

FIS Base Morning Intraday Note

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Nickel

The upside move on the COVID/Biden bounce has resulted in a deep pull back above USD 15,840 meaning the technical phase is considered as neutral. The futures have closed below the daily pivot point (USD 15,733 with price now heading lower on the intraday indicating we have entered an intraday corrective phase. Intraday moves down that hold at or above the USD 15,498 support will support a buyers argument, below this level would warn of a weakening technical. The long term daily chart is on an Elliott 5th wave that has made a new high; the Bill William methodology would have an upside target on the daily technical at USD 17,101 (61.8% of the Mar 20—Sep 20 bull move projected from though the low on the 02-10-20), he would also highlight the minimum requirement for wave completion has been met on the new high. This brings us back to the intraday technical, if price trades above 15,960 then the intraday is producing a 5—wave impulse pattern which is bullish and opens up the possibility that we have higher pricing to follow on the daily chart. Upside moves on the 4—hour chart that close above the USD 15,765 level would support a buyers argument. Resistance is at USD 15,733, USD 15,840, USD 15,960 with support at USD 15,498, USD 15,218, USD 14,703.

Ali

An interesting day for the Ali yesterday, price action moved higher with the rest of the base complex during the European session producing a negative close on the day. The candle is more a spinning top/Doji rather than shooting star/pinbar, this candle is signaling indecision in the market as neither the buyers or sellers definitively won the day. The intraday price has opened below the daily pivot meaning the price is currently in negative with the RSI slope weakening indicating the 4—hour chart is entering a corrective phase. Upside moves that close above the USD 1,912 level would imply intraday market buyers are gaining in strength with yesterdays USD 1,935 high the logical near-term target. Downside moves that hold above the USD 1,841 level would support the buyers argument, below this level would bring the longer-term cycle into question as the phase goes from bullish to bullish/neutral. Resistance is at USD 1,912, USD 1,935, and USD 1,954 with support at USD 1,880, USD 1,864 and USD 1,841

Copper

Having traded above the USD 6,910 technical resistance two days ago Copper has traded above the USD 7,034 high. This was highlighted on the technical and suggested impulse price movement, rather than corrective price movement. Like the rest of the base complex price has entered a corrective phase and is now below the daily pivot point. The RSI is above 50 (53) keeping momentum in bullish territory, the slope is weakening meaning upside price action would need to see the RSI above 57 to support bullish price action. A close on the 4—hour candle above the USD 6,927 level would warn that 4 hour momentum is increasing and above 6,969 the intraday would be above the daily pivot point in bullish territory. Downside moves that hold above the USD 6,800 level support a buyers argument, but below this level the phase is considered as neutral. Resistance is at USD 6,969, USD 7,024, USD 7,054 and Support is at USD 6,881, USD 6,824 and USD 6,800

Zinc

Price action closed below today's pivot point resulting in lower pricing on the open. Upside moves that close above the USD 2,639.5 level would warn that the 4—hour technical is starting to strengthen and above the USD 2,656 price will be back above the daily pivot point. Downside moves that hold above the USD 2,565 level would support a buyers argument, below this level the technical is considered as neutral bullish. The RSI is above 50 (58) meaning it is in bullish territory but the slope is weakening; however, bullish price moves that put the RSI at 61 or higher would mean price and momentum are aligned. Resistance is at USD 2,660, USD 2,681, USD 2,702 with support at USD 2,631, USD 2,613 and USD 2,593

Lead

Yesterdays note highlighted that lead had not followed the rest of the base complex higher and looked vulnerable at higher levels. The futures made a higher high in the market then promptly sold off to close below the daily pivot point. Sideways overnight we are now trading lower on the European open with the futures entering a corrective phase. Downside moves that trade below the

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USD 1,806 would take the technical into a neutral phase. Upside moves that close above the USD 1,834 level would indicate 4—hour price action is improving and above the USD 1,841 level price would be above the daily pivot point.

Lead looks like it could have potentially completed a 5 - wave intraday Elliott wave cycle and be about to enter into a corrective phase. The impulse move up had 5 waves instead of 3, which was bullish; if the corrective phase holds above the USD 1,788 level then there is the possibility that we could enter another bullish 5—wave phase.

For the rest of the base complex the intraday wave analysis is ambiguous in places, however there are some signals that would suggest that if the key support levels hold we have the potential for another bullish intraday wave in the near-term.

All data used is from Bloomberg.