. \$SAND: Sandstorm Gold

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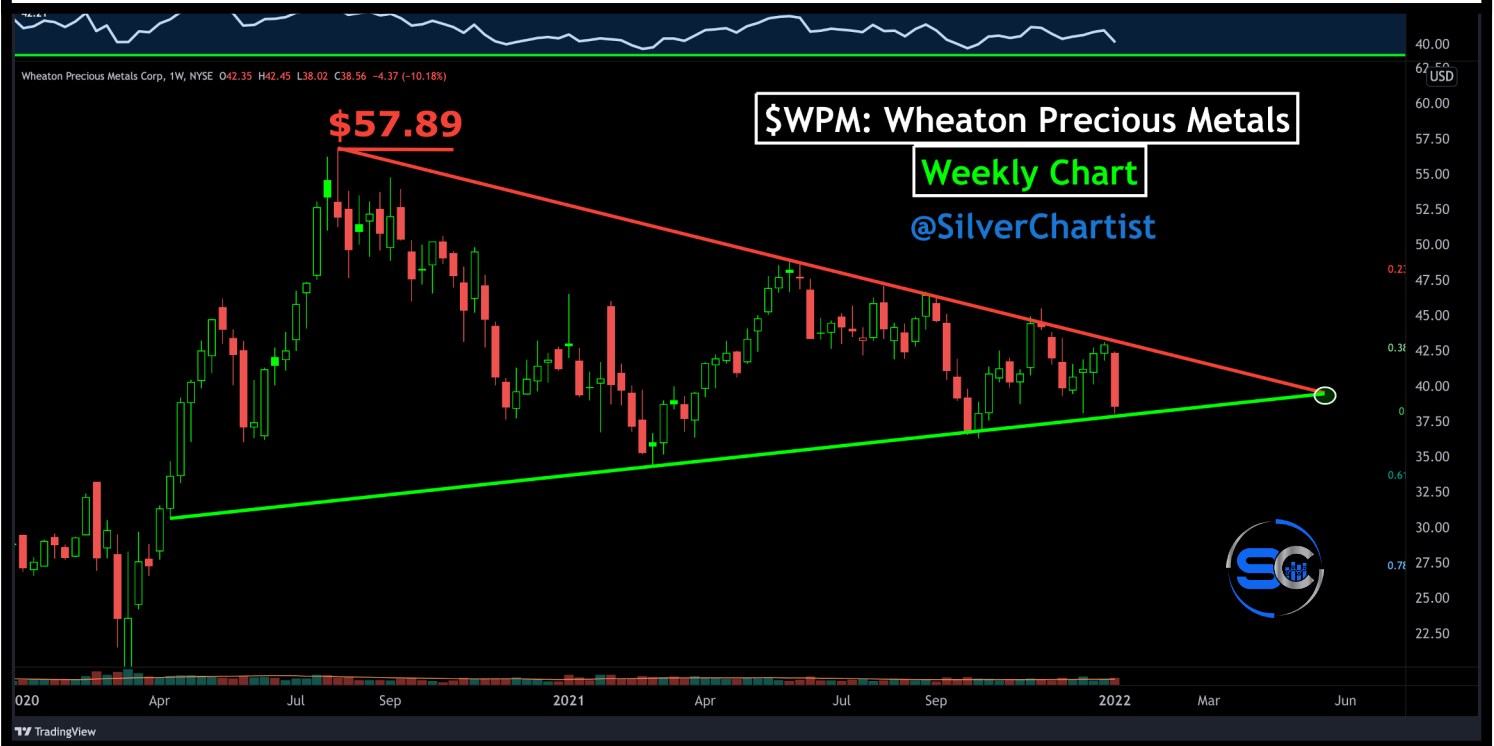


2. \$MTA: Metalla Royalty





3. \$WPM: Wheaton Precious Metals



4. \$SILV: SilverCrest Metals





5. \$SLVRF: Silver One Resources



6. \$ELECF: Electric Royalties





Steve's Personal Uranium Miner Portfolio, CAO 1/9/21

Position		Qty	Market Value▼	Open Market Gain %	Net Cost Basis
> UUUU shares	\$	2,200	18,370.00	331.36%	1.9358
> UROY shares	\$	3,500	14,175.00	59.74%	2.5354
> GLATF shares	\$	4,500	14,152.50	615.13%	0.4424
> UEC shares	\$	3,500	13,580.00	413.75%	0.7552
> NXE shares	\$	2,700	12,528.00	240.61%	1.3622
> CCJ shares	\$	500	11,835.00	178.54%	8.4979
> DNN shares	\$	8,000	11,680.00	236.61%	0.4337
> ENCUF shares	\$	7,500	10,346.25	834.73%	0.1481
> BQSSF shares	\$	3,750	6,112.50	41.26%	1.156
> ISENF shares	\$	1,500	4,784.25	747.14%	0.3785
✓ Portfolio Analysis			117,563.50	234.46%	—
Cash on Deposit: \$26.35					

