

FIS Base Morning Intraday Note

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Nickel

The 4-hour candle did manage to close above the daily pivot yesterday (USD 15,836) indicating intraday price was showing early signs of improvement. However, the RSI remained below the 55 level meaning momentum and price were not aligned, resulting in upside moves failing to hold. Price has opened the day with both the RSI and Stochastic below 50 in bearish territory with the opening candle below the daily pivot level indicating price and momentum remain bearish. Early downside moves tested and broke the USD 15,655 support with a new low being formed at USD 15,630 but failed to hold at these levels as the lower timeframe 1-hour chart is showing a positive divergence with the RSI, warning of a momentum slowdown. Intraday price is in bearish territory but the positive divergence would suggest the market is not a technical sell at this point. Upside moves that close above the USD 15,798 level would warn that the intraday is improving based on price but for momentum so support an upside move the RSI will need to be at 53 or higher. Resistance is at USD 15,798, USD 15,871, USD 15,988 with support at USD 15,681, USD 15,630 and USD 15,608.

Ali

The Ali continues to remain in a bullish trending environment with RSI above 50 and price above the daily pivot. A weak close on the final 4—hour candle of the day has resulted in today's pivot point at USD 1,987 being tested. Intraday price and momentum continue to hold in bullish territory but are coming under pressure. A close on the 4—hour candle below USD 1,987 with the 21 period RSI at 66.5 or lower (currently at 69) would warn that intraday price and momentum were weakening. Key support has moved higher with price to USD 1,929. Downside moves that hold at or above this level would keep the technical in bull territory, below this level the pullback is considered as deep and phase neutral. Resistance is at USD 2,000, USD 2,015, USD 2,043 with support at USD 1,987, USD 1,974 and USD 1,959.

Copper

A bit of a fake out to the upside yesterday with the futures and the RSI both closing in bullish territory, but failing to produce any follow through. The RSI was showing momentum weakness by 16.00 GMT, with price closing below the daily pivot point on the final candle of the day. Price has opened below the current pivot level (USD 7,085) supported by a weakening RSI with price moving sideways in the early session. USD 6,950 remains the Key technical support, with downside moves being considered as countertrend at this point. Price that holds above this level keeps the technical in bull territory, below this level the pullback is considered as deep and the phase neutral. Upside moves that close above the USD 7,085 level will need to see the RSI at 61.5 or higher for momentum and price to be aligned to the upside. Resistance is at USD 7,085, USD 7,130, USD 7,192 with support at USD 7,024, USD 6,979 and USD 6,950.

Zinc

The trend remains technically bullish for Zinc having seen the upside push yesterday morning. Price is showing signs of a technical pullback with the futures opening below this morning pivot support, however momentum remains bullish warning the weak open could be a corrective move within a bullish trend. The current 4-hour candle is back above the daily pivot (USD 2,735) but would need to close above it to support bullish price action. Key support has moved higher to USD 2,661, downside moves that hold at or above this level would keep the technical in bullish territory. Below this level the technical is still bullish based on the fractal footprint, but due to the depth of the pullback it will have entered a neutral phase. Intraday Elliott wave analysis (93 min chart) would suggest that downside price action is potentially/likely/possibly countertrend at this point. Resistance is at USD 2,770, USD 2,808, USD 2,881 with support at USD 2,735, USD 2,701 and USD 2,661

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Lead

Lead has come under pressure in the early session with the opening 4—hour candle closing below the daily pivot (USD 1,950). However, at this point momentum support has held, meaning the intraday technical is in balance. Price is currently above the daily pivot but would need to close above it to re-affirm a bullish intraday technical. Downside moves that close below the USD 1,950 level would need to see the RSI at 63 or lower for price and momentum to be aligned to the downside. Key technical support is currently at USD 1,872, downside moves the hold above this level would keep the technical in bull territory. Resistance is at USD 1,967, USD 1,979, USD 2,008 with support at USD 1,938, USD 1,921 and USD 1,892.

Data source Bloomberg