

FIS Base Morning Intraday Note

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Nickel

Price action yesterday opened above the daily pivot point with the intraday technical being considered as being in bullish territory; however, the technical itself was deemed as being in a corrective phase. Intraday price rallied into the close, a weak 4.00 p.m. candle signaled the intraday had started to weaken. An early sell off has resulted in a lower low in the market with price above below the daily pivot point signaling intraday weakness, this has also created a positive divergence with the RSI on the 4-hour chart. Although the divergence is not a buy signal, it is warning that we have the potential for a momentum slowdown. The 37 min intraday Elliott wave chart also points to a 5-wave down pattern, warning we could base at these levels. Upside price action on the 4-hour that closes above USD 15,166 (currently 1,5235) would indicate the 4-hour technical is gaining in strength and above USD 1,5284 would further support a buyers argument. Resistance is at USD 15,321, 15,445, 15,463 with support at USD 15,198 USD 15,056, USD 14,791.

Ali

In a bull trend yesterday and regarded as technically bullish the futures were not considered a technical buy due to the market divergence. Price remained in trend and moved higher, however the divergence has held suggesting we could now be in the early stages of a corrective phase. If the 4-hour 8.00 am candle close is above the USD 1,887 level, then the technical is seen as improving, if we close below this level the futures remain vulnerable to further tests to the downside. This technical looks like it is entering a corrective phase (Based on Elliott wave 21 min chart), suggesting the current intraday upside move could be countertrend. However, market bears should look for a 4—hour close below USD 1,882 for confirmation of a weakening intraday technical. Resistance is at USD 1,887, USD 1,912, USD 1,932 with support at USD 1,887, USD 1,843, USD 1,798.

Copper

The intraday technical remained bullish until the final 4—hour session, price remained above the daily pivot point but the 4—hour candle was making lower lows. The technical itself is considered as bullish/neutral, bullish as it appears to be missing an upside wave, neutral as the deep pullback brings the technical into question. Key support remains unchanged between USD 6,752—USD 6,742 as price action below this level would break the base of the wave 3, suggesting upside failure and a corrective phase. Intraday 4 hour upside moves that close above USD 6,804 would support a buyers argument indicating the intraday technical picture is improving. Resistance is at USD 6,804, USD 6,830, USD 6,881 with support at USD 6,753, USD 6,727, USD 6,650.

Zinc

Like the rest of the base complex the zinc remained technically bullish until the final 4-hour session, at this point the futures close below the USD 2,552 warning that the intraday technical looked to weakening. The subsequent close resulted in a sell off on the open. Upside moves that close above the USD 2,556 level would suggest the intraday technical is gaining in strength, however a rejection of this level would warn that price remains vulnerable to further tests to the downside. Resistance is at USD 2,556, USD 2,571, USD 2,596, with support at USD 2,530, USD 2,515, USD 2,475.

Lead

Lead opened the day above the pivot point and as expected the futures traded higher before holding at our secondary resistance USD 1,827 and heading back lower. A strong open has failed to hold with the initial 4-hour candle closing below the current daily pivot point (USD 1,808), resulting in yesterdays fractal support being tested and broken USD 1,783.5. technically bearish on the lower low, a close above the USD 1,808 level would put the intraday in bullish territory and above USD 1,827.5 the market would create a higher high. Failure to close above the USD 1,808 level would leave the technical vulnerable to further tests to the downside. Resistance is at USD 1,808, USD 1,827.5, USD 1,843, with support at USD 1,789, USD 1,773, USD 1,738.