

# FIS Base Morning Intraday Note

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## Nickel

Technically the Nickel looked to be basing yesterday with the 8.00 a.m. candle supporting a strengthening technical, and the 12.00 p.m. candle confirming it. The upside move created a higher high before stalling USD 8.00 below our tertiary resistance at USD 15,463. Intraday price action is now technically in bullish territory as it is above the daily pivot point and medium term EMA's with the RSI now above 50. Price action on the 4-hour chart that trades below and closes below the USD 15,355 level would warn the intraday technical is starting to weaken and below USD 15,266 would put price below the daily pivot point confirming intraday weakness. Resistance is at USD 15,603, USD 15,791, USD 16,316 and support is at USD 15,266, USD 15,078, USD 14,741.

## Ali

The early morning chart suggested the upside move should be considered as countertrend and this was the case. The futures rejected the upside move before the futures made a low of USD 1,854.5, up until this point the futures were behaving as expected. However, the futures moved higher again meaning the Elliot wave looks to have had an extended 3rd wave (meaning the unpredicted move up is the 5th wave). Having got the initial correction I missed the bigger picture. Price is now above the daily pivot point with the 4-hour technical in divergence warning of the potential for a momentum slowdown. Upside moves on the 4-hour that close above and hold above the USD 1,901 level would support intraday strength, however if the 8.00 am candle closes below this level the technical could test the USD 1,892 level. USD 1,892 is the daily pivot so holds more weight than the USD 1,901 level, market bulls will want to see this hold. In divergence and on a 5th wave, we still have the potential for another test to the upside at this point. Resistance is at USD 1,912, USD 1,925, USD 1,961 and support is at USD 1,901, USD 1,892, USD 1,871.

## Copper

Yesterday we had to issue a corrective note as the Key support was actually USD 6,668—USD 6,657 as this is the base of the wave 3, as stated on the 03-11-20 report. The USD 6,752—USD 6,742 were related to the previous days pivot points. Key support has held with the futures USD 180 higher; however, the upside move has failed to break fractal resistance at USD 6,855 meaning the intraday has not made a higher high. This technical remains bullish neutral as there is still the potential for another move higher, but the pull-back has been very deep. A close on the 4-hour below USD 6,827 would be a warning that intraday price is weakening, but for the intraday to be considered as bearish it would need to close below USD 6,778. Resistance is at USD 6,899, USD 6,964, USD 7,143 and support is at USD 6,778, USD 6,720, USD 6,605.

## Zinc

For Zinc yesterday it was about the daily pivot point at USD 2,556, the futures did not reject this level and pushed to a high of USD 2,596. The futures are currently above the daily pivot point with the RSI above 50 indicating intraday price is bullish. However, the current candle is rejecting the upside, warning that technical sellers have entered the market due to the RSI being in divergence. If the rejection candle completes then we have the potential to test the daily pivot point at USD 2,563 or lower, however if pivot support holds then the technical remains vulnerable to further upside moves. Resistance is at USD 2,620, USD 2,653, USD 2,742 and support is at USD 2,563, USD 2,531, USD 2,506.5.

## Lead

Technically bearish yesterday, price closed above the USD 1,808 level and then broke fractal resistance at USD 18,27.5. The futures have now made a higher high and created a negative divergence with the RSI warning that we have the potential for a momentum slowdown. The Technical itself is above the daily pivot point putting the intraday price in bullish territory, downside moves on the 4-hour chart that close below the USD 1,839 level would warn the intraday technical is showing signs of weakness with near-term support at USD 1,821, USD 1,819 and USD 1,809. Downside moves that trade below the USD 1,809 level would be considered as deep suggesting we could be entering a higher timeframe corrective phase. Conversely, downside moves that close below the daily pivot point on the 4-hour chart (USD 1,821) but hold above the USD 1,809, have the potential for further tests to the upside. Resistance is at USD 1,865, USD 1,893 and USD 1,965.

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