



# Base Morning Technical Report

[info@freightinvestor.com](mailto:info@freightinvestor.com) | [freightinvestorservices.com](http://freightinvestorservices.com) | (+44) 207 090 1120

## China

China's economic activity weakened in November before the government abruptly dropped its Covid Zero policy, with a surge in infections in coming months likely to cause more turmoil and push policymakers to increase stimulus.

Key data released Thursday showed business and consumer activity slumped to their weakest levels since the Shanghai lockdown in the spring. Retail sales and home sales declined, while industrial output and investment slowed sharply. Unemployment rose, notably for the country's most vulnerable workers. (Bloomberg).

# Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	8,399	R1	8,438	RSI above 50	
S2	8,337.5	R2			
S3	8,322	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- RSI is above 50 (50)
- Stochastic is at 50
- Price is below the daily pivot point USD 8,502
- A conflicting technical yesterday due to the new high in the futures suggesting we may have started a new bull intraday Elliott wave cycle; however, the new high had created a negative divergence, warning we had the potential to see a momentum slowdown. Sideways action yesterday has been followed by a move lower in the futures on the Asian open, meaning price is now trading between the EMA support band. The RSI is neutral at 50 with intraday price and momentum aligned to the sell side.
- A close on the 4-hour candle above USD 8,502 with the RSI at or above 55 will mean price and momentum are aligned to the buyside. Upside moves that trade above USD 8,546 will break fractal resistance, warning we have the potential to test the USD 8,629 high.
- The technical is bullish but now has a neutral bias due to the futures trading below the USD 8,436 support. A neutral RSI and stochastic would also suggest the futures are not in a trending environment at this point. Downside moves below USD 8,337 will put the intraday technical into bearish territory.

# Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,423	R1	2,439.5		RSI below 50
S2	2,402	R2			
S3	2,389	R3			

Source Bloomberg

## Synopsis - Intraday

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (47)
- Stochastic is above 50
- Price is below the daily pivot point USD 2,444
- Technically bullish with a neutral bias yesterday, the futures did close on the 4-hour candle below the daily pivot point, resulting in a test to the downside (low USD 2,423), meaning key resistance at USD 2,485 remains in place. Price is below the EMA support band with the RSI below 50, intraday price and momentum continue to conflict.
- A close on the 4-hour candle below USD 2,444 with the RSI at or below 44 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Key resistance remains unchanged at USD 2,486, the futures are vulnerable below this level, if broken we target the USD 2,530 and USD 2,577 resistance levels.
- Technically bullish with a neutral bias, the futures are consolidating in the form of a symmetrical triangle, this is also a neutral pattern with the futures needing to break outside of the pattern for directional bias.

# Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	3,213	R1	3,265	RSI above 50	
S2	3,173	R2	3,333		
S3	3,142	R3	3,400		

## Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- RSI is above 50 (53)
- Stochastic is oversold
- Price is below the daily pivot point USD 3,265
- Technically bullish yesterday with the futures in divergence that needed to be monitored. Price has entered a corrective phase and is now trading between the EMA support band; the RSI remains above 50 with price and momentum now aligned to the sell side.
- A close on the 4-hour candle above USD 3,265 with the RSI at or above 63.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 3,173 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish with price in a corrective phase, the RSI is above 50 with the stochastic in oversold territory, momentum is warning the futures are vulnerable to a test to the upside, implying resistance levels are vulnerable.





# Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,151	R1	2,176		
S2	2,143	R2	2,204	2,168	RSI below 50
S3	2,122	R3	2,229		

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (44)
- Stochastic is below 50
- Price is below the daily pivot point USD 2,176
- Technically bearish with a neutral bias yesterday, the futures traded below the USD 2,169 and USD 2,1457 fractal support levels, meaning we no longer have a neutral bias. Price is moving lower on the open with the futures below the EMA support band whilst the RSI remains below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,176 with the RSI at or above 50 will mean price and momentum are aligned to the buyside. Upside moves above USD 2,208.5 will put the futures back into bullish territory.
- Technically bearish, the USD 2,195 high on the open looks to have been a rogue print, hence we do not have a neutral bias, downside moves below USD 2,151 will warn that the USD 2,143 and USD 2,122 support levels could be tested and broken. There is the potential to create a positive divergence below USD 2,151, it is not clear and could be very marginal, but you need to keep an eye out just in case it forms. It is a 21 period RSI I use, not the 14 FYG.