



# Base Morning Technical Report

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US

Traders ramped up bets on interest-rate cuts around the world ahead of European Central Bank and Bank of England policy decisions later Thursday, as global markets adjust to the Federal Reserve's pivot toward looser policy.

Investors are now pricing in six quarter-point cuts in 2024 by the Fed, six quarter-point reductions for the ECB and five for the BOE. The moves follow the US central bank's signal that its historic policy-tightening campaign is over, with officials projecting aggressive monetary easing to come. (Bloomberg)

# Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	8,321	R1	8,446	RSI above 50	
S2	8,301	R2			
S3	8,238	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- The RSI is above 50 (56)
- Price is above the daily pivot point USD 8,321
- Stochastic is above 50
- Technically bearish yesterday, the breach in the USD 8,326 level warned that the USD 8,238 fractal low was starting to look vulnerable. The MA on the RSI was moving lower, warning of momentum weakness, whilst the longer-term EMA's had now crossed to the sell side. Key resistance remained unchanged at USD 8,503. The futures traded to a low of USD 8,267 before moving higher. We have seen a gap up on the open due to the U.S Federal reserve indicating that the next interest rate move would be lower. 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 8,321 with the RSI at or below 45 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 8,503 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the US Federal reserve rhetoric yesterday could potentially change the technical footprint of the market if we continue to see USD weakness. The MA on the RSI is flat, but showing signs that it could move higher, making USD 8,503 the key resistance to follow. If broken, then the probability of the futures trading to a new low will start to decrease. The Gap higher on the open is indicating momentum support, and a change in sentiment, warning resistance levels could be tested and broken.

# Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	2,133	2,171	RSI above 50	Stochastic overbought
S2	2,130			
S3	2,109			
R1	2,180			
R2	2,193			
R3	2,217			

**Synopsis - Intraday**

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is below 50 (35)
- Stochastic is oversold
- Price is above the daily pivot point USD 2,133
- Unchanged on the technical yesterday, we remained in a bearish trending environment but had a note of caution on downside moves, as the RSI was not replicating price by making now lows, warning we could see a momentum slowdown. As previously stated, based on our intraday Elliott wave analysis, we maintained our view that upside moves look like they could be countertrend due to an Elliott wave extension. The futures initially moved higher on the divergence, before seeing a strong open on the back of a weaker USD. Price is above the EMA resistance band with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,133 with the RSI at or below 40 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,180 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically we remain bearish with upside moves considered as countertrade; however, dollar weakness is moving markets higher, warning Elliott wave cycles could fail, making key resistance to follow at USD 2,180. If broken, then the probability of the futures trading to a new low will start to decrease. The MA on the RSI is moving higher, implying momentum support, alongside a bullish gap forming on the open, warning resistance levels are vulnerable.

# Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,428	R1	2,475	RSI above 54	Stochastic overbought
S2	2,403	R2	2,506		
S3	2,376	R3	2,531		

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,427
- Technically bearish yesterday, the futures were moving lower on the open, but the MA on the RSI continued to warn that momentum was supported. However, the RSI was below 50 with the stochastic moving below 70, which implied we are vulnerable to a move lower, creating a momentum conflict. If we hold above USD 2,404, then we could see a near-term move higher; if broken, then the USD 2,376 fractal low will start to look vulnerable. Our intraday Elliott wave analysis continued to suggest that upside moves looked like they would be countertrend. The RSI held MA support resulting in price moving higher into the close, like the rest of the sector, we have had a strong open due to USD weakness. Price is above the EMA resistance band with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,427 with the RSI at or below 46.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,506 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically we are bearish with upside moves considered as countertrend based on the intraday Elliott wave cycle. The MA on the RSI is implying that momentum is supported with the RSI now above 50, whilst price has broken above the EMA resistance zone, warning the USD 2,506 level is starting to look vulnerable. If broken, then the probability of the futures trading to a new low will start to decrease. At this point, the move higher is a 3-wave pattern higher, implying it is still corrective, the momentum is a concern alongside the bullish gap, so we do have a note of caution on the technical. If we close the gap, then the USD 2,403 support could be tested and broken.

# Nickel Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	16,418	R1	16,939	16,815	RSI above 50	
S2	16,319	R2	17,270			
S3	15,146	R3	17,590			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (48)
- Stochastic is below 50
- Price is above the daily pivot point USD 16,418
- Technically bearish yesterday, the MA on the RSI was moving lower, warning that momentum had weakened. Price was testing the lower trend support, a close below that holds below the USD 16,287 level would indicate we are breaking the pattern to the downside, meaning the USD 16,095 and USD 15,840 fractal support levels would start to look vulnerable. Elliott wave analysis remained unchanged with upside moves considered to be countertrend. The futures traded to a low of USD 16.280 but the move failed to hold, resulting in price moving higher. We are above the EMA resistance band with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 16,418 with the RSI at or below 46 will mean price and momentum are aligned to the sell side. The next piece of dialogue remains unchanged again. Key resistance in terms of the Elliott wave cycle is at USD 17,694, we remain bearish below this level and neutral above in the near-term. However, we should note that this is an extended wave 3 with multiple timeframes in play (the time period in terms of the Elliott wave cycle is 720 min candle for the higher timeframe with key resistance at USD 19,463). In theory USD 17,964 is a key level on the 205-minute cycle and should hold, but we remain conscious of the larger cycle in play; as a break above this level, although not ideal and will ask questions on the wave cycle, it does not change the longer-term wave footprint.
- Bearish with a neutral bias. The futures remain in the symmetrical triangle (current trend support and resistance USD 16,319 – USD 16,939), this is a neutral pattern. In theory, directional bias should come from a close that holds outside of the pattern. Neutral. The daily EMA resistance zone is between USD 17,012 – USD 17,766, meaning an upside breakout will be into the daily EMA resistance band.

# Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,040	R1	2,062.5		RSI is below 50
S2	2,030	R2			
S3	2,016	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is between the EMA resistance band (Black EMA's)
- RSI is below 50 (49)
- Stochastic is at 50
- Price is above the daily pivot point USD 2,0
- Technically bearish yesterday with intraday Elliott wave analysis continuing to suggest that upside moves looking like they would be countertrend. The MA on the RSI suggested that momentum was still supported; however, the RSI was testing its average. If price and momentum became aligned to the sell side, then we could see the USD 2,016 fractal low be tested and broken. We did see the RSI close below the average, the break was not clean (less than two points), meaning price and momentum conflicted, rather than becoming aligned to the sell side. The downside move failed to hold, resulting in price moving higher. We are back trading in the EMA resistance band with the RSI neutral at 49, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,040 with the RSI at or below 43.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,191 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged today, we remain technically bearish with intraday Elliott wave analysis continuing to suggest that upside moves look like they will be countertrend. The MA on the RSI is suggesting that momentum is still supported, although there is a slight flattening of the average, implying it is potentially slowing down a little.

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