



# Base Morning Intraday Note

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### Copper

Copper held onto an overnight decline as two Chinese property developers were labeled defaulters by Fitch Ratings and the country's policymakers moved to rein in the yuan's surge against the dollar (Bloomberg). So far the downside move has been reactionary with price holding above the USD 9,474, downside moves below this level would mean that the intraday technical is neutral/bullish, only below USD 9,369.5 will the technical be considered as bearish. A close on the 4-hour candle above USD 9,569 with the RSI at or above 52.5 (currently 48.5) would mean intraday price and momentum are aligned the buyside. The intraday technical is bullish the move is corrective, price needs to hold above the USD 9,474 support otherwise it will look vulnerable. Resistance is at USD 9,569, USD 9,708, USD 9,761 with support at USD 9,474, USD 9,436, USD 9,369.5.

### Ali

The longer-term EMA's are flat indicting a lack of trend in the market, price moved lower yesterday on the bond defaults in the Chinese property sector. Price did make a new high before correcting meaning the intraday technical is bullish, intraday P&M are aligned to the buyside. A close on the 4-hour candle below USD 2,631 with the RSI at or below 47 (currently 50.5) would mean P&M are aligned to the sell side. Corrective moves lower that hold at or above USD 2,604 will support a bull argument, below this level the technical is neutral bullish; to be considered as bearish the futures need to trade below USD 2,581.5. Support is at USD 2,623, USD 2,615, USD 2,604 with resistance at USD 2,650, USD 2,677.5, and USD 2,705.

### Zinc

The trend remains bullish with price trading to a high of USD 3,354 before correcting yesterday. Output cuts at Chinese smelters continue to weigh on the market meaning the corrective move at this point remains weak. Intraday price and momentum are aligned to the sell side, however the trend remains bullish above USD 3,195 and bullish/neutral below this level. Price will need to trade below USD 3,114 to be considered as bearish. Upside moves that close on the 4-hour candle above USD 3,319 with the RSI at or above 63 (currently 60.5) would mean intraday P&M are aligned to the buyside. Above USD 3,354 we have the potential to create a negative divergence with the RSI, not a sell signal it does warn of the potential for a momentum slowdown. Resistance is at USD 3,319, USD 3,354, USD 3,375 with support at USD 3,262, USD 3,234, USD 3,195.

### Nickel

Having failed to previously trade above the USD 20,440 level the futures have entered a corrective phase with the intraday technical in bearish territory. Intraday P&M are aligned to the sell side with the futures below the USD 19,838 support. Price has come under pressure after Tsingshan Holding Group brought new production online in Indonesia, pushing ahead with a plan to boost nickel supply for battery-makers. Technically bearish with momentum weakening price is now targeting the USD 19,565 support, upside moves that close on the 4-hour candle above USD 19,976 with the RSI at or above 50.5 (currently 48) would mean P&M are bullish. Key fractal resistance is at USD 20,440, if broken the technical is bullish. Resistance is at USD 19,976, USD 20,370, USD 20,440 with support at USD 19,567, USD 19,400, USD 19,274.

## Lead

Like the rest of the base complex the futures came under pressure yesterday resulting in price opening below the daily pivot (USD 2,281), The intraday technical is bullish but P&M are conflicting. A close on the 4-hour candle above this level with the RSI at or above 51 (currently 52.5) means we will be aligned to the buy side. Likewise, a close below this level with the RSI at or below 49 would mean it is aligned to the sell side. Corrective moves lower that hold at or above USD 2,222 will support a bull argument, below this level the technical is neutral/bullish. Resistance is at USD 2,281, USD 2,300, USD 2,332.5 with support at USD 2,255, USD 2,214, and USD 2,222.

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