



# Base Morning Technical Report

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

Cu

(Bloomberg) -- A reclusive Chinese billionaire whose prescient gold trades turned into an eye-catching windfall has now become the country's biggest copper bull, amassing a bet worth nearly \$1 billion in a market jolted by escalating competition between the US and China.

Bian Ximing, who made an early fortune in plastic tubes before seeking a quiet life in Gibraltar, has made waves over the last two years with his investment in Chinese gold futures, betting on what he argued would be a global effort to reduce reliance on the dollar and counter inflation worries. His fund came in just as bullion was beginning a record-breaking ascent — and made roughly \$1.5 billion in profit in the process, according to Bloomberg calculations.

## Copper Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	9,436	R1	9,491	9,458.5	Stochastic oversold	RSI below 50
S2	9,325	R2	9,664			
S3	9,203	R3	9,723			

### Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- The RSI below 50 (46)
- Stochastic is oversold
- Price is below the daily pivot point USD 9,491
- Near-term price action was bullish on Friday, but the Elliott wave cycle remained bearish with a neutral bias. As noted previously, the current move higher was greater in time but weaker in price, warning buyside momentum was slowing, but price was holding above the 200-period MA. The technical was now conflicting, meaning it had a neutral bias. If we closed below and held below the 200-period MA, then Fibonacci support levels would become vulnerable.
- The futures have traded down to but remain above the intraday 200-period MA (USD 9,436). We are below the EMA support band with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 9,491 with the RSI at or above 54.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 8,868 will support a bull argument, below this level the technical will be back in bearish territory.
- Unchanged on the technical this morning, we remain bearish with a neutral bias. The MA on the RSI implies momentum is weak, whilst the current move higher is greater in time and weaker in price than the previous move, warning buyside momentum is slowing; however, the futures remain above the intraday 200-period MA (USD 9,436), meaning the technical is conflicting. If we close below and held below the 200-period MA, then Fibonacci support levels would become vulnerable.

# Aluminium Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	2,465	R1	2,482	2,470.5	Stochastic oversold	
S2	2,462	R2	2,543.5			
S3	2,435	R3	2,557			

Source Bloomberg

## Synopsis - Intraday

- Price is between the EMA support band (Black EMA's)
- RSI is at 50 (50)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,482
- The futures were in a corrective phase whilst the Elliott wave cycle remained bearish on Friday. The rejection of the USD 2,557 level did mean support levels were vulnerable. However, for downside continuation, we need to see a close below the 200-period MA (USD 2,477) and the polarity support at USD 2,468. Failure to do so would warn that resistance levels remained vulnerable. Price was weakening, but approaching a support zone, meaning we are at an inflection point.
- The futures have seen a very small move lower but price remains above the polarity support (USD 2,468) and the 200-period MA (USD 2,465). We are between the EMA support band with the RSI neutral at 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,482 with the RSI at or above 59.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or above USD 2,557 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged on the technical today, the futures remain in a corrective phase whilst the Elliott wave cycle remains bearish. The rejection of the USD 2,557 level continues to suggest support levels are vulnerable. However, for downside continuation, we need to see a close below the 200-period MA (USD 2,465) and the polarity support at USD 2,468. Failure to do so will warn that resistance levels remains vulnerable. Price is weakening, but remains above a support zone, meaning we are still at an inflection point.

# Zinc Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,690	Stochastic oversold	
S2	R2			
S3	R3			

Source Bloomberg

## Synopsis - Intraday

- Price is between the EMA support band (Black EMA's)
- RSI is at 50 (50)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,701
- Technically bearish with a neutral bias on Friday, price had mean reverted back to the linear regression line (USD 2,685). We had closed below and rejected the 200-period MA, implying technical weakness. If we closed below and held below the USD 2,685 level, then the USD 2,607 support would start to become vulnerable; if broken, the wave cycle would be back in bearish territory. For upside continuation, the futures were going to need to close and hold above the USD 2,726 level. Support levels were looking vulnerable, due to the RSI rejecting resistance and price closing below the 200-period MA.
- The futures have seen little price movement since Friday. We remain between the EMA support band with the RSI neutral at 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,701 with the RSI at or above 58.5 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 2,607 will support a bull argument, below this level the futures will be back in bearish territory.
- Technically bearish with a neutral bias, the futures remain just above the linear regression line (USD 2,688). Having closed below and rejected the 200-period MA, the technical implies weakness. If we close below and hold below the USD 2,688 level, then the USD 2,607 support will start to become vulnerable; if broken, the wave cycle will be back in bearish territory. For upside continuation, the futures are going to need to close and hold above the USD 2,713 level. Support levels continue to look vulnerable, due to the RSI rejecting resistance and price closing below the 200-period MA.



# Nickel Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	15,460	R1	15,689	15,595	Stochastic oversold	RSI below 50
S2	15,180	R2	15,923			
S3	15,172	R3	15,980			

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (47)
- Stochastic is oversold
- Price is below the daily pivot point USD 15,689
- Bearish with a neutral bias on Friday. A failed upside move previously (on low volume) had resulted in price moving back below the 200-period MA; if we closed and held below it, then the USD 15,460 support will start to become vulnerable. This was the key level on the technical, if broken, it would signal that the bullish continuation inverse head and shoulders pattern has failed. If it did, in theory, we should move lower.
- The futures have closed below the 200-period MA (USD 15,627); however, we are yet to see if we are going to hold below at. We are below the EMA support band with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 15,689 with the RSI at or above 52.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 14,984 will support a bull argument, below this level the technical will be back in bearish territory.
- Bearish with a neutral bias, the MA on the RSI implies momentum is weak. Price is at an inflection point as we continue to trade around the 200-period MA (USD 15,622); if we hold below the average and trade below the USD 15,460 level, it will indicate that the inverse head and shoulders pattern has failed, warning the Fibonacci support zone could come under pressure. Conversely, if we close back above and hold the average, then resistance levels will remain vulnerable.

# Lead Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,005	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the daily point USD 1,995
- Technically bearish yesterday, the futures were in a range with price above the 200-period MA but below key resistance at USD 2,006, meaning price action is neutral. Directional bias should in theory come from a close that held outside of the range. We had moved lower on a negative divergence with the RSI whilst the MA on the RSI is now warning of light momentum weakness. Although price action is neutral, we were cautious on moves higher at that point. We noted that if the close was outside of the range to the upside, the divergence will need to fail for price to move higher.
- The futures have moved higher and breached the USD 2,006 resistance, meaning the technical although bearish now has a neutral bias. We are above the EMA support band with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 1,995 with the RSI at or below 54.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 1,946 will support a bull argument, below this level the technical will be back in bearish territory.
- Technically bearish with a neutral bias, the probability of price trading to a new low has started to decrease. However, the futures are yet to close above the USD 2,006 level whilst in divergence with the RSI, meaning we continue to have a note of caution on moves higher. For upside continuation, we need to close above and hold above the USD 2,006 level with divergence failing.