Live Mastermind Call W/ Uranium Insider



Justin Huhn
@UraniumInsider



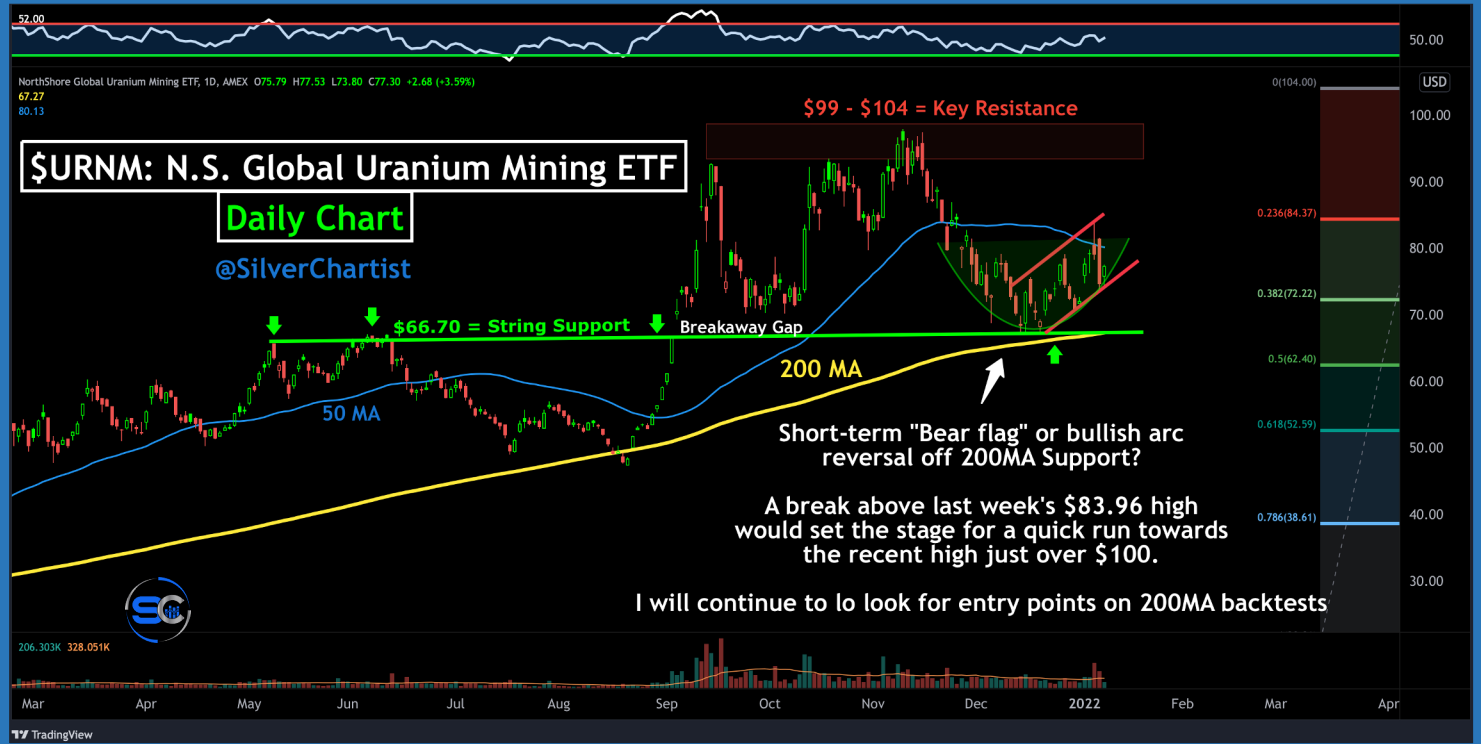
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www.SilverChartist.com/SprottEffect



URANIUM SECTOR CHARTS & WATCHLISTS

\$URNM: 200MA Support Reinforced By \$66.70



URANIUM FUTURES: \$73 = Next Target





URANIUM SECTOR CHARTS & WATCHLISTS

\$U.U: Sprott Physical Uranium Trust

SPROTT PHYSICAL URANIUM TR, 1M, TSX O11.00 H12.00 L10.92 C11.95 +0.94 (+8.54%)

\$U.U: Sprott Physical Uranium Trust

Monthly Candles

Price breaking out to the upside from well-defined triangle pattern.

\$14.59

Breakout!

USD

15.00

14.50

13.50

12.50

11.50

11.00

10.40

9.80

9.20

8.80

8.40

8.05

7.70

0.236(13.04)

0.382(12.08)

0.5(11.30)

0.618(10.52)

0.786(9.41)

1(8.00)

23d 4h



TradingView

URANIUM FUTURES vs GOLD: 2006-Present

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65.77

UX11/GC11, 1M, COMEX O0.00 H0.05 L0.00 C0.05 +0.00 (+10.56%)

URANIUM / GOLD Ratio

2006-Present

Despite #uranium's recent outperformance relative to #gold - and other commodities(!)- it is still "cheap" on a ratio basis and is expected to continue its "catch up" move for several quarters.

That said, a backtest of the right hemisphere of this arc pattern would not be surprising in the weeks/months ahead.

