iGold Advisor

Independent Analysis of the Precious Metals Markets

Precious Metals Intelligence - Monthly Update

Issue 019 - June 27, 2016

Dear Subscriber,

If you are invested in the precious metals, either in physical metal and/or the gold and silver miners, you are one of the few people who actually made money in the markets last week. When you are in the right, and the vast majority of market participants are in the wrong, that should be appreciated in and of itself.

A short-term congratulations is in order. Yet if this move is an early sign of our long-term thesis, there is much more ahead.

Our charts can't always tell us the 'why?' with regard to a market move, but they can help us to see the 'what'.

In this case, we have been observing what was a lengthy consolidation in the gold market since February, with the expectation that it was going to break to the upside. We had observed the change in trend indicators from the previous decline, had observed the leadership being provided by the precious metals miners, and had backed out our charts to a 35-year timeframe to view the move in its proper historical context -- and had arrived at the conclusion that the current consolidation was in fact going to break higher.

And indeed it has. This week gold rose nearly $110 intraday on Thursday to finally eclipse the elusive $1,306 closing mark -- a move that we had been waiting for.

CONTENTS

It appears that we are now on the verge of a trending move higher in gold -- but one that is still in its early stages. We will have much more analysis on gold, silver, the precious metals miners, the US stock market, and the currency markets in this, our Monthly Update for the arrival of July.

Brexit Fallout & Gold Breakout

It is rare that we can pinpoint a single cause to a market move. After all, the markets are the sum of millions or billions of individuals, each with their own unique thoughts, speculations, and personal considerations.

Yet Thursday was one of those rare occasions, as the majority of the British people defied poll expectations and voted affirmatively to leave the European Union.

Again, not being citizens of either the UK nor the EU, it is not our place here to comment on that decision. Certainly it is a situation that has polarized the kingdom, and for good reason.

We will, however, share some of the incredible observations seen in the currency and commodity markets around the time of the vote, and place those moves in perspective of the precious metals markets.

*****

After the vote, the British pound saw a single-day drop versus both the Euro and the US dollar on par with the largest seen in over 30 years. For reference, in the currency markets, a 1% change for a day is generally considered large, as such moves represent hundreds of billions of dollars moving in one direction or another.

After the vote, the British pound dropped an astonishing 9.4% against the euro, from 1.31 to finish just above 1.22.

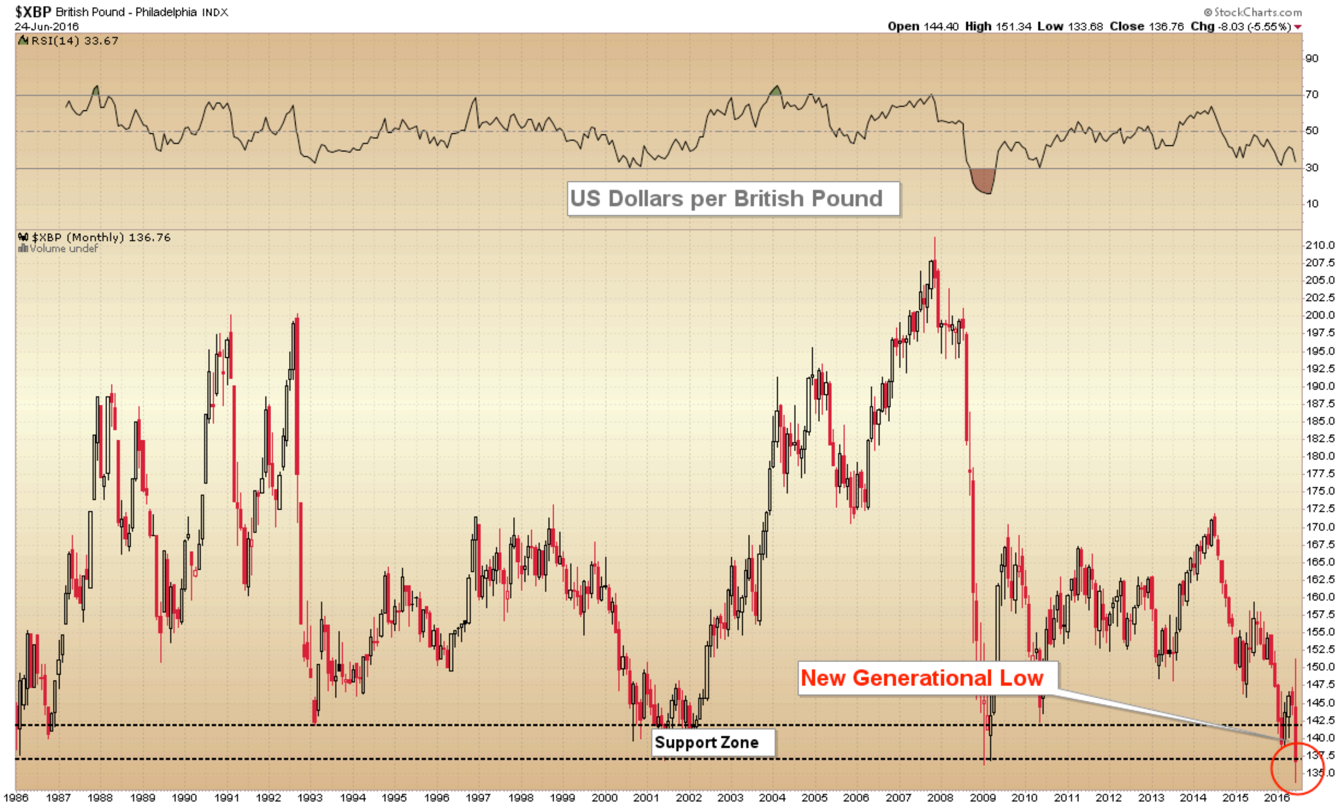
The pound fell even further versus the dollar, falling 10.6% intraday from 1.50 to finish at 1.35.

Moves such as this represent fear, or impulsive panic selling by currency holders. While the selling should not continue in such a linear manner indefinitely, and indeed impulsive moves often see retracements over the subsequent weeks or months, declines of this magnitude should not be ignored. In observing the currency markets over many years, as a general principle we can say that impulsive moves such as this usually represent initial waves of much larger trends to come.

It would not be surprising to see the Bank of England step in and attempt to stabilize the value of the pound in the coming weeks, either with an official policy target, or unofficial market intervention.

