

# FIS Base Morning Intraday Note

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## Nickel

Yesterday we noted that Nickel was technically bullish but there were signs that momentum could be slowing down based on the early rejection candle, and RSI resistance at 62. Price failed to trade back up to the highs with the RSI resistance holding for the balance of the day along the pivot line. A weak open below the pivot line has resulted in the first candle of the day trading down, pushing the RSI lower, meaning the slope is bearish alongside price. Downside moves below the USD 15,700 level (currently USD 15,730) would create a lower low in the market meaning the 4-hour intraday technical is considered as bearish. Upside moves the close above the USD 15,818 level would warn the intraday technical could be firming based on price and above the 15,953 level the intraday will have entered bullish territory based on price. However to be supported by momentum the RSI needs to be at 57 or higher. Resistance is at USD 15,818, USD 15,953, USD 16,036 with support at USD 15,733, USD 15,700 and USD 15,513.

## Ali

Bullish on price yesterday on the open but not supported by momentum as the RSI was at the resistance slope. An upside move that created a new high above USD 1,935.5 would create a higher high, but also a negative divergence with the RSI. The RSI did go above the momentum slope at 61 but promptly made a higher high at USD 1,935.50, meaning price then created a negative divergence, warning of a potential momentum slowdown. The intraday 4-hour trend is currently bullish based on price and momentum, however due to the negative divergence the market is not considered a technical buy. Downside moves below the USD 1,926 level would put price below the daily pivot point, indicating intraday weakness. Below USD 1,907 the pull-back would be considered as deep into the last 4-hour impulse wave, meaning the trend would be considered as neutral. Conversely, price action that holds above this level would keep the technical in bull territory. Resistance is at USD 1935.5, USD 1,946, USD 1,967 with support at USD 1,926, USD 1,916 and USD 1,905.

## Copper

Yesterday we highlighted that the futures looked like they could be entering a corrective phase having made a lower low, with momentum failing to hold above the resistance slope for any period of time. Price did trade above and close above the daily pivot point putting price in bullish territory, however the 4-hour close on the RSI at 56.5 was below the 58 level needed, meaning price was not supported by momentum, resulting in upside failure. Fractal support remains unchanged at USD 6,833, below this level the futures will have made a lower low in the market. Upside moves that close above the USD 6,746 with the RSI at 57 or higher would support intraday bullish price momentum. The current candle is trading above the pivot but has not closed above it. If price closes below USD 6,922 then price and momentum will be aligned to the bear side. Resistance is at USD 6,958, USD 7,001, USD 7,034 with support at USD 6,922, USD 6,879 and USD 6,843.

## Zinc

Bearish momentum slope yesterday left us waiting on the 4-hour candle to close below the daily pivot, which it duly did. Unfortunately we had no follow through, with price moving sideways for the remainder of the day. Price is currently on the daily pivot USD 2,621 but the momentum slope is bearish. Upside moves that close above the USD 2,621 level would need to see the RSI at 59 or above (currently 53) suggesting any initial close above this level is unlikely to have momentum support. However a close below USD 2,621 would have bearish implication going forward as price and momentum would be aligned. Resistance is at USD 2,638, USD 2,652 and USD 2,683 with support at USD 2,607, USD 2,590 and USD 2,559.

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## Lead

Price and momentum were aligned to the buy side yesterday resulting in lead making another new high at USD 1,904. Price action remains technically bullish at this point with the futures in a trending environment. Downside moves that close below USD 1,889 would warn the 4-hour technical is weakening based on price, and a close below USD 1,884 would put price below the daily pivot point in bearish territory. However, for price and momentum to be considered as bearish we would need to see the RSI close at 57 or lower (currently 64) Resistance is at USD 1,905, USD 1,925, USD 1,966 with support at USD 1,884, USD 1,864, USD 1,843.

Data source Bloomberg