Resistance

Massive Base

Potential Roadmap to #U308 outperforming g by ~5x over next few y

40.00

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TradingView



URANIUM SECTOR CHARTS & WATCHLISTS

\$UROY: Uranium Royalty Corp

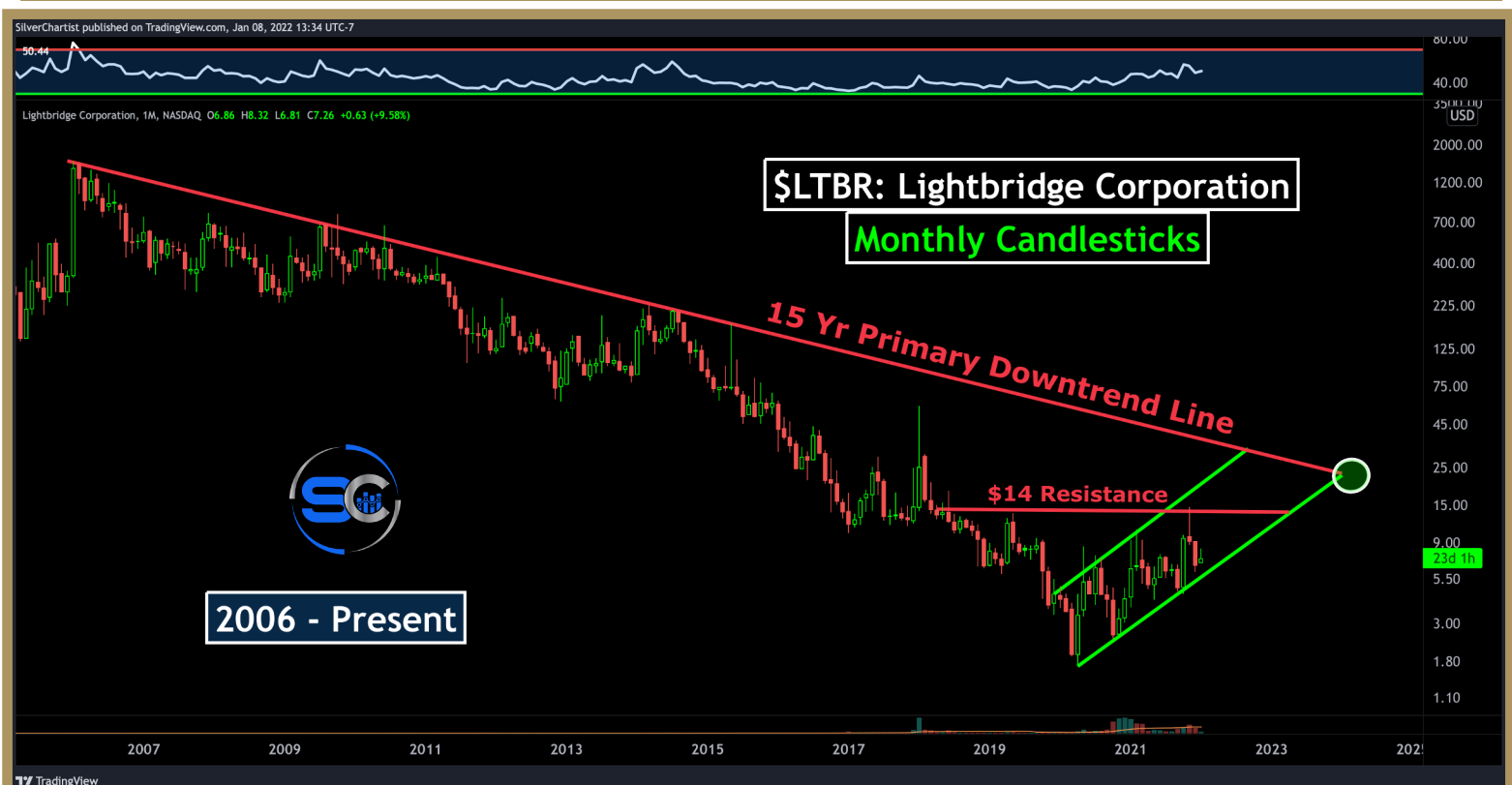


\$ENCUF: enCore Energy



Weekly Trading Idea: *Critically Oversold Silver Miner "Bounce Play"*

I only TRADE roughly 10% of my mining stock portfolio, with the goal of monthly cashflow. The remaining 90+% is allocated to a long-term "buy and hold" strategy with a ratio based long-term exit strategy.





Closing Thoughts

The volatility we are seeing across many financial markets is only expected to become more amplified in the months and years ahead. We will continue to do our best to anticipate such volatility, and position ourselves accordingly!

While we've done well in uranium (and expect much more upside in 2022), we remain absolutely convinced that silver investors will be handsomely rewarded as well in the fullness of time..

~Steve Penny

P.S.

I have been using [Hard Assets Alliance](#) and their [Metals Stream](#) program to accumulate fully allocated physical silver on an automated schedule for years, and am very pleased with them.

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SILVER.**



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