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Base Morning Intraday Note

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Copper

The futures moved sideways for the bulk of yesterdays session with price selling off into the European ocean, intraday price is now on the longer-period EMA's (30 to 60) which remain flat, indicating a lack of trend. Price and momentum are aligned to the sell side but the 4-hour candle needs to close below USD 9,687 with the RSI at or 52 (currently 49.5) to confirm this. The futures look to have produced a 3 wave pattern higher that has failed at the USD 9,795 resistance (A,B=C,D), downside moves below USD 9,580 would create a lower low in the market, warning the USD 9,440 and potentially the USD 9,360 support could be tested. If support holds and price trades above the USD 9,773 high it will support upside continuation with further resistance at USD 9,795 and USD 9,890; however; if we trade above USD 10,014 then the C-D wave will be 1.618% longer then A-B suggesting the moves is bullish impulse with price targeting the USD 10,452 high.

The futures failed to make a new high above the USD 2,738.5 fractal resistance resulting in intraday P&M becoming aligned to the sell side. Price closed on it's low (USD 2,634.5) with the first of our daily range supports holding (USD 2,631) an upside move on the open has failed to hold above the USD 2,660 daily pivot support resulting in price now trading below the previous days low. A close on the 4-hour candle above USD 2,660 with the RSI at or above 52.5 (currently 47) would mean intraday P&M are aligned to the buyside. Both the longer and shorter-period EMA's are now flat indicating a lack of trend in the market with support at USD 2,568, USD 2,546, and USD 2,524. Resistance is at USD 2,701, USD 2,714, and USD 2,723.

Zinc

A bearish trend in a neutral phase yesterday saw intraday P&M become aligned to the sell side, resulting in the futures trading within USD 10 of our intraday support level. The near-term downside target is the USD 3,148 low, however we have intraday range support at USD 3,143, USD 3,121, and USD 3,099 suggesting we have the potential to find intraday buying support around this area. A close on the 4-hour candle above USD 3,230 with the RSI at 46 (currently 39.5) would mean P&M are aligned to the buyside, whilst a close on the daily candle above USD 3,259 would warn we have the potential to transition to the buyside on the higher timeframe. Further resistance is at USD 3,296.

Nickel

The downside move in the futures has breached the USD 19,568 support meaning the pullback is considered as deep, the intraday technical is now considered as neutral/bullish. Upside moves on the 4-hour candle that close above the USD 19,706 with the RSI at or above 55 (currently 49) would mean P&M are aligned to the buyside. The 4-hour technical is failing to establish at trend at this point, however the 1-hour technical is showing signs of weakness. Downside moves below USD 19,330 would create a lower low in the market, taking the 4-hour trend into a bearish phase with further support at USD 19,249, USD 19,127, USD 19,005. Resistance is at USD 19,731, USD 19,981, and USD 20,030.

Lead

A deep pullback yesterday resulted in the futures trading to a low of USD 2,315.5, below USD 2,310.5 the intraday trend will be considered as bearish. The RSI is currently at 43, if we make a new low with the RSI above 40.5 then we will have a positive divergence in play, not a buy signal it does warn of the potential for a momentum slowdown. Upside moves on the 4-hour candle that close above USD 2,330 with the RSI at or above 49.5 (currently 43) would mean intraday P&M are aligned to the buyside . The EMA's are bearish, price is neutral bullish, making USD 2,310.50 support a key level to follow. Support is at USD 2,315.5, USD 2,286, USD 2,276 with resistance at USD 2,330, USD 2,349 and USD 2,359.

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