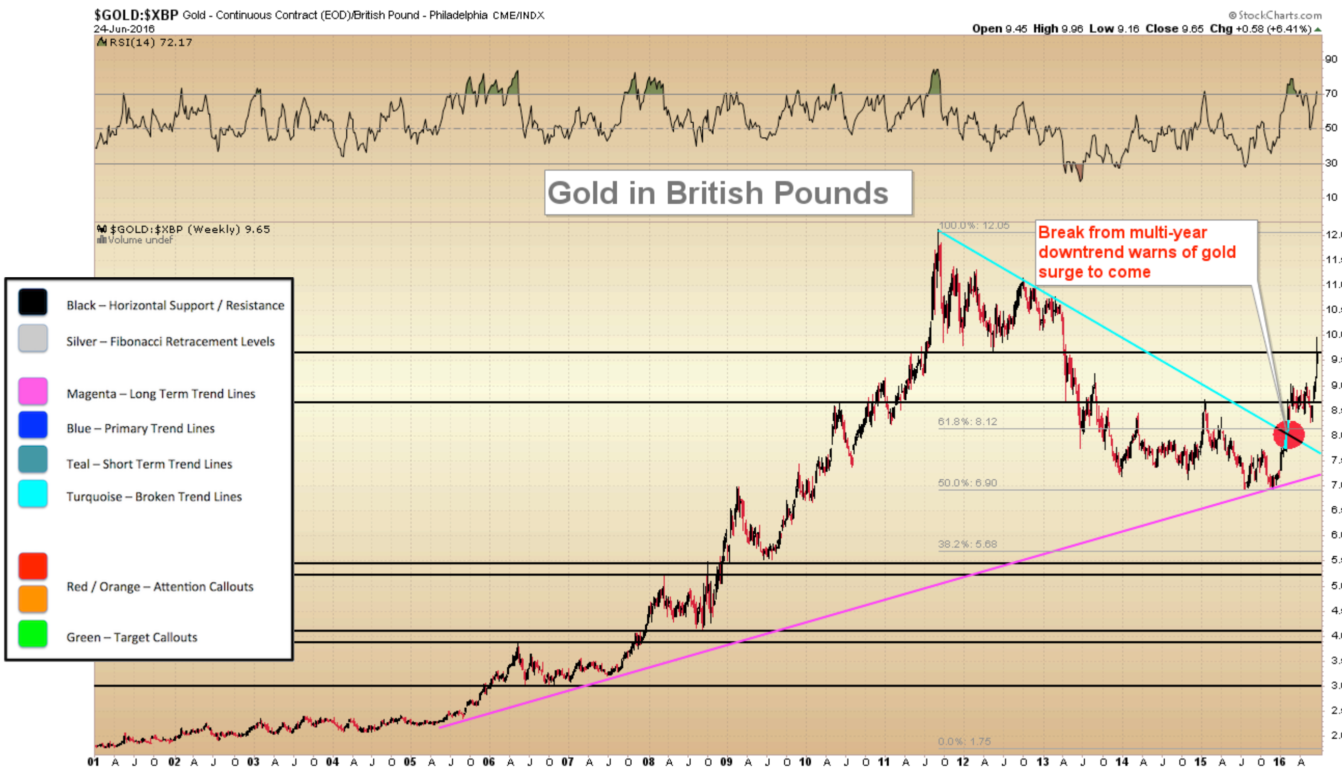
Markets always override such stabilization or manipulation attempts in time and seek their true value.

Placing this drop into perspective, we now see the pound has made a new generational low versus the dollar, cracking below the support level between 1.42 - 1.37 that has held for several decades:



Of course, Britons turned to gold to protect themselves from the currency devaluation, and the price surged on Thursday to just below 1,000 pounds, before settling at 965 for the week. This is up from 700 last fall.

Viewing the long-term perspective in British pound gold:



Gold priced in British pounds is back in a bull market in no uncertain terms.

The price is hitting the bottom of important (black line) resistance at 1,000, so it should be expected to see some backing and filling in the 900's before the price advances further. Yet the trend has clearly turned, and British citizens looking to protect themselves with physical gold should use any gold price weakness as an opportunity to purchase this insurance at a discount in the coming months.

It is important to remember the technical observations we were making last December regarding the break in British pound gold above the 5-year declining (turquoise color) trend line. That technical breakout was the early warning indicator that something pound-negative was brewing in the markets. The Brexit vote last Thursday proved to be just it.

We will see early warning trend breaks in other markets going forward, and it will be valuable to keep this example in mind.

*****

One further observation in the foreign exchange / gold market should be directly relevant to some subscribers, yet indirectly relevant to all.

We have been watching Australian dollar gold for some time. The surge seen this week in gold across all currencies has brought Australian dollar gold back into the vicinity of its former all-time high, hit in 2011 near $1,850 per ounce.

As we can see on the long-term chart below, just this week gold hit $1,822 before settling back at $1,764.

The important point to note is that Australian dollar gold is now retesting its former all-time high. There should still be more consolidation necessary over the next year before the price exceeds the $1,850 level -- but this is a bullish consolidation and it will eventually break higher. When it does, it appears that Australian dollar gold will be the first major world currency to see the metal reach a new all-time high since 2011.

Such a new all-time high in an important currency will be a major signal to the rest of the international gold market that new all-time highs in other currencies will not be far away. Like falling dominos, one after another currency will see its 2011 high exceeded during this, the next leg of the precious metals bull market.

