



Base Morning Intraday Note

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

Copper

A small rally on the Asian open has failed to hold after Iron ore, oil and Asian equities came under pressure. Intraday price and momentum are aligned to the sell side with price below all key moving averages supported by the RSI below 50. A close on the 4-hour candle above USD 9,951 with the RSI at or above 47.5 (currently 41.5) will mean price and momentum are aligned to the buy side. Upside moves above USD 10,337 will create a higher high warning that the USD 10,486 resistance could be tested, the technical remains vulnerable below this level and bullish above. Downside moves below USD 9,794 will create a lower low meaning the intraday Elliott wave cycle will have failed, further support is at USD 9,680 and USD 9,458. Neutral.

Alu

The futures remain below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side. A close on the 4-hour candle above USD 3,371 with the RSI at or above 47.5 (currently 42) will mean price and momentum are aligned to the buy side. Downside moves below the USD 3,300 will create a positive divergence with the RSI, not a buy signal it is a warning that we have the potential for a momentum slowdown. Corrective moves below USD 3,108 will be below the base of the intraday Elliott wave cycle, meaning the technical is bearish. Upside moves that fail at or below USD 3,811 will leave the technical vulnerable to further tests to the downside, above this level the futures will target the USD 4,073.5 high. Resistance is at USD 3,371, USD 3,596, USD 3,687 with support at USD 3,300, USD 3,108, and USD 2,994. Technically neutral, the potential divergence below USD 3,300 would suggest the futures are not a technical sell below this level.

Zinc

Like the rest of the base complex the futures are below all key moving averages supported by the RSI below 50. Sideways action for the last 3 days and a deep pullback would imply that technical has a neutral bias. Intraday price and momentum are conflicting, a close on the 4-hour candle above USD 3,808 with the RSI at or above 48 (currently 44.5) will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 43.5 will mean it is aligned to the sell side. Resistance is at USD 3,872, USD 3,99.5 and 3,828.5 with support at USD 3,744, USD 3,646 and USD 3,600. Bullish/neutral.

Nickel

Market closed

Lead

As noted yesterday the futures are now technically bearish with price moving lower again. The futures are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side. A close on the 4-hour candle above USD 2,285 with the RSI at or above 43 (currently 37.5) will mean price and momentum are aligned to the buy side; however, upside moves that fail at or below USD 2,377 remain vulnerable to further tests to the downside, above this level the futures will target the USD 2,437. Price is now testing the USD 2,262 support; below this level we target the USD 2,220 and USD 2,161 support levels. Technically bearish.

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