



# Base Morning Intraday Note

info@freightinvestor.asia | freightinvestorservices.com | (+65) 6535 5189

## Copper

Copper rose to a one-week high as Federal Reserve officials talked down prospects of an aggressive pullback in monetary policy, easing fears of a major hit to growth. None of the six Fed officials speaking so far this week backed the idea of a half-point rate increase in March. The metal was also supported by a weaker dollar, which slipped for a third day after a report showed employment at U.S. companies plunged in January (Bloomberg). The Futures traded up to a high of USD 9,906 yesterday breaking a secondary fractal resistance before moving sideways into the close. Price has moved below the daily pivot point in the morning session (USD 9,834) meaning intraday price and momentum are conflicting, a close on the 4-hour candle below USD 9,834 with the RSI at or below 48.5 (currently 53) would mean P&M are aligned to the sell side; likewise, a close above this level would mean it is aligned to the buy side. The intraday technical is bullish; corrective moves lower that hold at or above USD 9,610 will support a bull argument, below this level the technical will have a neutral bias. Resistance is at USD 9,906, USD 9,964, USD 10,065 with support at USD 9,651, USD 9,614, and USD 9,564.

## Aluminum

The futures remain technically bearish with the inside candle breaking to the downside in an act of continuation, which Bulkowski's pattern site suggested happened 62% of the time. Price did trade below our tertiary support at USD 2,985 but moved slightly higher into the close to trade above this level. Intraday price and momentum are aligned to the sell side, but the current candle is still open, confirmation will come on a close below USD 3,005 with the RSI at or below 43 (currently 45). If we close above this level with the RSI at or above 47.5 would mean it is aligned to the buy side. Corrective moves higher that fail answer below USD 3,025 remain vulnerable to further tests to the downside, above this level the technical has a neutral bias; however, upside moves above USD 3,057.5 will be considered bullish based on a higher high. Resistance is at USD 3,010, USD 3,025, USD 3,057.5 with support at USD 2,964, USD 2,955, and USD 2,898.

## Zinc

The technical remains neutral based on the moving averages being flat and compressed, the futures did move higher yesterday meaning intraday price and momentum is aligned to the buy side. A close on the 4-hour candle below USD 3,611 with the RSI at or below 48 (currently 52) would mean it is aligned to the sell side. Neutral moving averages and a neutral RSI, Resistance is at USD 3,620, USD 3,632, and USD 3,657 with support at USD 3,611.5, USD 3,583, and USD 3,563.

## Nickel

Two days ago, the futures moved higher putting intraday technical in bull territory. Price held above the daily pivot point yesterday but failed to move higher with price holding in a very tight range. The overnight candle closed below the daily pivot point (USD 22,711) meaning price and momentum are conflicting, a close above this level would mean it is aligned to the buy side; Likewise, a close below this level with the RSI at or below 50.5 (currently 53.5) would mean it is aligned to the sell side. Corrective moves lower that hold at or above USD 22,243 will support a bull argument, below this level the intraday technical is neutral whilst below USD 21,880 it would be bearish. Resistance is at USD 22,950, USD 23,531, USD 23,758 with support at USD 22,541, USD 22,413, USD 22,243.

## Lead

The inside day/doji star broke to the downside yesterday resulting in price making a lower low; However, the move failed to hold with price producing a rejection candle on the daily chart on the back of a positive divergence. A close today above USD 2,234 would warn that momentum is improving based on price. Yesterday's upside move from the USD 2,204 low has meant that price and momentum are aligned to the buy side, upside moves above USD 2,245 would be bullish, further resistance is at USD 2,254 and USD 2,287. A close on the 4-hour candle below USD 2,225 with the RSI at or below 33.5 (currently 38) would mean P&M are aligned to the sell side, however corrective moves below the USD 2,204 low will create further positive divergences, meaning that although bearish the futures are not considered a technical sell at this point.