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Base Morning Intraday Note

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

Copper

As noted on the E.U close report last night the futures were open to a potential buy day today. Having closed on their lows the futures opened USD 33.00 higher with price now trading back above the daily pivot (USD 9,715), a close on the 4-hour candle above this level with the RSI at or above the 61.5 (currently 59) would mean intraday P&M are aligned to the buyside. Likewise, a close below this level would mean it is aligned to the sell side. The RSI is above 50 with the stochastic oversold, momentum is warning that we have the potential for an upside move. Resistance is at USD 9,830, USD 9,924 and USD 9,971 with support at USD 9,715, USD 9,687, and USD 9,611.

Ali

Yesterday we noted that intraday P&M were conflicting with a neutral RSI and a stochastic in oversold territory, momentum was warning that the futures were vulnerable to a test to the upside. Price is back above the daily pivot (USD 2,513) meaning P&M are now aligned to the buyside. The futures traded above the USD 2,538 resistance yesterday confirming the intraday technical is now considered as bullish, we now target the USD 2,547 and USD 2,581 fractal levels. Downside moves on the 4-hour candle that close below the USD 2,513 pivot with the RSI at or below 50 would indicate intraday P&M are aligned to the sell side whilst a corrective move below USD 2,476 would put the technical in bearish territory. Further support can be found at USD 2,448.

Zinc

The EMA bands continue to remain flat indicating a lack of trend, however we are seeing signs that these averages are being respected as a market support. Once on the 26th, three times on the 27th whilst yesterday's move below the lines failed to hold. Momentum continues to warn that we have the potential for an upside move with intraday P&M now conflicting. Upside moves that close on the 4-hour candle above the USD 2,968 level with the RSI at or above 54.5 (currently 51.3) would mean it is aligned to the buyside. Likewise, a close below this level would mean it is aligned to the sell side. Resistance is at USD 2,976, USD 2,985, USD 2,997 with support at USD 2,968, USD 2,958 and USD 2,944. Technically we remain neutral based on the deep pullbacks in the last two sessions, however there are signs resistance levels could be tested based on the momentum indicators and EMA bands.

Nickel

Price continues to hold above the daily pivot point but does not have RSI support, intraday P&M continue to conflict. Upside moves that hold above the USD 19,556 level on the candle close with the RSI at or above 63 (currently 60.5) would mean it is aligned to the buyside, a close below this level would means it is aligned to the sell side. Resistance remains unchanged at USD 19,795, 19,894 and USD 20,037, however as highlighted previously a new high will create a negative divergence with the RSI. Not a sell signal as they can and do fail but it does warn we have the potential for a momentum slowdown. Support is at USD 19,556, USD 19.214 and USD 19,035.

Lead

The pullback in lead is deep meaning the intraday technical is considered as neutral with intraday P&M now conflicting on the back of the upside move yesterday. Upside moves that fail at or below the USD 2,367 level remain vulnerable to further tests to the downisde, above this level the pullback is considered as deep and the technical neutral. This would also warn the USD 2,388 and USD 2,404 resistance levels could be tested. A close on the 4-hour candle above USD 2,342 with the RSI at or above 55.5 (currently 51.75) would mean intraday P&M are aligned to the buyside, below this level it is aligned to the sell side. Support is at USD 2,342, USD 2,324 and USD 2,305.

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