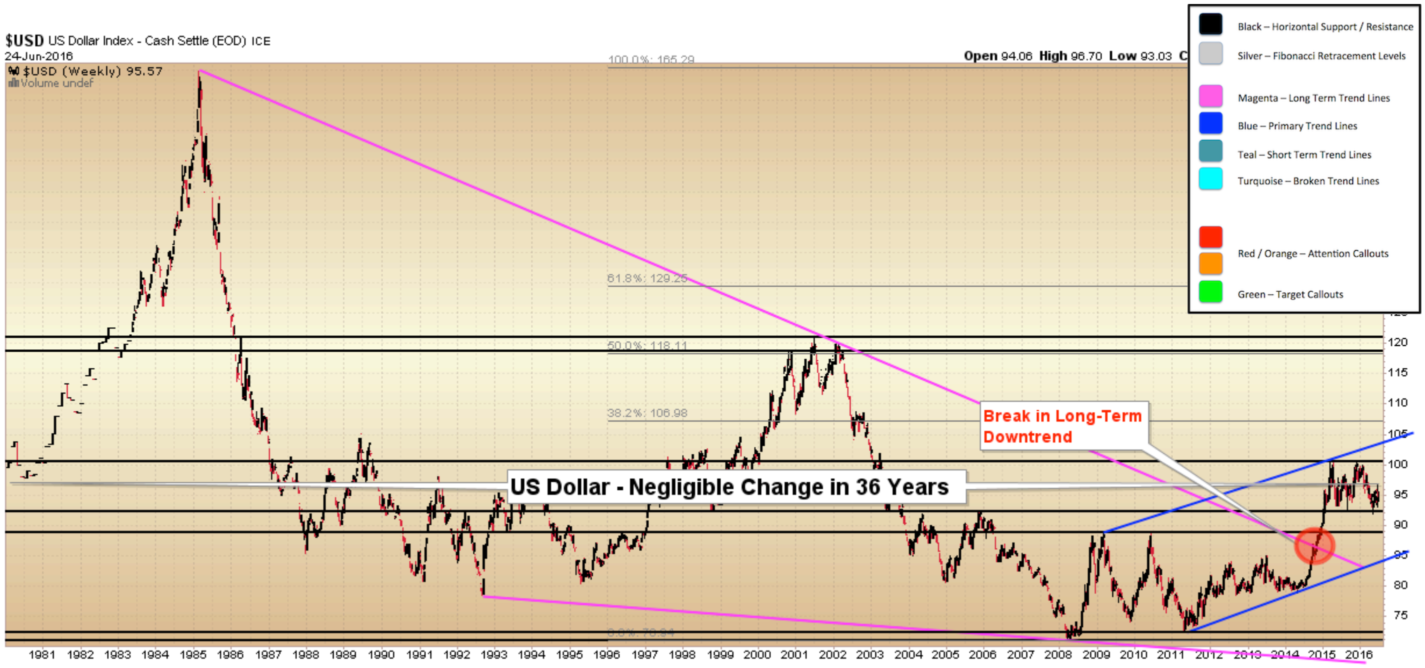
Worldwide fiat currency devaluation -- as opposed to simply a US dollar phenomenon as was seen during the 1970's -- is the most bullish scenario for the metals going forward. A worldwide phenomenon will draw buyers from all countries, and ensure that gold holders are generally able to realize their gains no matter which country they choose to visit -- or live in -- during the coming years.

US Dollar

As previously mentioned, the US dollar was the recipient of safe-haven buying alongside gold post-Brexit. Yet the strength seen in the dollar versus other major currencies does not alter the short-term position the US currency finds itself in, which is directly in the middle of a 1.5-year consolidation:

There are mixed signals concerning the dollar. On this, the shorter-term view, we are noting cracks in support that have been showing up on each subsequent move lower in the dollar since 2015. It still appears that the dollar should make a new low below the 92 figure within the next year -- although as we have seen on Thursday, crashes in other world currencies can have a "strength by default" effect for the dollar in the short run.

Further, we are becoming less and less concerned with the price action in the dollar tself, as we can see that gold is moving higher in all major currencies. The idea that for gold to rise the dollar must fall is an antiquated notion held by analysts who only pay attention to very short-term price swings. When we back our dollar chart out to 36-years, it is very clear that the value of the US currency has essentially moved nowhere in relation to an average of other major world currencies over this time. Yet, this has not stopped gold from advancing significantly.



To be fair, on this long-term chart we note that the downtrend in play since the 1980's was broken to the upside for the dollar in 2014. As shown in royal blue, a primary rising cycle is now underway.

A short-term breakdown below the 92 level on the dollar as suggested in the 1.5-year chart above would remain part of the primary rising trend seen on this long-term chart until the lower blue trendline was broken, currently at 85 on the Index above.

Significant dollar weakness may be several years off still -- when the world sorts out the Brexit ramifications and currency markets begin to shift focus toward the long-term unsustainable debt of the United States.

No matter, the key point here is: **gold is moving independent of any single currency fluctuation.**

US Stock Market

The US stock market, as represented by the S&P 500, fell by some 3.4% on Friday.

Yet we must view this drop within proper perspective, so above we show the entire S&P 500 since the lows of the 2008-2009 crash.

The relentless uptrend in US stocks over the last six years is looking very vulnerable, yet once again with mixed signals.

The uptrend was broken in July 2015, and then recovered several months later, yet still failing to make new highs.

Resistance is quite clear above 2100 on the S&P 500.

Lower lows have been forming since 2015, typically the indication of a trend reversal down in progress.

*****

There are many polarized opinions regarding US stocks amongst mainstream investment advisors. Some are expecting a major crash, while others see this as a continuation consolidation within the bull market since 2009.

We are not invested in broad US stocks at the current time. Our opinion at this juncture is generally neutral, yet with **a downward bias in real terms.**

Lessons from history can be relevant here. For example, in the German Weimar hyperinflation from the 1920's, as marks were printed to pay off World War I debt and the currency became continuously worthless, the German stock market rose in nominal terms. Essentially, the stock market became a place that some investors turned to protect themselves from a falling currency as, on a certain level, shares in companies do represent real value, especially when the land and natural resources of those companies are included in the consideration.

However, while the German stock market continued to rise in nominal terms during the 1920's, it actually fell in real terms (i.e. purchasing power), when priced in gold. The gains in gold far outpaced the gains in the German stock market. And so by the end of the hyperinflation in 1924, owners of gold could buy much more land, houses, or food than owners of stock market shares could.

We are not calling for hyperinflation here in the United States, but the same phenomenon as above can take place amidst a system where worldwide central bankers are all devaluing their currencies slowly but surely.

The stock market can remain range-bound, or can continue to rise -- despite deteriorating company fundamentals -- simply because it represents a somewhat-tangible store of value, unlike purely fiat currency.

The retaining of nominal value would be seen over the long run to actually represent a loss of purchasing power, even though the number on the Y-axis would be increasing.

This example from history is mentioned solely for perspective as to our neutral outlook on US stocks.

And as movements in stock markets can often cause causational movements in precious metals, we will continue to keep an eye on the S&P 500 no matter which direction it trends.

