



# Base Morning Intraday Note

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### Copper

The downside move on Friday resulted in the futures trading below the USD 9,474 support, the technical is now neutral bullish. Speculation that China will start adding to fiscal stimulus in early 2022 after the country's top officials said their goals for the coming year include counteracting growth pressures and stabilizing the economy (Bloomberg), resulting in the futures gapping higher on the open. The futures are above the daily pivot (USD 9,503), intraday price and momentum are conflicting. A close on the 4-hour candle above the pivot with the RSI at or above 52 (currently 49.5) would mean P&M are aligned to the buy side. Likewise, a close below this level with the RSI at or below 47.5 would mean it is aligned to the sell side. Above USD 9,607 price will have broken a near-term fractal resistance meaning the USD 9,677.5 and USD 9,920 resistance levels could be tested. Support is at USD 9,503, USD 9,474, and USD 9,435.

### Aluminum

Having entered bullish territory, the futures trade down to our USD 2,604 support before rallying on the back of Fiscal stimulus sentiment and falling inventory. Intraday price and momentum are aligned to the buy side, the technical is bullish, near-term resistance is at USD 2,650, USD 2,677.5, and USD 2,687. Downside moves on the 4-hour candle that close below USD 2,620 with the RSI at or below 47 (currently 54) would mean P&M are aligned to the sell side. Key support remains unchanged at USD 2,604, below this level the technical is bullish neutral whilst below USD 2,581.5 it is bearish

### Zinc

Fundamentally and technically, little has changed since last week, the trend remains bullish with output cuts at Chinese smelters continuing to support the market. Price is above the daily pivot (USD 3,309) but intraday P&M are conflicting, a close on the 4-hour candle above this level with the RSI at or above 62.5 (currently 61.5) would mean P&M are aligned to the buy side. Likewise, a close below this level with the RSI at or below 58.5 would mean it is aligned to the sell side. Upside moves above USD 3,375 have the potential to create a negative divergence with the RSI, not a sell signal it is a warning we have the potential to see a momentum slowdown. Resistance is at USD 3,375, USD 3,386, USD 3,408 with support at USD 3,309, USD 3,285, and USD 3,235.

### Nickel

With the Tsingshan holding group bringing new supply online last week the futures remain muted. Price did open lower, however like the rest of the base complex we have seen price rise off their lows, resulting in price trading on/above the USD 19,840 daily pivot, intraday P&M are conflicting. A close below this level would mean P&M are aligned to the sell side; whilst a close above this level with the RSI at or above 49.5 (currently 46) would mean it is aligned to the buy side. Upside moves that fail at or below USD 20,142 will leave the technical vulnerable to further tests to the downside, above this level we are neutral /bearish. Resistance is at USD 19,889, USD 20,002, USD 20,142 with support at USD 19,840, USD 19,690, and USD 19,565.

### Lead

Price and momentum were conflicting on Friday but the technical was bullish, the futures moved higher during the day to close the week with P&M aligned to the buy side. Price is testing the USD 2,304.5 high from Friday on the back of expectations of further stimulus in 2022. A close on the 4-hour candle below USD 2,283 with the RSI at or below 51 (currently 58) would mean P&M are aligned to the sell side. Resistance is at USD 2,306, USD 2,313.5, USD 2,332.5 with support at USD 2,283, USD 2,276, and USD 2,268.