



Base Morning Technical Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

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Copper traded near the strongest level in more than seven months, buoyed by persistent concerns about the global supply outlook and prospects for a recovery in demand from the biggest consumer, China.

Freeport-McMoRan Inc., the largest producer, said it was slowing output a bit in Peru to make sure it has supplies for the long run in the context of what it called a “very complicated” political situation in the country. (Bloomberg).

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	9,306	R1	9,311	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 (53)
- Stochastic below 50
- Price is above the daily pivot point USD 9,321
- There is little change in the technical in the last 24-hours. Price continues to consolidate above the EMA support band with the RSI above 50, intraday price and momentum are aligned to the sell side
- A close on the 4-hour candle above USD 9,321 with the RSI at or above 58 will mean price and momentum are aligned to the buyside. Downside moves that close below USD 9,272 on the 4-hour candle will warn that sell side momentum is increasing (tried and failed again), leaving the USD 9,204 and USD 9,026 support levels vulnerable. Likewise, a close above USD 9,430.50 will target the USD 9,560 – USD 9,686 resistance zone in the near-term. (Mostly unchanged).
- The futures remain technically bullish with a neutral bias, price is continuing to consolidate. Above USD 9,550.5 the RSI will be in divergence with the RSI, not a sell signal it does warn that we have the potential to see a momentum slowdown on upside breakouts, suggesting caution going forward. It is worth noting that the consolidation is forming around the weekly 61.8% retracement level (Hi USD 10,845 – Low USD 6,955, 61.8% retracement 9,359). We also note that if you look at the market profile chart USD 9,380 – USD 9,480 is the most heavily traded area in the last 24 months, making it a natural area of resistance. This would also suggest that a close above that holds above this zone will have bullish implications going forward. This is a very conflicting technical, there are reasons to be cautious, but if we do break higher, we could run. (Unchanged)

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,645	R1	2,679.5	RSI above 50	Stochastic overbought
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 (58)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,645
- Another unchanged technical. We remain bullish with the USD 2,679.5 fractal high now vulnerable. Price is still trading at USD 2,655.5, the futures are above the EMA support band with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 2,645 with the RSI at or below 57 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 61.5 will mean it is aligned to the buyside. 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.
- We are technically bullish with the USD 2,679.5 fractal high now vulnerable. However, above this level the futures will create a negative divergence with the RSI, not a sell signal it does warn that we have the potential to see a momentum slowdown and will need to be monitored. Downside moves below USD 2,555 will warn that the USD 2,397 support could be vulnerable.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear	
S1	3,452	R1	3,470	RSI above 50	Stochastic overbought	
S2	3,396	R2				3,520
S3	3,371	R3				3,589

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (62)
- Stochastic is overbought
- Price is above the daily pivot point USD 3,452
- We remained a cautious bull yesterday, as above USD 3,466.50 the futures would create a second negative divergence, implying caution on an upside move. Intraday Elliott wave analysis suggested we had the potential to trade to a new high. Price has moved higher and is now in divergence, the futures are 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 3,452 with the RSI at or below 58.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 3,333 will support a bull argument, below this level the near-term technical will have a neutral bias.
- We remain a cautious bull as price is now in divergence. However, intraday Elliott wave analysis continues to suggest that downside moves should be considered as countertrend. Key long-term support is at USD 3,127; the wave cycle is bullish above this level and neutral below.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	29,066	R1	29,182	RSI above 50	
S2	27,930	R2			
S3	27,421	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (54)
- Stochastic is above 50
- Price is above the daily pivot point USD 29,066
- Technically bullish yesterday, downside moves below USD 27,800 would indicate that the futures are in a more complex corrective phase, whilst a move below USD 27,421 will leave the USD 27,020 and USD 26,500 support levels vulnerable. The futures moved higher with price remaining above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 29,066 with the RSI at or below 50.5 will mean price and momentum are 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.
- Largely unchanged on the technical, upside moves above USD 29,520 now looks like it will create a negative divergence with the RSI, not a sell signal it does warn we have the potential to see a momentum slowdown above this level. Downside moves below USD 27,800 will indicate that the futures are in a more complex corrective phase.

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,142	R1	2,160	RSI above 50	
S2	2,112	R2			
S3	2,088	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA resistance band (Black EMA's)
- RSI is above 50 (51)
- Stochastic is above 50
- Price is above the daily pivot point USD 2,169
- We looked to be in a countertrend move yesterday with key resistance to follow at USD 2,186. The RSI was below 50 with the stochastic in overbought territory, if the RSI could hold below 50 then momentum warned that the futures were vulnerable to a test to the downside. The trend is bearish, but momentum is to the buy side at this point, suggesting resistance levels are a little bit vulnerable. A very strong move higher means the futures now have a neutral bias, price is above the EMA resistance band with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 2,169 with the RSI at or 42.5 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. Downside moves that hold at or above USD 2,112 will support a near-term bull argument, below this level we target the USD 2,048.5 fractal support.
- Technically bearish with a neutral bias, the strength of this upside move is now bringing into question the Elliott wave cycle leaving me with a neutral bias.