Gold Analysis

We expected gold to consolidate for some weeks further before finally exceeding the false breakout at $1,306 which appeared on our charts last week, but this is an excellent lesson for the bias we should expect for the next several years: surprises to the upside.

Gold did find stabilization in our expected range near $1,252 earlier in the week, but did not stay there for long... and all indicators show this to be a legitimate breakout now underway.

For the week, gold finished up $17.50 or 1.3% higher to close at $1,319. This is a new 52-week high and the fourth weekly gain in a row.

The breakout clearly exceeded previous highs for the daily close and occurred on volume nearly twice the normal daily average.

We will now want to see the previous high ('Resistance Zone') range between $1,285 - $1,306 act as support on any retracements to confirm the breakout.

The next resistance level for gold to overcome has already shown itself: the intraday high at $1,362 on Friday. We have moved up our Fibonacci retracement levels for the entire move since the December low to include this spike high as a matter of prudence, if a larger correction were to unfold unexpectedly.

However, to reiterate: all signs indicate a trending move higher is now in the early stages of forming, one that will continue the two steps forward, one to two steps backward motion typical of early phase uptrends.

Zooming out our chart to the 3-year view:

The resistance levels seen above in black above -- labeled 1st through 4th, respectively -- are clearly defined based on prior medium-term swing highs, and constitute what we will consider the entirety of the early phase of the new bull market.

Above the 4th level above, which comes in at $1,425, the gold market will begin to accelerate in its rate of advance (and also its intensity of corrections), as subsequent higher resistance and support levels become spaced farther apart.

We would encourage those with a long-term time horizon to consider any weak periods prior to the move above $1,425 as ideal accumulation opportunities for physical gold.

Silver Analysis

Silver has for a second time hit our intermediate target above $18.00, before backing off to close the week at $17.82.

For the week, silver closed $0.30 cents higher for a 1.7% gain, also its fourth weekly gain in a row.

Still in the early stages of a precious metals bull market, we are continuing to see silver lag gold, as it has yet to close above its April high, whereas gold has indeed done so.

Depending on the degree of any gold retest, it may still be possible to see silver consolidate further in the $16's before making another attempt at $18.00.

We are generally unconcerned with the gyrations between the $16 support zone and the $18 resistance zone, except for short-term trade opportunities (see note in Closing Remarks).

Zooming out the chart above to the 3-year timeframe, the resistance zone in question is better viewed as a range between $18.00 - $18.75, and the swings between the support and resistance zones are seen as forming a second level inverse head and shoulders pattern, shown in magenta. A break above $18.75 will complete this pattern, and then set a target for $21.50 - $23.00, with a possibility to overshoot to $25, over the subsequent 2-3 months. Much of the timing for this move will depend on the degree of strength seen in the gold market over the rest of 2016.


$SILVER Silver - Continuous Contract (EOD) CME
24-Jun-2016
© StockCharts.com
Open 17.23 High 18.42 Low 17.18 Close 17.82 Volume 24.7K Chg +0.44 (+2.56%)
RSI(14) 65.57
Silver 2013 - 2016
$SILVER (Daily) 17.82
Terminal Bottoming Wedge -- BROKEN
Level 2 Target
Level 2 - Inverse Head & Shoulders Bottom Pattern --- In Progress
Level 1 - Inverse Head & Shoulders Bottom Pattern ---> Confirmed
Resistance Zone
Initial Target -- HIT
Support
Shoulder
Head
Shoulder
Volume 24,710
$SILVER:$CRB 0.094
Silver vs. CRB Commodity Index
Black – Horizontal Support / Resistance
Silver – Fibonacci Retracement Levels
Magenta – Long Term Trend Lines
Blue – Primary Trend Lines
Teal – Short Term Trend Lines
Turquoise – Broken Trend Lines
Red / Orange – Attention Callouts
Green – Target Callouts

Mining Sector Analysis

The precious metals mining sector as a whole rose 5.9% on Friday amidst the 3.4% drop in the broad S&P 500, a significant divergence. To see the gold and silver miners buck broad stock market panic selling and finish with such a gain is tremendously bullish for the sector, as a phenomenon unfortunately seen in extreme market panics can sometimes be to see all stocks -- including gold miners -- sold on impulse, for no other reason than they are included in certain indices and mutual funds.

That said, the miners are now pushing into an area of strong resistance, as noted between 27 and 30 on the GDX fund. Sellers are emerging each time the sector is surging higher. We can see evidence of this when we zoom in on the last two weeks of Japanese candlesticks (see insert on chart above):

What we can see from these candlesticks are sellers appearing during the day on each wave higher. Such are indicated by the solid filled candlesticks, both red and black, above.

Essentially, the mining equities are now being dragged higher "kicking and screaming" -- to use the colloquial phrase. The selling is coming from those who bought on the way down in 2013 and 2014 at these levels, and having been underwater for several years, and are now using the surges to exit at break-even.

Such is the changing of hands from weak to strong, from bear to bull markets.

We must let the process play out.

Not everyone agrees with our thesis that the metals will be moving higher over the years to come. They are using the opportunity to sell.

That is fine -- to each his own. If everyone agreed with us, there would be no opportunity to profit because the move would thus be over by now.

Expecting to see continuing surges higher and opportunistic sellers arise over the next several months, we now take the chance to update our long-term secular trend chart, which is the ratio between the broad US S&P 500 Index and the XAU Gold & Silver Index (similar to the GDX above but with data dating back further in time).

In other words, this compares the value of the gold and silver mining equities to the rest of the US economy.

When we started this publication the ratio stood at 0.032 -- a generational low.

The ratio has now risen to 0.046, a 43% increase in the value of the precious metals miners relative to the rest of the US economy in five months.

However, we are still in the initial phases of this bull market.

In 1980, at the last true precious metals peak, the ratio approached 1.000 (XAU data only goes back to 1984, but transposed values from related indices no longer in broad use show this value as hitting 1.000 or higher in the year 1980).

From the current 0.046, the average gold and silver miner would need to appreciate by over 21-fold, or 2,000%, for this ratio to hit its previous peak level.

We keep saying it but the volatility can sometimes cause us to lose focus in the short-term: the gains are just beginning.

