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## **A LOOK AT JIM SINCLAIR'S AFRICAN ADVENTURE STOCK...**

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Utopia for a speculator is to let other people do years of work preparing something to be profitable, and then to join in right at the moment when the fruits of this long labor are about to be realized, and share in the spoils, and happily, because you can freely buy and sell shares in a stock like this just when you like that is exactly what we can do with it, and an added bonus is that, thanks to the sector bearmarket from 2011, it is now crazy cheap. The final cherry on the cake would be if we learned that Jim Sinclair, whose company this is, had liquidated his personal fortune to save the company from going bankrupt – but perhaps this is asking a little too much.

On the long-term 16-year chart we can see that Tanzanian Royalty has been one of the biggest victims of the sector bearmarket from 2011, having dropped from a peak at \$7.80 to bottom at just 24 cents, meaning that it lost 97% of its value. It is still only at \$0.39 which means it is very, very cheap. On this chart we can also just see that a large Double Bottom has formed between 2015 and the present. We will now proceed to look at this in more detail on a 4-year chart.

TRX Tanzanian Royalty Exploration Corp. AMEX © StockCharts.com  
 9-Apr-2018 Open 0.38 High 0.41 Low 0.38 Close 0.39 Volume 206.8K Chg +0.01 (+2.71%) ▲



On the 4-year chart we can see that a fine large Double Bottom has formed, and that it is now starting to rise off the 2nd completed low of the pattern. The sharp rise off the 2nd low at the start of this year has the attributes of an impulse wave, or a move in the direction of the primary trend, which should now be up, and if this is the case, the subsequent reaction /

consolidation up to the present should be followed soon by another upleg. Volume indicators are not very inspiring but these sometimes move with the price instead of in a predictive manner ahead of it.



On the 1-year chart we can see recent action in much more detail. This chart reveals that the

2nd low of the large Double Bottom took the form of a Cup, with a characteristic high volume spike out of the right side of it, before it bedded down into a Handle consolidation pattern that should soon be followed by another upleg. The reaction back of recent weeks has allowed time for the earlier overbought condition to unwind, and for the 50-day moving average to catch up with the price, and its crossing through the 200-day is a bullish development, so that the current tight bunching of price and moving averages has created a potent technical situation that could lead to a sharp rally, and it is suspected that the tight little pattern that has formed over the past 2 - 3 weeks is a small bull Flag. If it is then it will rally imminently.

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**Conclusion: Tanzanian Royalty looks very cheap here and is rated a strong buy.** Whilst it could react back to the support again in the \$0.32 area, this is considered unlikely. Much more likely is that it will break out of the small Flag and above the nearby resistance very soon.

Finally, you should not be ashamed if you do not know where Tanzania is. After all, when Jimmy Carter was advised that war had broken out in Chad, his reply was "Chad, where the hell's that?", and that was when he was President. Really it doesn't matter where it is as long as the stock goes up.

Tanzanian Royalty [website](#)

**Tanzanian Royalty Exploration Corporation, TRX, TNX.TSX, closed at \$0.39, C\$0.485 on 9th April 18.**

*Posted at 8.20 am EDT on 10th April 18.*