Silver and Silver Mining Update

This is an Update on Silver and Silver Mining, outlining the current important juncture, so you will get an idea of what Intelligent Investing’s new “Metals, Miners, and Forex” service is all about. After you sign up for only $59 per month, which you can do here, you will get my initial Overviews on Gold Mining, Canadian Dollar Futures, Silver (2 parts), the U.S. Dollar, Gold, Platinum, the Australian Dollar, Japanese Yen Futures, Silver Mining, the British Pound, Palladium, the Swiss Franc, and the Euro, all recently published (and most with very-compelling, big-picture set-ups). You will then receive similar, upcoming overviews for Uranium/Uranium Miners and Copper, among others. And you will also start to receive my daily and weekly updates straight to your inbox.

Figure 1. Silver Monthly chart with Elliott Wave Count and Technical Indicators

Similar to Gold, Silver is still in the midst of a wave-2 decline with further to go in time, structure, momentum, and particularly sentiment development. Ideally, a large and sustained bull market has begun at the November low, as five waves up transpired from there, busting through all the potentially-operative channels from the high in 2011, but lower prices should continue for now in wave 2.
At the wave-1 high and the retest thereof, RSI diverged similar to the important, (X)-wave peak in 2016. In addition, also similar to Gold, "dumb money" small speculator net positions have continued to set higher highs and are just now coming off historic extremes that match up with extremes seen back when Silver was in the 33-48 zone, way back near the highs in 2011-12. So this is not an ideal situation at all for a wave-2 low, particularly given the rout in prices since then. Therefore, there is work to do on this front over the next few weeks to couple of months to reset sentiment to correspond with a wave-2 low. Weekly momentum will likely need a full oversold as well to set up a sustained push north in wave 3.
SLV Daily registered a key reversal Tuesday after filling the gap from the 9-day island. Within that key reversal, SLV put in a small five down, and as Gold made its rebound high Wednesday, Silver did three up. Today's gap lower left a three-day island, while also leaving three up on the charts so Silver is well on track to lower levels in wave 2.
The alternate count in wave 2 is to move all the labels from the high in January over to the right, whereby the rebound that just ended was an x (circled) wave; or, you can count Silver from February just like Gold, whereby, wave (iii) of c (circled) is getting underway now. In any case, the outlook is lower in wave 2 for awhile.
Figure 5. Silver vs. Gold Monthly chart with Elliott Wave Count and Technical Indicators

Silver vs. Gold is quite a compelling big-picture setup but wave (C) is still in force for now but should be closing in on an important low.
On the Weekly, another low should do it and then five up after that would confirm at least an important intermediate low, if not a more important, long-term low.
On the closer-up view of the Weekly, wave 5 is the extended wave in wave (C) but (v) of v (circled) of 5 of (C) should be done in a week or two and it may be that Silver starts to stick soon on a relative basis, while Gold continues to subdivide lower in wave 2 for awhile, but in any case, this is worth watching closely for an important opportunity coming up.
Silver Mining looks really constructive on a big-picture basis and the rise from November can be viewed as five up, unlike some of the other mining indexes, but even with that, there should be further to go in second-wave drops for now. Momentum is just now rolling on over, and much like other mining indexes on a near-term basis, SIL shows a clear set of ones and twos, whereby declines subdivide as fives, rebounds subdivide as threes, and threes up at a couple of degrees are now being left on the charts by impulsive declines again.
Figure 9. Silver Mining (SIL) vs. Silver (SLV) Weekly chart with Elliott Wave Count and Technical Indicators

SIL vs. SLV is also quite a fascinating set-up big picture, but price action has again turned impulsive to the downside and momentum is just now turning south from overbought again. So across the Silver complex, prices look lower for now in likely second waves for the next few weeks anyways.