



Base Morning Technical Report

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China

The total of new home sales in China's four first-tier cities reached 213,211 square meters of floor space last week, according to Bloomberg calculations based on data from China Real Estate Information Corp. on Jan. 23. Shenzhen had the smallest decrease, while Beijing had the biggest decrease. (Bloomberg).

Cu

Copper was trading near a seven-month high, driven by persisting global supply risks and optimism that China's reopening from Covid lockdowns will boost demand.

The metal, often dubbed Dr. Copper for its role as a barometer of the global economy, extended gains on Monday following five consecutive weekly increases. Investors continued to bet on the metal as China's shift away from Covid Zero bolstered demand prospects in the second-biggest economy, while concern lingers over supply due to protests in Peru. (Bloomberg)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	9,323	R1	9,396	RSI above 50	
S2	9,204	R2			
S3	9,138	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (61)
- Stochastic above below 50
- Price is above the daily pivot point USD 9,323
- Technically bullish but with a neutral bias, the futures are higher on the Asian open. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 9,323 with the RSI at or below 58 will mean price and momentum are aligned to the sell side. Downside moves that close below USD 9,272 on the 4-hour candle will warn that sell side momentum is increasing, leaving the USD 9,204 and USD 9,026 support levels vulnerable. Likewise, a close above USD 9,457.50 will target the USD 9,560 – USD 9,686 resistance zone in the near-term.
- Technically bullish with a neutral bias, the new high on the 18/01 would suggest we have either started a new bull cycle or we are seeing some form of wave extension. However, above USD 9,550.50 the futures will be in divergence with the RSI, not a sell signal it is a warning we have the potential to see a momentum slowdown and will need to be monitored, indicating the technical is conflicting at this point. We have a resistance zone on the market profile chart between USD 9,400 – USD 9,500, if we close above and hold above this area we have the potential to see further upside. If the zone holds, support levels could be vulnerable.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,598	R1	2,679.5	RSI above 50	
S2	2,555	R2	2,718		
S3	2,516	R3	2,769		

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (56)
- Stochastic is below 50
- Price is above the daily pivot point USD 2,598
- Bearish based on price last week the Elliott wave cycle warning that we have further upside to come within this phase of the cycle. The futures have moved sideways with price holding above the EMA support band, the RSI is above 50 with price and momentum conflicting.
- A close on the 4-hour candle above USD 2,598 with the RSI at or above 60 will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 55.5 will mean it is aligned to the sell side. Downside moves that hold at or above USD 2,397 will support a longer-term bull argument, below these levels the USD 2,251 fractal low becomes vulnerable.
- Technically bearish based on price, the intraday Elliott wave cycle is warning that we have a potential for another test to the upside. Downside moves below USD 2,555 will imply the futures are in a more complex corrective phase, whilst a move below USD 2,397 would suggest that the probability of the futures trading to a new high will decrease, based on the depth of the pullback.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	3,389	R1	3,428	RSI above 50	
S2	3,365	R2	3,471		
S3	3,333	R3	3,520		

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (60)
- Stochastic is above 50
- Price is below the daily pivot point USD 3,428
- Technically bullish last week with the 4-hour RSI in divergence with price, not a sell signal it warned that we had the potential to see a momentum slowdown and needed to be monitored. Intraday Elliott wave analysis suggested that downside moves should be considered as countertrend at this point. The futures moved sideways to slightly lower on Friday with price above the EMA support band whilst the RSI is above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 3,428 with the RSI at or above 65 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 3,333 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the 4-hour RSI is now in divergence with price, not a sell signal it does warn that we have the potential to see a momentum slowdown and will need to be monitored. Intraday Elliott wave analysis would suggest that downside moves should be considered as countertrend at this point. (unchanged).

Nickel Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	28,771	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (52)
- Stochastic is overbought
- Price is below the daily pivot point USD 28,821
- Technically bullish on Friday with price approaching the Fibonacci resistance zone on Friday, having moved higher on the back of the bullish Gartley pattern, upside moves above USD 30,198 would suggest the move was bullish impulse. The futures have entered a corrective phase with price testing but holding above the USD 28,305 support at this point. We remain above the EMA resistance band with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 28,821 will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 49 will mean it is aligned to the sell side. Downside moves that hold at or above USD 27,421 will support a bull argument, below this level the technical will have a neutral bias.
- We remain technically bullish but in a corrective phase, key support to follow is at USD 27,421.

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,068	R1	2,108	Stochastic oversold	RSI below 50
S2	2,016	R2			
S3	1,995	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (37)
- Stochastic is oversold
- Price is on the daily pivot point (USD 2,108)
- Technically bearish on the last report with the USD 2,120 support now vulnerable, a close below this level warned that the USD 2,108 and USD 2,068 support levels could come under pressure. The futures continued to move lower with price trading to a low of USD 2,083 before finding buying support overnight. Price is below all key moving averages with price and momentum aligned to the sell side.
- A close on the 4-hour candle above USD 2,108 with the RSI at or above 41 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 2,186 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish with the RSI making new lows, upside moves should be considered as countertrend at this point, making USD 2,186 the key resistance to follow.