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On Friday's Close

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Just a brief recap this week

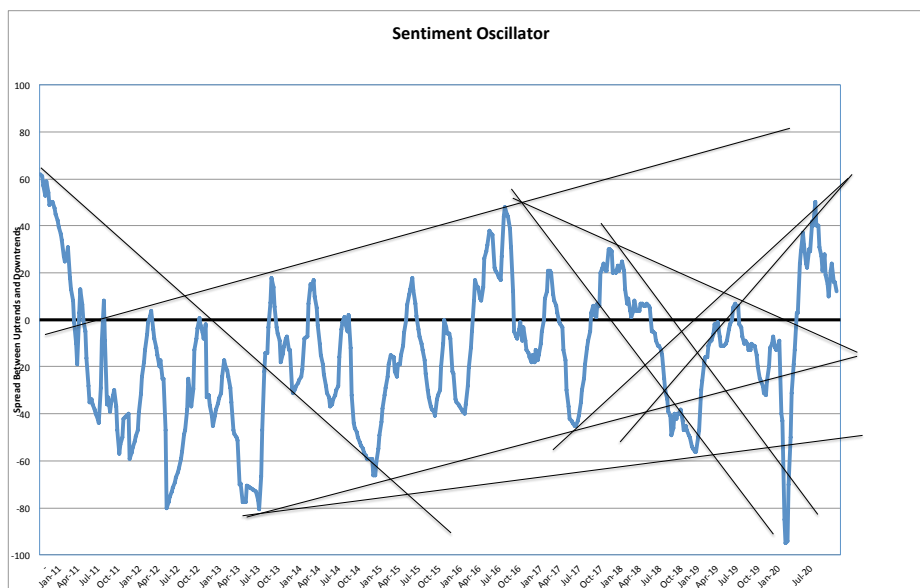
The markets have been dominated by extreme swings in sentiment over the last couple of weeks without taking much time to think things through. It started with a surge of enthusiasm on the news that Trump was going to lose the presidential election and a surge in the gold price which did wonders for gold stocks, causing breaches in downtrends of the producers' share prices.

Then came the news that there was a 90% effective vaccine for the virus, causing the biggest daily fall in the gold price for seven years. Stock markets in Europe in particular surged higher as speculators piled into companies that were likely to benefit, while tech stock prices came off. The oil price surged on the prospects of higher demand that comes with increased consumption from transport activities. There was a naive assumption that everything was going back to normal, in a hurry, but it never

works out quite like that. Yes, we can see light at the end of the tunnel, but the tunnel is still long.

It may be that the movements in the gold producers was a bull trap. Those who bought on the breakout are probably regretting it, even though the odds are that the gold price will move higher in the fullness of time. Oil stocks have had an immediate response to oil price movements, but maybe we are seeing the same bull trap movement that we saw with gold stocks.

Interestingly, market reactions to positive exploration results is becoming more muted. Maybe that is because previously preferred explorers with good projects are just reporting more of the same. Maybe they are just fully priced at this juncture. Maybe the punters are just wanting new stories to play. So, positive updates just provide opportunities for the spectators to cash out and look for higher risk or new plays.



Sentiment Oscillator: Sentiment was a little softer. There were 44% (48%) of the charts in uptrend and 32% (32%) in downtrend on Friday's close.

Detailed Chart Comments

NB. Only the bold comments have been updated. Comments in grey type are from previous weeks and will be less relevant. Please note that this list is a cross section of the market. It IS NOT a list of recommendations.

Indices	Code	Trend Comment	
All Ordinaries	XAO	surge to new high	
Metals and Mining	XMM	breached downtrend	
Energy	XEJ	breached downtrend	
Stocks	Code	Trend Comment (updated comments in bold)	Main Interest
Alpha HPA	A4N	new high	HPA
Adriatic Resources	ADT	breached downtrend	zinc, polymetallic
Aeon Metals	AML	testing support	copper + cobalt
Alkane Resources	ALK	breached uptrend, heading down	gold, zirconia
Alicanto Minerals	AQI	off its highs	base metals, silver, gold
Allegiance Coal	AHQ	down	coking coal
Alliance Resources	AGS	slump	gold predevelopment
Alto Metals	AME	new high	gold exploration
American Rare Earths (was BPL)	ARR	off its highs	rare earths
Apollo Consolidated	AOP	breaching downtrend	gold exploration
Arafura Resources	ARU	on support	rare earths
Aurelia Metals	AMI	down	gold + base metals
Australian Potash	APC	breached uptrend	potash
Auteco Minerals	AUT	down	gold exploration
BHP	BHP	strong rally to meet resistance	diversified, iron ore
Base Resources	BSE	pullback	mineral sands
BBX Minerals	BBX	breached uptrend	gold exploration
Beach Energy	BPT	breaching downtrend	oil and gas
Beacon Mining	BCN	sideways	gold production
Bellevue Gold	BGL	new high	gold exploration
Blackstone Minerals	BSX	down	nickel
Blue Star Helium	BNL	new high	gas, helium
Breaker Resources	BRB	still in LT downtrend	gold exploration
Buru Energy	BRU	sideways	oil
Calidus Resources	CAI	new high	gold
Capricorn Metals	CMM	breached uptrend	gold
Central Petroleum	CTP	sideways through uptrend	oil/gas
Chalice Gold	CHN	new high	nickel, copper, PGMs, gold exploration
Chase Mining	CML	collapse on negative drill result	nickel/copper/PGE
Chesser Resources	CHZ	on support	gold exploration
Cobalt Blue	COB	off its lows	cobalt
Cyprium Metals	CYM	surge higher	copper
Dacian Gold	DCN	rallying	gold
Danakali	DNK	down	potash
Davenport Resources	DAV	breached downtrend	potash