So even as we continue to evaluate each position in our portfolio independently, and scrutinize company actions, relative strength indicators, and insider share transactions -- let us remember that the precious metals equities are still extremely undervalued relative to the rest of the US, the largest economy in the world. Reversions to the mean are in the process of playing out.

Each company will move at a slightly different point in time as they round out of their long-term generational bottoms.

There is a tremendous transfer of wealth now underway. Let us stay on the right side of it.

Company Research - Jaguar Mining Inc.

Key Financials

US Symbol/Exchange	JAGGF / OTC	Cash	$17.3M
Can Symbol/Exchange	JAG / Toronto	Debt	$17.0M
Primary Countries	Brazil	Revenue 2016 Est.	$113M
Market Cap	$193M (CAD)	EPS	-0.76
Shares Outstanding	257M	P/E	N/A
Fully Diluted	257M	Dividend	0

Key Mining Data

Gold Reserves (oz)	2.7M	Operating Mines	2 (+1 care & maint.)
Gold Resources (oz)	5.6M	Development Mines	1
Silver Reserves (oz)	0	Exploration Sites	1
Silver Resources (oz)	0	Cash Costs (per oz)	$750
Production 2016 Est. (oz)	95K	AISC (per oz)	$1,000

Analysis - Jaguar Mining is a Brazil-based junior gold miner that could be one of the more significant turnaround stories in a rising gold-price environment. The company was forced into reorganization with creditors in 2014 due to falling gold prices. Significant long-term debt was taken on as the company had All-In-Sustaining Costs (AISC) that were higher than the selling price of gold in 2014-2015. Since then, Jaguar has been engaged in a streamlining process which has continued to bring cash costs down, while the company is looking to achieve record gold production this year and could return to net profitability as early as 2017.

Just two weeks ago Jaguar announced that 80% of its long-term creditors had elected to convert this debt into equity. As such, the company now has a net debt of zero, when considering its current cash position. With over $2M in interest payments eliminated per year, the company could see positive earnings per share within the next year. Jaguar is tightly held. Including the above debt-to-shares conversion, over two-thirds of the company's shares are held by three entities: Eric Sprott, Toqueville Gold Fund, and Outrider Investment Management.

Jaguar has a large 2.7M gold reserve spread over two producing mines and one development mine. Its overall gold resource, which includes ounces that have not yet been economically-defined by an official feasibility study, is 5.6M. This is a large resource base for a company of this size, and in a rising gold-price environment many of currently uneconomic ounces would become profitable to mine pending the release of a feasibility study.


Turmalina: production and expansion potential

The company continues an aggressive exploration program around its primary Turmalina gold mine, and recent results have shown several high-grade intercepts (21.6 g/t over 8.5 meters, 12.9 g/t over 20.7 meters), which could result in expansion of its mineral resource at this primary gold production site. In such a small company, any expansion of the primary mine resource would have a direct impact on the company's market cap and hence share price.

Jaguar has a past-producing mine, Paciencia, that is on care and maintenance, following a 2012 review that showed a remodeling of the mine plan would be necessary to ensure acceptable levels of safety and profitability. There is no estimate for when the mine would be reactivated.

In early October, Jaguar announced an agreement with Australian-based Avanco Resources (AVB.AX) consisting of a royalty structure for the development of Jaguar's Gurupi project in Brazil. Gurupi is one of Jaguar's development-stage sites, with recent mineral resource estimates showing a relatively low-grade deposit at 0.77 grams per tonne, totaling 3.5M oz contained gold. Most of the surrounding land package remains unexplored. Jaguar will be receiving cash payments up front from Avanco as the partner company develops the mine, and a 1-2% royalty on all gold produced for the life of the mine. As Jaguar does not currently have sufficient cash to develop Gurupi on its own, we view the increase to cash flow with relatively little risk as a positive development at this juncture.

The technical situation for Jaguar is one showing much potential and with one big unknown. The company has held up well during the recent decline in precious metals prices, and as such is showing strong positive strength versus the HUI gold miners index. Such an indicator during a precious metals decline typically foreshadows leadership once the sector stabilizes. The company is in an early Stage 2 advance, but with a big caveat: there is no known resistance on the chart above $0.95 (CAD). In studying past examples of companies which were in the early stages of a bull market with no chart resistance above a medium-term high, we note occasions in which breakouts above the past-known resistance will result in a quick doubling of share price once the breakout is achieved. Given the large resource size of this company, a stated goal to achieve 200K oz production per year, and the strong holding of shares by insiders/institutions, amidst a rising gold-price environment we believe that Jaguar could indeed achieve a multiple of recent highs.

Rating: BUY.

