

# FIS Base Morning Intraday Note

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

## Nickel

A bit of a whipsaw on Friday with prices initially closing lower on the 4-hour candle, before trading up to USD 15,655 and creating a negative divergence with the RSI, resulting in a weak close at USD 15,260. Nickel has gapped higher on the open above the daily pivot at USD 15,420, suggesting that Base could be seeing a bit of a Biden bounce this morning. Price is now looking to test a previous resistance at USD 15,810 (03-09-20) with further Fibonacci resistance at USD 15,840. Price action above this zone would support a buying technical argument based on the depth of the upside move. Downside moves that close below the USD 15,651 would warn the intraday 4-hour price is showing signs of weakness; however, for the intraday price to be considered as weak it needs to close a 4-hour candle below USD 15,420. Resistance is at USD 15,810, USD 15,840, USD 16,210 and support is at USD 15,651, USD 15,420, USD 15,260.

## Ali

Little changed on this technical since Friday in the sense that the futures remain bullish but in divergence with the RSI. Downside moves on Friday failed to close below key support levels on the 4-hour keeping intraday price within a bullish trending environment. If the 4-hour 8.00 a.m. candle closes below the USD 1,912.5 level then the candles activity is deemed as weakening based on price. However, price is now entering a support zone USD between 1,909 and USD 1,896. Intraday price is considered as having entered bearish territory on a close below the USD 1,902 daily pivot point, but needs to trade below USD 1,896 To create a deep pullback and take the higher timeframe phase into neutral territory. Intraday price action is in divergence and showing some early signs of weakness however at this point the phase is still considered as bullish based on price. Resistance is at USD 1,925, USD 1,940, USD 1,949 and support is at USD 1,906 USD 1,905 USD 1,896.

## Copper

Copper traded above the USD 6,910 resistance strengthening the buyers argument and suggesting we could test the USD 7,034 resistance. The futures are above the USD 6,920 pivot putting intraday price in bullish territory supported by an RSI above 50. The Stochastic is overbought warning the intraday price may see a technical pullback in the near-term however the momentum slope remains bullish implying intraday downside moves should be considered as countertrend at this point. A close on the 4-hour below USD 6,986.5 on the 8.00 a.m. candle would warn that we are seeing early signs of weakening/intraday corrective phase based on price, however for the intraday to enter bearish territory we would need to see price close below USD 6,920. The current intraday trend however would need to see price below USD 6,855 for it to be considered as bullish/neutral based on Intraday Elliott wave Analysis. Resistance is at USD 7,006, USD 7,034, USD 7,065 and support is at USD 6,920, USD 6,855 USD 6,835.

## Zinc

Technically bullish but not considered a technical buy on Friday. Price action held the day above key intraday trend indicators resulting in price making a higher high. Note; the 4-hour RSI is still in divergence but it is marginal and could potentially fail. Downside moves on the 4-hour chart that close below the USD 2,660 level would warn that price could be entering into a corrective phase. However, the 4 hour RSI slope remains bullish above 59 at this point, suggesting for price action to be considered as corrective we need to see price below USD 2,623 and the 21 period RSI below 59. Below USD 2,565 the longer-term technical is considered as neutral warning we may be entering into a corrective phase on a higher timeframe. Technically bullish and in trend. Bullish RSI slope would suggest that although overbought there maybe another intraday push higher if support levels hold. Resistance is at USD 2,687, USD 2,700, USD 2,716 and support is at USD 2,660, USD 2,648 USD 2,623.

## Lead

Unlike the rest of the base complex we do not have a higher high in the market with the futures still in divergence. Price is still above the daily pivot point meaning the intraday is still considered as bullish; intraday wave analysis would suggest upside price action warns of momentum weakness at higher levels. Downside moves on the 4-hour chart below that close below the USD 1,849 would

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would warn the intraday technical picture is starting to weaken, and a close below the USD 1,840 would put the intraday below the previous days pivot point in bearish territory.

The intraday futures are currently above the daily pivot point. With other parts of the base complex looking like they could test the highs the futures do remain vulnerable to further tests to the upside. The RSI divergence however does suggest caution