



Base Morning Intraday Note

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Copper

The futures have moved lower on the Asian open as the market looks to battle seasonal demand with China against expected Fiscal stimulus next year (Bloomberg). Intraday price and momentum are aligned to the sell side with the technical considered to be bullish neutral, downside moves below USD 9,369.5 will be bearish. Upside moves on the 4-hour candle that close above USD 9,484 with the RSI at or above 50 (currently 44.50) would mean P&M are aligned to the buy side whilst a move above USD 9,554.5 would create a higher high taking it into bull territory. Resistance is at USD 9,484, USD 9,554.5, USD 9,607 with support at USD 9,369.5, USD 9,349, and USD 9,315.

Aluminum

Technically bullish yesterday the futures moved higher after a headline on Bloomberg indicating that the U.S. made an offer to Japan aimed at resolving disputes over tariffs imposed on Japanese steel and aluminum under former President Donald Trump in 2018, people familiar with the situation said. Price is back above the USD 2,650 resistance with intraday P&M aligned to the buy side. Near-term resistance is now at USD 2,677.5, USD 2,705, and USD 2,736. Downside moves on the 4-hour candle that close below USD 2,642 with the RSI at or below 49 (currently 57) would mean intraday P&M are aligned to the sell side. However, corrective moves that fail at or above USD 2,624 will support a bull argument whilst below USD 2,604 the technical is bearish.

Zinc

(Bloomberg) 'Zinc for delivery in three months' traders weighed an easing in nearby supplies against the possibility of production cuts at European smelters because of elevated energy costs. The futures remain in a bullish trending environment with price above short and long-term EMA's; however, intraday P&M are conflicting as price does not have momentum support. A close on the 4-hour candle above USD 3,331 with the RSI at or above 62.5 (currently 59.5) would mean P&M are aligned to the buy side; likewise, a close below this level would mean it is aligned to the sell side. Corrective moves lower that hold at or above USD 3,197 will support a bull argument whilst above USD 3,360 will create a negative divergence with the RSI, not a sell signal it does warn of the potential for a momentum slowdown at higher levels. Technically bullish and in trend there are warnings that we could see a momentum slowdown if we achieve new highs. Resistance is at USD 3,360, USD 3,375, USD 3,393 with support at USD 3,331, USD 3,266, and USD 3,237.

Nickel

The futures remain cautious after the introduction of new supply last week resulting in the futures making a lower low in the market. Price is below all key moving averages with the RSI below 50, intraday P&M are aligned to the sell side. Upside moves that close on the 4-hour candle above USD 19,765 with the RSI at or above 48 (currently 38) would mean P&M are aligned to the buy side. However, upside moves that fail at or below USD 19,805 remain vulnerable to further tests to the downside, above USD 19,955 the intraday technical is bullish. The RSI at 38 is now approaching an intraday support zone (38-30) warning we have the potential to see a momentum slowdown soon. Support is at USD 19,445, USD 19,312, and USD 19,145.

Lead

The technical pullback yesterday held in bull territory above USD 2,268, however, intraday P&M are conflicting as price opened below the daily pivot level (USD 2,297), a close above this level would mean P&M are aligned to the buy side. Likewise, a close below a close below this level with the RSI at or below 51.5 (currently 58) would mean it is aligned to the sell side, below USD 2,251 the intraday technical is bearish. Resistance is at USD 2,316, USD 2,332.5, USD 2,349 with support at USD 2,297.5, USD 2,283, and USD 2,268.