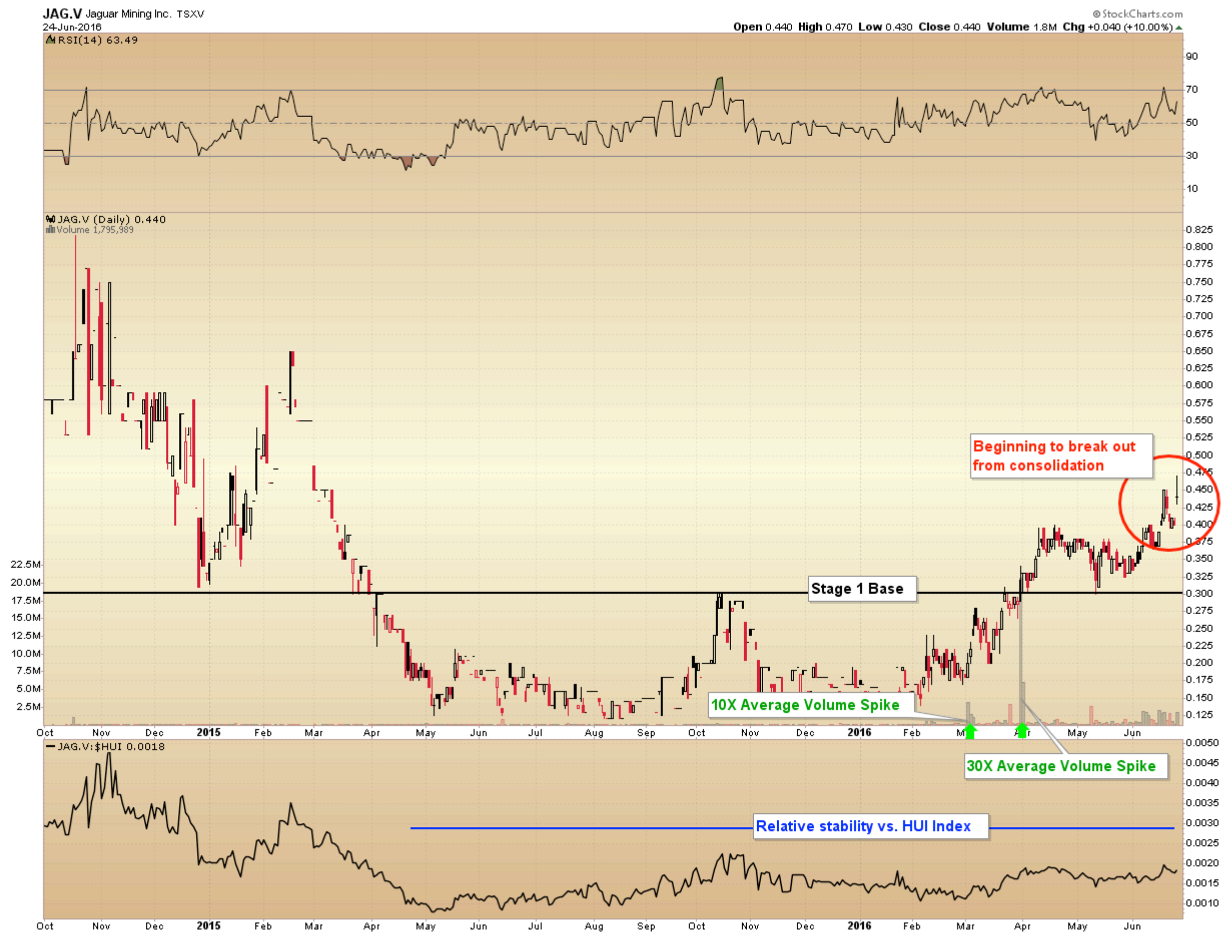
Recent Price	**$0.70 (CAD)**	**12 Month Tgt.**	**$0.95 (CAD)**	**36 Month Tgt.**	**$1.90 (CAD)**

Company Updates

Jaguar Mining (JAG.V)

6/24/16 - Company announced changes to its Board of Directors. Jared Hardner is stepping down as Chairman of the Board, while John Ellis, with 50 years of mining experience, and Robert Getz, with 25 years of private equity investment experience, are elected to the Board. No replacement for Mr. Hardner has been announced yet.

Technically, the market is not giving us cause for concern. Jaguar is beginning to break out from its consolidation over the last few months. This continues to be a company generally under the radar screens of most investors, and is one of our most speculative positions. Rising gold prices should have a significant impact on the company's bottom line, and sellers may be mostly washed out of the market after the lengthy bear market of 2011-2015. We continue to monitor the company's action closely.



N FOR SUBSCRIBERS)

6/14/16 - Announced production has been restarted at its second Indonesian mine, Kencana. Prior, in April, Toguraci mine had been restarted. Mine had been shut in early February due to a 'geotechnical' incident. Mines are expected to regain full production in two months. Overall production guidance at Indonesian mines are maintained, but expected to come in near bottom end of 195K-235K production estimate for year.

As mentioned in the recent research report, [for Subscribers] has a diversified set of mines, so the temporary closure of one site does not have a substantial impact on company for the year.

Zooming in our chart to the one-year timeframe reveals a fascinating glimpse at why we place such an emphasis on technical analysis. Note the surge in volume and price spike that appeared in [for Subscribers] on June 3-4, approximately 10 days before this news was released to the public. It is highly likely that the news was leaked and known by insiders prior to the public announcement. Technically this sort of insider trading is illegal -- yet is happens all the time in the real world. Without risking jail time, we can still profit along with them by reading the tale of the tape.

Since breaking out of its Stage 1 base in February, company has now formed a well-defined uptrend. [for Subscribers] looks set to continue leveraging gains in gold price.

K FOR SUBSCRIBERS GI.TO)

FOR SUBSCRIBERS

FOR SUBSCRIBERS

6/12/16 - Announceed that George Ogilvie has resigned as CEO, and the Board has elected Antony P. Makuch as new CEO.

The reasons for Ogilvie's resignation were not revealed.

A key point is that Eric Sprott, billionaire head of Sprott, Inc., serves as chairman of the board for [for Subscribers], and is primarily responsible for selecting new CEO.

We would be more concerned with the resignation if we were not watching the charts, but the market is showing us that such worry is unwarranted. Company is in a well-defined uptrend since break of Stage 1 base in February.

FOR SUBSCRIBERS T.TO)

6/14/16 - Announced that the company will be added to S&P/TSX Composite Index and the NYSE Arca Gold Miners Index, effective after market close June 17, 2016.

It is always good when one of our companies is added to an index, as it increases liquidity and investment demand from index investors such as mutual funds and pension funds.

Company continues to move strongly in its Stage 2 advance. Please see PMI Issue #17 last week for updated long-term target analysis.

T FOR SUBSCRIBERS (TGD)

6/14/16 - Announced that it has repaid its $10.2M loan to Sprott Resource Lending Partnership and Goldcorp.

Settlement of this debt puts company in a stronger financial position going forward.

On a technical basis company is still attempting to break out from its long-term downtrend dating back to 2012. The updated daily chart is below, showing how tight the share price is, sitting right beneath the line for the last two months.

Expected that the break will occur with a sustained move in gold prices above $1,305. The share price advance following such a break should not be insignificant. We are waiting patiently.

Record volume is still being observed coming into the company.


FOR SUBSCRIBERS
FOR SUBSCRIBERS
©StockCharts.com
Open 0.34 High 0.34 Low 0.31 Close 0.32 Volume 453.4K Chg -0.00 (-0.28%)
100.0%: 3.47
61.8%: 2.17
50.0%: 1.76
38.2%: 1.36
Long-Term Downtrend Being Tested
Stage 1 Base
TGD:$HUI 0.001

Current & Closed Investments

We continue to hold funds for one remaining open position, which we expect to deploy on the first significant sector correction.

