

# FIS Base Morning Intraday Note

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

## Nickel

The downside move in the futures traded to a low of USD 15,700 yesterday; however, the lowest close on the 4-hour candle was between our USD 15,828—USD 15,825 support zone. It is also worth noting that downside price action failed to break the RSI slope, meaning momentum did not support downside price action, resulting in an upside rally to USD 16,090. The intraday trend remains technically bullish based on price and momentum with the futures making higher highs and higher lows. Downside moves on the 4-hour technical that close below USD 15,993 would warn the intraday is showing signs of weakness based on price and below the USD 15,908—USD 15,898 support zone would put price in bearish territory. However, the RSI is at 59 with a rising slope meaning the RSI would need to be at 53 or lower for price and momentum to be aligned. Technically bullish there are some signals that momentum could be slowing based on the last 4 hour candle rejecting the upside and the RSI holding below 62. For price action to continue with bullish momentum the RSI will need to close above 62, as this is a resistance point. Resistance is at USD 16,116, USD 16,233, USD 16,558 with support at USD 15,898, USD 15,791 and USD 15,583.

## Ali

A strong open above the pivot point was the move of the day in Ali yesterday, with price once again moving sideways and failing to close above the USD 1,926 resistance level. Price did open below the daily pivot point (USD 1,918) but closed above this level on the first 4-hour candle. Price is in bull territory but the RSI at 61 is at the momentum slope resistance, warning momentum is not supporting a bullish price move at this point. A close on the 4-hour candle below the USD 1,918 would warn that price is starting to weaken as it would be below the daily pivot point. Sideways action on price looks to be creating a neutral symmetrical triangle. Upside moves above USD 1,935 would create a negative divergence with the RSI, not a sell signal it is a warning that momentum has the potential to slow down. Bullish on price but not on the RSI due to its slope, the potential for a negative divergence on new highs is a warning signal that we could soon be in an intraday corrective move. Resistance is at USD 1,927, USD 1,935, USD 1,957 with support at USD 1,918, USD 1,908 and USD 1,899.

## Copper

The futures traded to a high of USD 6,991 yesterday before closing on the 4-hour USD 6,953 technical support, having rejected the upside move. Price then sold off to close below the daily pivot point whilst the RSI closed below the slope, implying momentum weakness. The intraday technical has made lower high but not a lower low meaning the fractal footprint is considered as bullish at this point. Intraday price (I.E. the current intraday candle) is the focus, and this is below the daily pivot point whilst the RSI has a negative slope, meaning the current intraday phase is considered as bearish. Downside moves below USD 6,857 would break 4-hour fractal support meaning the technical will then have made a lower low. Upside moves on the 4 hour chart that close above the USD 6,903 level would warn that price is starting to strengthen and above the USD 6,911 level above the daily pivot point, however the RSI would need to be at 58 or higher for momentum to support price. This technical looks like it is entering a corrective phase, momentum failed to hold above the bullish slope for any period of time, and now price and momentum are aligned to the bear side, suggesting the USD 6,857 fractal support is now the next logical downside target for market sellers. Resistance is at USD 6,911—USD 6,965, USD 7,045 with support 6,833, USD 6,776 and USD 6,642

## Zinc

The RSI slope on Zinc went bearish two days ago and has failed to support upside price movement since then. Sideways action is now looking to test the downside with price trading below the daily pivot point, it is worth noting it has not closed below it yet. Upside moves that close above the daily pivot point (USD 2,629) would put the intraday above the daily pivot point. However the fractal is bearish as is the momentum slope. Suggesting upside moves may need to be considerably higher than the pivot point for momentum to support bullish price action. Resistance is at USD 2,629, USD 2,657, USD 2,687 with support at USD 2,599, USD 2,571, and USD 2,513.

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## Lead

Lead held in bullish territory yesterday making news highs as it continues to remain on what looks to be an intraday Elliott wave 5. Price is trading on the daily pivot with the RSI at 57 on support indicating intraday price and momentum are in balance. Downside moves that close below the USD 1,865 level on the 4—hour chart with the RSI below 54 would indicate that price and momentum are entering intraday bearish territory. Price action that trades below the USD 1,844 would be considered as deep into the last upside wave and warn the bullish intraday Elliot wave cycle could have completed.

All data for this analysis is from Bloomberg.