

# FIS Base Morning Intraday Note

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## Nickel

Bullish yesterday the Nickel futures remained above our support levels, resulting in higher prices. Price has sold off on the open with the futures trading below the daily pivot point, warning of technical weakness. If the 4-hour futures close below the USD 15,461 level then the intraday technical could be entering a technical pullback. However, if price does close above the 15,461 level then the futures remain in bullish intraday territory and above USD 15,481 would indicate that buy-side momentum is improving based on price. Upside moves that fail at or below the USD 15,840 level remain vulnerable to further tests to the downside as the move would potentially be part of a larger corrective cycle. Resistance is at USD 15,461, USD 15,620 USD 15,683 and support is at USD 15,338, USD 15,116, USD 14,771.

## Ali

As highlighted yesterday from an Elliott wave perspective we are on a 5th wave with the futures in divergence. The divergence on the 5th wave is warning that we could be about to complete the current intraday cycle, and be in the early stages of corrective phase. Downside moves on the 4-hour chart that close below the USD 1,895 level would indicate the futures are weakening based on price; however, if price holds at or above the USD 1,874 level they remain vulnerable to further tests to the upside. Below this level the pullback is considered as deep and the technical phase neutral. Intraday price action on the 4-hour chart that closes above the USD 1,894.5 level would support intraday bullish price action. Technically in bullish territory, the divergence means it is not considered a technical buy. Resistance is at USD 1,909, USD 1,917 USD 1,940 and support is at USD 1,882, USD 1,874, USD 1,850.

## Copper

Copper held above the USD 6,778 daily pivot point yesterday keeping the intraday technical in bullish territory. Subsequent upside moves traded above USD 6,855 putting the intraday technical into bullish territory based on the higher high on the market. Downside moves on the 4-hour chart that close below the USD 6,845 would warn of a weakening intraday technical with near-term downside support/target at USD 6,780. USD 6,910 will be a key resistance level going forward, price action that trades above this level would support our 5th wave argument and suggest we could be looking to test USD 7,034 or higher. Resistance is at USD 6,910 USD 6,956 USD 7,034 and support is at USD 6,845, USD 6,799, USD 6,734.

## Zinc

The rejection candle we highlighted yesterday eventually turned into a long legged Doji (signals market indecision) rather than a bearish pin bar/ shooting star (this candle represents upside rejection, has a long upper wick with a small downside wick that closes near the base of the candle). Price also closed on the 4-hour support meaning the candle had not done enough to be considered as bearish. The futures have now made a new high and continue to show a negative divergence with the RSI on the 4 hour technical. Technically bullish but due to the divergence it is not considered a technical buy as the divergence is warning of a potential momentum slowdown soon. Downside moves that trade below and close below the USD 2,609 level on the 4-hour chart will warn that momentum is weakening based on price and below the USD 2,599 level the intraday technical will be in bearish territory. Resistance is at USD 2,624 USD 2,643 USD 2,668 and support is at USD 2,609, USD 2,599, USD 2,582.

## Lead

The futures had made a new high yesterday but in doing so created a negative divergence with the RSI, meaning the technical although bullish had the potential for a momentum slowdown. Price tested our first point of resistance at USD 1,865 but failed to make a new high before closing with a bearish candle. However, the RSI also went on to make a new high, meaning that the divergence is no longer in play. The futures are currently on the daily pivot point (USD 1,843) putting the intraday technical in balance, if the 4-hour candle closes above the USD 1,843 level it would leave the technical open to test the USD 1,863 resistance or higher. If the pivot holds then ideally price needs to close below USD 1,837 for the technical to be considered as weakening. Resistance is at USD 1,860 USD 1,881 USD 1,919 and support is at USD 1,822, USD 1,805, USD 1,767.

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