Current Investments														
Num	**Symbol**	**Company**	**Category**	**Date**	**Buy/Sell**	**Size**	**Currency**	**Lot Price**	**Avg Price**	**Current Price**	**Gain/Loss**	**Notes**	**Buy/Hold**
1	NCM	[illegible]	Large	2/22/16	Buy	Full	USD	11.34	11.34	17.37	53.2%	Early Stage 2 advance.	Buy
2-A	GU[illegible]	[illegible]	Mid	2/22/16	Buy	Half	CAD	4.40	-	-	-		
2-B	G[illegible]	[illegible]s	-	2/24/16	Buy	Half	CAD	4.55	4.48	10.11	125.9%	Stage 2 advance - approaching initial targets.	Hold
3-A	K[illegible]	[illegible]ld	Mid	2/22/16	Buy	Half	CAD	7.20	-	-	-		
3-B	[illegible]	[illegible]old	-	2/24/16	Buy	Half	CAD	7.87	7.54	10.79	43.2%	Stage 2 advance.	Hold
4	[illegible]	[illegible]ces	Junior	2/22/16	Buy	Full	USD	0.68	0.68	1.35	98.5%	Early Stage 2 advance.	Buy
5	[illegible]	[illegible]d	Junior	2/24/16	Buy	Full	CAD	0.13	0.13	0.19	46.2%	Periodic volume spikes, being accumulated.	Buy
6	[illegible]	[illegible]old	Junior	3/3/16	Buy	Full	USD	0.24	0.24	0.35	45.8%	Testing major long-term downtrend prior to breakout.	Buy
7	[illegible]	[illegible]ining	Junior	4/8/16	Buy	Full	CAD	0.33	0.33	0.44	33.3%	Broke higher from post-Stage 1 consolidation.	Buy
8	[illegible]	[illegible]z Silver	Junior	4/8/16	Buy	Full	CAD	0.27	0.27	0.41	51.9%	Consolidating above Stage 1 breakout.	Buy
[illegible]	[illegible]	[illegible]G Gold	Development	4/28/16	Buy	Full	CAD	0.22	0.22	0.25	13.6%	In process of breaking out of Stage 1 base.	Buy
[illegible]									OPEN				

Closed Investments										
Num	**Symbol**	**Company**	**Category**	**Date**	**Buy/Sell**	**Size**	**Currency**	**Avg Price**	**Gain/Loss**	**Notes**
1	KAM.V	Kaminak Mining	Junior	02/22/16	Buy	Full	CAD	1.13	-	
1	KAM.V	Kaminak Mining	Junior	02/25/16	Sell	Full	CAD	1.15	1.7%	Volume spike on down days indicates high probability of insider selling. Taking small gain.
2	LSG	Lake Shore Gold	Mid	02/22/16	Buy	Full	USD	1.29	-	
2	LSG	Lake Shore Gold	Mid	04/01/16	Exch	Full	USD	1.47	14.0%	LSG bought by TAHO. Exchanged at 0.1467 shares TAHO for each share LSG.
2	TAHO	Tahoe Resources	Mid	04/01/16	Exch	Full	USD	10.06	-	Opening price of TAHO after exchange.
2	TAHO	Tahoe Resources	Mid	04/05/16	Sell	Full	USD	10.29	16.6%	Gain = final profit from LSG / TAHO. Selling TAHO due to weaker technical profile than LSG.
3	GOLD	RandGold Resources	Large	02/24/16	Buy	Full	USD	91.99		
3	GOLD	RandGold Resources	Large	04/20/16	Sell	Full	USD	92.65	0.7%	Sold on underperforance vs HUI Index for nominal gain.
4	CEE.TO	Centamin Egypt	Mid	02/22/16	Buy	Half	CAD	1.64		
4	CEE.TO	Centamin Egypt	Mid	02/24/16	Buy	Half	CAD	1.72		
4	CEE.TO	Centamin Egypt	Mid	06/08/16	Sell	Full	CAD	2.10	25.0%	Sold on weak relative strength, and insider selling. A decent gain but funds better applied elsewhere.

Watch List			
Num	**Symbol**	**Company**	**Category**
1	AEM	Agnico Eagle	Large
2	BVN	Buena Ventura	Large
3	HMY	Harmony	Large
4	SLW	Silver Wheaton	Large
5	AUY	Yamana	Large
6	ASR.TO	Alacer Gold	Mid
7	DGC.TO	Detour Gold	Mid
8	MUX	McEwen Mining	Mid
9	NG	NovaGold	Mid
10	OGC.TO	OceanaGold	Mid
11	PG.TO	Premier Gold Mines	Mid
12	RIC.TO	Richmont Mines	Mid
13	SMF.TO	Semafo	Mid
14	USA.TO	Americas Silver Corp	Junior
15	BCM.TO	Bear Creek Mining	Junior
16	BSX.TO	Belo Sun Mining	Junior
17	CRJ.TO	Claude Resources	Junior
18	EDV.TO	Endeavor Mining	Junior
19	FSM	Fortuna Silver	Junior
20	GORO	Gold Resource	Junior
21	GQM.TO	Golden Queen Mining	Junior
22	GSS	Golden Star	Junior
23	KAM.V	Kaminak Gold	Junior
24	MVG	Mag Silver	Junior
25	MND.TO	Mandalay	Junior
26	SBB.TO	Sabina Silver	Junior
27	SAND	Sandstorm Gold	Junior
28	TRX	Tanzanian Royalty	Junior
29	TGZ.TO	Teranga Gold	Junior
30	AAB.TO	Aberdeen International	Exploration
31	AUMN	Golden Minerals	Exploration
32	SGC.V	Sunridge Gold	Exploration
33	TUO.V	Teuton Resources	Exploration