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De Grey	DEG		down	gold
E2 Metals	E2M		surge on drill result	gold exploration
Ecograp (was Kibaran)	EGR		pullback	graphite
Element 25	E25		off its highs	manganese
Emerald Resources	EMR		sideways	gold
Euro Manganese	EMN		heavy pullback	manganese
Evolution Mining	EVN		sideways	gold
First Graphene	FGR		breached downtrend	graphene
Fortescue Metals	FMG		testing downtrend	iron ore
Galaxy Resources	GXY		rallying	lithium
Galena Mining	G1A		rising	lead
Galilee Energy	GLL		breaching uptrend	oil and gas, CBM
Genesis Minerals	GMD		uptrend	gold
Gold Road	GOR		down	gold
Highfield Resources	HFR		rising	potash
Hillgrove Resources	HGO		still in downtrend	copper
Iluka Resources	ILU		demerger	mineral sands
Image Resources	IMA		falling back to support line	mineral sands
Independence Group	IGO		down	gold
ioneer (was Global Geoscience)	INR		steeply higher	lithium
Ionic Rare Earths (Oro Verde)	IXR		gentle uptrend	rare earths
Jervois Mining	JVR		gently lower	nickel/cobalt
Jindalee Resources	JRL		new high	lithium
Kin Mining	KIN		testing uptrend	gold
Kingston Resources	KSN		testing downtrend	gold
Kingwest Resources	KWR		spike higher	gold
Legend Mining	LEG		weaker	nickel exploration
Lepidico	LPD		sideways	lithium
Lindian Resources	LIN		higher	bauxite
Lithium Australia	LIT		testing uptrend	lithium
Los Cerros	LCL		near highs	gold exploration
Lotus Resources	LOT		testing downtrend	uranium
Lucapa Diamond	LOM		pullback on exploration news	diamonds
Lynas Corp.	LYC		new high	rare earths
Mako Gold	MKG		back in downtrend	gold exploration
Mali Lithium	MLL		slump below support line	gold & lithium
Manhattan Corp	MHC		strong rally	gold exploration
Marmota	MEU		drifting lower	gold exploration
Marvel Gold (was Graphex)	MVL		rising	gold exploration
MetalTech	MTC		breached uptrend	gold
MetalsX	MLX		down	tin, nickel
Metro Mining	MMI		rallying	bauxite
Mincor Resources	MCR		rising	gold/nickel
Musgrave Minerals	MGV		down	gold exploration

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Myanmar Minerals	MYL		breaching uptrend	lead, zinc, silver
Nelson Resources	NES		rising	gold exploration
Neometals	NMT		rising	lithium
Northern Minerals	NTU		back to support line	REE
Northern Star Res.	NST		pullback	gold
NTM Gold	NTM		heavy slump	gold exploration
Oceana Gold	OGC		heavy fall	gold
Oklo Resources	OKU		down	gold expl.
OreCorp	ORR		breaching uptrend	gold development
Orocobre	ORE		testing downtrend	lithium
Oz Minerals	OZL		breached downtrend	copper
Pacific American Holdings	PAK		strongly higher	coal
Pacifico Minerals	PMY		testing downtrend	silver/lead
Pantoro	PNR		testing downtrend	gold
Panoramic Res	PAN		on support line	nickel
Peak Resources	PEK		testing downtrend	rare earths
Peel Mining	PEX		uptrend	copper
Peninsula Energy	PEN		down again	uranium
Poseidon Nickel	POS		rising	nickel
Pure Minerals	PM1		rising	nickel/cobalt/HPA
Pensana Metals	PM8		off its highs	rare earths
Perseus Mining	PRU		down	gold
Pilbara Minerals	PLS		breaching uptrend	lithium
Polarex	PXX		strong rally	polymetallic exploration
Ramelius Resources	RMS		testing downtrend	gold production
Red5	RED		continuing down	gold
Red River Resources	RVR		new high	zinc
Regis Resources	RRL		down	gold
Reenergy	RLT		testing downtrend	gas, helium
Resolution Minerals	RML		down	gold exploration
Resolute Mining	RSG		down	gold
RIO	RIO		down	diversified, iron ore
Rumble Resources	RTR		down	gold exploration
Salt Lake Potash	SO4		breaching downtrend	potash
Saracen Minerals	SAR		weaker	gold
St Barbara	SBM		testing downtrend	gold
Sandfire Resources	SFR		Downtrend	copper
Santos	STO		down	oil/gas
Saturn Metals	STN		down	gold exploration
Sheffield Resources	SFX		on support	mineral sands
Sky Metals	SKY		heavy slump	gold exploration
St George Mining	SGQ		rising	nickel
Silex Systems	SLX		down	uranium enrichment technology
Silver Mines	SVL		on support line	silver

