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# **Base Morning Intraday Note**

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## Copper

The futures Jumped on the Monday on the back of a better than expected U.S. jobs report and concerns over Chile shutting their borders, creating a bullish gap on the LME futures. On Friday we noted that the futures had produced a 5-wave pattern lower warning we could see a momentum slowdown on a new low. The Gap should now be considered as a support zone between USD 8,815—USD 8,925, downside moves that trade below the USD 8,815 would mean the support zone is closed and the technical weakened. The upside move has broken Fractal resistance creating a higher high in the market, meaning the technical is considered as bullish; downside moves that hold at or above the USD 8,834 level would support a buyer's argument, below this level the pullback would be considered as deep indicating the technical phase is considered as neutral. The strength of the upside move would suggest that intraday downside moves have the potential to find support at lower levels. Resistance is at USD 9,145, USD 9,158, USD 9,199.5 with support at USD 8,947, USD 8,899, and USD 8,834.

# Ali

The upside move on the open has failed to hold with the futures rejecting the USD 2,279 Fibonacci resistance. The futures are above the daily pivot point but do not have the support of the RSI at this point. A close on the 4-hour candle above the USD 2,227 level with the RSI at or above the 54.5 level (currently 52) would mean intraday price and momentum are aligned to the buyside. Likewise, downside moves that close below the USD 2,227 level with the RSI at or below 49 would warn intraday price and momentum are weakening. The upside move on the open means the technical is currently in a neutral phase. Resistance is at USD 2,252, 2,267, USD 2,279 with support at USD 2,227, USD 2,215, and USD 2,206.

#### Zinc

The USD 2,758.5 Fractal support has held, meaning the head and shoulders pattern has failed to produce a downside break. The futures have gapped higher on the open, intraday price and momentum are aligned to the buyside. Downside moves that close on the 4-hour candle below the USD 2,782 level with the RSI at or below the 46.5 level (currently 51) would mean intraday price and momentum are weakening. Corrective moves that hold above the USD 2,790 level would support a buyer's argument, below this level the pullback is considered as deep, meaning the technical condition is considered as neutral. Price action that trades below the USD 2,788 level would close the bullish gap (USD 2,788—USD 2,796.5). The upside move has created a higher high supported by bullish price and momentum, suggesting support levels should hold in the near-term. Resistance is at USD 2,842, USD 2,887, USD 2,899 with support at USD 2,812, USD 2,802, and USD 2,790.

# Nickel

Like the rest of the base complex, we have seen a bullish upside move that has traded above the USD 16,690 range resistance. Intraday price and momentum are aligned to the buyside but the futures are currently trading back within the USD 16,690— USD 15,665 range. A close above the USD 16,690 level that can hold above the previous resistance would support a bullish argument; however, failure to close above this level would keep the technical in a neutral phase. Intraday price and momentum are showing bullish signals but needs to close above the range resistance. Support is at USD 16,138, USD 16,026, USD 15,665 with Resistance at USD 16,690, USD 16,941, and USD 17,285.

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#### Lead

The futures opened below the daily pivot point resulting in price and momentum being aligned to the sell side. Upside moves continue to reject the 21 –period daily EMA with the downside moves testing the 200-period daily MA, keeping the technical in a neutral phase. Upside moves on the 4-hour candle that close above the USD 1,968 with the RSI at or above the 51.5 level (currently 46) would mean intraday price and momentum are aligned to the buyside. The intraday technical is again weakening but remains neutral due to the daily averages. Resistance is at USD 1,968, USD 1,986.5, USD 2,000 with support at USD 1,935, USD 1,917.5, and USD 1,908.

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