Companies Under Consideration		
Acacia Mining Plc	Freeport Mcmoran	Osisko Gold Royalties Ltd
Alamos Gold Inc	Fresnillo Plc	Pan American Silver Corp
Alcyone Resources Ltd	G-Resources Group Ltd	Paramount Gold Nevada Corp
Anglogold Ashanti Ltd	Gabriel	Patagonia Gold Plc
Argonaut Gold Ltd	Gold Canyon Resources Inc	Polymetal International Plc
Arian Silver	Gold Fields Ltd	Polyus Gold International Ltd
Asanko Gold Inc	Gold Resource Corp	Pretium Resources Inc
Atac Resources Ltd	Gold Road Resources Ltd	Primero Mining Corp
Atlius	Goldcorp Inc	Probe Metals Inc
Aurcana Corporation	Great Panther Silver Ltd	Purgold Mining
Aurico Metals Inc	Gryphon Minerals Ltd	Regis Resources Ltd
B2gold Corp	Hecla Mining Co	Resolute Mining Ltd
Barrick Gold Corp	Highland Gold Mining Ltd	Royal Gold Inc
Beadell Resources Ltd	Hochschild Mining Plc	Rubicon Minerals Corp
Centerra Gold Inc	Iamgold Corp	Saracen Mineral Holdings Ltd
Chesapeake Gold Corp	Impact Silver Corp	Seabridge Gold Inc
China Gold Inttl Resources Corp	Industrias Penoles Sab De Cv	Sibanye Gold Ltd
China Precious Metal Resources	Integral Gold	Sierra Metals Inc
Cia De Minas Buenaventura Sa	Intl Tower Hill Mines Ltd	Silver Bear Resources
Coeur D'alene Mines Corp	Kingsgate Consolidated Ltd	Silver Standard Resources Inc
Colorado Resources	Kinross Gold Corp	Silvercorp Metals Inc
Continental Gold Inc	Klondex Mines Ltd.	Silvercrest Mines Inc
Dalradian Resources Inc.	Kootenay Silver Inc	Solitario
DRD	Koza Altin	Stillwater Mng Co
Dundee Precious Metals Inc	Lydian International Ltd	Sulliden Mining Capital Inc
Eldorado Gold Corp	Mag Silver Corp	Tahoe Resources Inc
Endeavour Silver Corp	Minco Silver Corp Com	Tmac
Eskay Mining	Mirasol Res Ltd Com	Torex Gold Resources Inc
Evolution Mining Ltd	New Gold Inc	Trevali Mining Corp
Excellon Resources Inc	Newmarket Gold	Trimetals Mining
Exeter Resource Corp	Newmont Mining Corp	Zhaojin Mining Industry Co Ltd
First Majestic Silver Corp	Northern Dynasty	Zijin Mining Group Co Ltd
Franco-Nevada Corp	Northern Star Resources Ltd	

Definitions

Buy - despite prior gains, majority of company advance lies ahead, and we would still be comfortable purchasing at current prices.
Hold - we still expect company to advance, but due to technical profile we would not add at current prices.
Watch List - companies which show favorable technical models indicating they are our top candidates for investment.
Companies Under Consideration - the remainder of the companies we track on a regular basis.

Note: we are constantly monitoring the sector for new candidates to add to all categories. If there is a company we have not included that you believe we should, please submit it for consideration to: c.aaron@iGoldAdvisor.com

FOR SUBSCRIBERS

Quick Reference Guide to Company Research Reports						
Company Name	**US Ticker**	**Can Ticker**	**Last Full Review**	**Issue**	**Next Full Review**	
[illegible]	[illegible]	[illegible]	June 2016	018	December 2016	Current
[illegible]	[illegible]	[illegible]	February 2016	001	July 2016	Current
[illegible]	[illegible]	[illegible]	February 2016	001	July 2016	Current
[illegible]	[illegible]	[illegible]	February 2016	001	August 2016	Current
[illegible]	[illegible]	[illegible]	February 2016	002	August 2016	Current
[illegible]	[illegible]	[illegible]	March 2016	003	September 2016	Current
[illegible]	[illegible]	[illegible]	April 2016	008	September 2016	Current
[illegible]	[illegible]	[illegible]	April 2016	008	October 2016	Current
[illegible]	[illegible]	[illegible]	May 2016	011	November 2016	Current
OPEN						Current
Kaminak Mining	KMKGF	KAM.V	February 2016	001	-	Closed
Lake Shore Gold	LSG	LSG.TO	February 2016	001	-	Closed
RandGold Resources	GOLD	-	February 2016	001	-	Closed
Centamin Egypt	CELTF	CEE.TO	February 2016	001	-	Closed

CLOSING REMARKS

Our next premium update will be available by Monday, July 4 at 8AM EST.

Our free public video will be available late Wednesday evening.

The precious metals are at a major crossroads. The fundamentals are as strong as they could be, with central banks continuing to print money, governments continuing to bail out corporations, negative interest rates prevailing around the world, and uncertainty in the political landscape.

However, the same fundamentals could have been said in 2011... and gold fell 45% and silver over 65% between 2011 and 2015.

The fundamentals certainly will win out in the long run.

However, we present to you in this research what you will not hear from most precious metals analysts: that is, that the fundamentals do not matter over the short or intermediate timeframe. This includes multi-year periods in which a market can move contrary to the fundamentals purely because of the psychology of the participants during that time.

We pride ourselves on focusing first on what the market is actually telling us -- the technicals.

The fundamentals provide the backdrop, but as we can see, they are insufficient to gauge what the sum of market participants are doing.

If we ignore what the market is actually doing -- it is akin to ignoring an oncoming train as we stand in the tracks, simply because we hold in our hands a published train schedule that shows no trains are due to arrive for the rest of the evening.

In this analogy, the train schedule is the fundamental research: it is the sum of the data we have available to us.

But the oncoming train is the technicals: it is what is actually happening on the tracks.

When there is conflicting information between the fundamental data and real-world technicals, we must side with the technicals, with what is actually happening. To do otherwise would be to hold stubbornly to the printed train schedule, still standing in the tracks, as the train threatens to overrun us.

We still believe there is a fair possibility that the metals will rebound and begin the next chapter of a new bull market over the coming months.

However, if this takes longer to materialize than we hoped, or perhaps requires a period of lower gold prices before higher prices arrive, we do not intend to sit idly as the market moves against us.

We will let the market show us -- and we are fine closing positions while we wait for more definitive confirmation.

We must avoid the pitfall that many commentators in the precious metals community succumb to: that is, the belief that metals prices must rise due to fundamentals.

We intend to make fortunes by investing in the right companies amidst a bull market in gold or silver.

However, for this opportunity we must be aware of what is actually happening in the market, rather than to stick to any singular dogmatic ideology.

The same principles of observation that led us to identify the potential for a new bull market in precious metals in late 2015 can be applied to other areas should gold and silver not be ready to advance at this juncture. If we keep our eyes open and our minds free of preconceived limiting beliefs, we may find there are multiple opportunities around the corner.

Thank you for subscribing. As always, a Flash Update will be sent in real-time via email regarding anything that should impact the precious metals or our portfolio.

-Christopher Aaron, Editor