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Sipa Resources	SRI		down	general exploration - Ni,Cu, Co, Au
Stanmore Coal	SMR		breached steepest downtrend	coal
Strandline Resources	STA		down	mineral sands
Sunstone Metals	STM		uptrend	
Talga Resources	TLG		rising	graphite
Technology Metals	TMT		surge higher	vanadium
Tesoro Resources	TSO		new high	gold exploration
Theta Gold Mines	TGM		uptrend	gold
Thor Mining	THR		on support line	gold exploration
Tietto Minerals	TIE		testing downtrend	gold
Titan Minerals	TTM		breaching downtrend	gold
Vango Mining	VAN		down	gold
Venturex	VXR		rising	zinc
Vimy Resources	VMY		still in downtrend	uranium
West African Resources	WAF		off its highs	gold
Westgold Resources	WGX		new high	gold
West Wits Mining	WWI		rising	gold
Western Areas	WSA		down	nickel
Whitehaven Coal	WHC		rallying	coal
Wiluna Mining	WMX		sideways	gold
Yandal Resources	YRL		surged higher	gold exploration
Zinc Mines of Ireland	ZMI		testing downtrend	zinc
Totals	44%	64	Uptrend	
	32%	46	Downtrend	
		145	Total	

Guides to Chart Interpretations

- Charts usually go pass from one trend (up or down) into the other via a period of indecision and uncertainty during which the trend can either recover or change. This period is signified by the orange colour. The orange represent both the greatest risk and greatest reward possibilities.
- Once a chart is in confirmed up or downtrends it is not uncommon for 10-20% of that trend to have already transpired.
- There are trends within trends. The focus of this chart review is the immediate trend that affects the sentiment i.e. it can be a downtrend within a long-term uptrend.
- Not every chart warrants a new comment every week. The new comments are in bold type. Grey type comments may be dated.
- Individual charts provide a single view. It is valuable to look at charts of other companies in similar commodities, and the overall sentiment is also very valuable. Not many stocks can swim against the tide.
- We periodically add or delete charts, some times for obscure reasons. If a chart consistent gives poor signals or is very erratic, we may delete it. Sometimes we add a chart because we want to see what all the fuss is about. We do have a preference for charting stocks that we cover in our research as well.
- Errors and omissions may occur from time to time, especially in fast moving markets.

Amber Lights in Tables: Just a reminder if when the amber light is used in the table – it is when the charts are ambiguous or when there is a change of trend taking place. If a chart is breaching a downtrend it can either be a positive sign or a trap. Only once it has done more work can it be confirmed as a new uptrend. Maybe it is a new uptrend (or conversely a new downtrend); the risk takers can decide to jump on board early (or sell). They will maximise their profits (or minimise their losses if indeed it is the start of the new uptrend (downtrend). More risk-averse investors should wait a little longer, being prepared to give up some of the gains in return for greater certainty.

Weightings of Sectors Represented in the Company Charts			
Sector	No. of Companies	Weighting	
Gold	37	25.5%	
Gold Exploration	25	17.2%	
Nickel	12	8.3%	
Oil/Gas	7	4.8%	
Lithium	8	5.5%	
Zinc/Lead	7	4.8%	
Rare Earths	7	4.8%	
Copper	7	4.8%	
Mineral Sands	5	3.4%	
Iron Ore/Manganese	5	3.4%	
Potash/Phosphate	5	3.4%	
Coal	4	2.8%	
Uranium	4	2.8%	
Graphite	2	1.4%	
Bauxite	2	1.4%	
Silver	2	1.4%	
Cobalt	1	0.7%	
Tin	1	0.7%	
Diamonds	1	0.7%	
Other	3		
Total	145		

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