

# FIS Base Morning Intraday Note

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## Nickel

Technically bullish yesterday, the divergence on lower time frames has resulted in a price action pullback. A close on the 4—hour chart closed below USD 16,078 with the RSI below 57 would warn of a weakening intraday technical. Price closed the day on the daily pivot point, meaning the opening price was below the current daily pivot point. A weak open has resulted in further downside movement, meaning the 4—hour intraday price is now in a corrective phase having made a lower low in the market. Upside moves that close above the USD 15,770 level would warn that intraday momentum is increasing based on price whilst above the USD 15,982 level would put the futures above the daily pivot and technical resistance. Downside moves that hold at or above the USD 15,344 level would keep the longer-term technical in bullish territory, below this level the pullback would be considered as deep and the phase neutral. Resistance is at USD 15,770, USD 15,651, USD 15,982 whilst support is at USD 15,616, USD 15,344 and USD 15,281.

## Ali

Price held in bullish territory yesterday with the futures opening above the daily pivot point. The 4-hour 21 period RSI continues to display a long—term divergence but the RSI slope remains bullish. Downside moves on the 4—hour candle chart that close below the USD 1,949 level would warn that price is entering into bear territory; however, for price to be considered as corrective the RSI would need to be at 60 or lower for momentum to support corrective price action. Downside moves that hold at or above the USD 1,914 support would keep the longer-term technical in bull territory, below this level the pullback is considered as deep and the technical phase neutral. Resistance is at 1,962, USD 1,971, USD 1,994 with support at USD 1,949 (on it now) USD 1,939 and USD 1,926.

## Copper

Technically bullish on the open yesterday the copper closed on the 4—hour technical below 7,115, indicting corrective price action which held above the daily pivot point. Price opened above the daily pivot point but the current candle is trading below it. A close below the USD 7,098 on the 4-hour candle will need to see the RSI at 58 or lower for momentum to support price and signal an intraday corrective move. Downside moves that hold at or above the USD 6,950 level would keep the longer-term intraday technical in bullish territory, below this level the pullback would be considered as deep and the technical phase as neutral, bringing the intraday Elliott wave count into question. Resistance is at USD 7,098, USD 7,179, USD 7,256 with support at USD 7,017, USD 6,950 and USD 6,939.

## Zinc

Price traded above the USD 2,681 resistance on the open, signaling a negative divergence in the market. This has resulted in a small pullback to the daily pivot point. Note, the divergence is a warning of a potential momentum slowdown and not a sell signal. A close on the 4—hour candle below the USD 2,665 level would indicate the intraday price is weakening, but for momentum to support price the RSI would need to be at 57 or lower for price and momentum to support a corrective phase. Downside moves that hold at or above the USD 2,632 support would keep the technical in bullish territory, below this level the pullback is considered as deep and the phase neutral, warning the intraday Elliott wave count is potentially failing. Technically bullish but potentially entering an intraday correction, USD 2,632 is the key support to follow for market bulls at this point. Resistance is at USD 2,684.5, USD 2,707, USD 2,749 with support at USD 2,665, USD 2,649 and USD 2,623.

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## Lead

Intraday price action did eventually go on to make a new high, with price remaining in bull territory for the rest of the day. The opening candle has produced a weak close, warning of a potential corrective phase. However price is holding the current daily pivot point keeping the intraday technical in bull territory. The RSI slope is bullish but on support, if price closes below the USD 1,904 level on the 4 hour candle with the RSI at 60 or lower, then price and momentum could be signaling an intraday corrective phase. Downside moves would be considered as countertrend at this point unless we see price below USD 1,824. At this point the technical phase is considered as corrective. Resistance is at USD 1,916.5, USD 1,921, USD 1,933 with support at USD 1,904, USD 1,892 and USD 1,876

Data source Bloomberg