

FIS Base Morning Intraday Note

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Nickel

A good day for Nickel on Friday with the early upside move resulting in a bullish RSI close, allowing momentum and price to align. Price also traded above the USD 15,955 fractal resistance, meaning the rolling 3-month contract had made a higher high supporting intraday bullish momentum and price. The futures have opened above the daily pivot point with momentum in bullish territory, indicating bullish price action at this point. A close on the 4—hour candle below the USD 16,185 level would warn that intraday price is weakening and below the USD 16,031 level intraday price would be below the daily pivot; however, for downside moves to have RSI support the RSI would need to be at 62 or lower. Bullish intraday price action with the RSI making a higher high would suggest downside moves should be considered as countertrend at this point. Resistance is at USD 16,310, USD 16,383, USD 16,588 with support at 16,031, 15,939 and USD 15,893.

Ali

On Friday we highlighted a momentum slowdown based on the flat pivot points with price above the pivot in bullish territory but not supported by the RSI, meaning upside moves failed to hold. Ali is currently on the daily pivot point but not supported by the RSI; for momentum and support to be aligned to the buy side the RSI would have to be at 69 or higher (currently 64.5), with the 4-hour candle closing above the USD 1,992. The caveat to momentum and price to be aligned to the upside is the 4-hour RSI divergence that is in play, warning of the potential for a momentum slowdown soon. Meaning upside moves do not have technical support at this point. A close on the 4—hour candle below the USD 1,992 level with the RSI at its current levels would warn of bearish intraday price action. Resistance is at USD 2,035, USD 2,011, USD 2,031 with support at USD 1,980, USD 1,972 and USD 1,953.

Copper

Intraday price held in bullish territory on Friday having formed a double bottom on the 19-11-20. Price went on to make a new high and create a bearish divergence that caused price to slowdown, however price has not corrected, resulting in the 4-hour divergence now failing. Intraday price and momentum are in bullish territory but the opening candle of the day has produced a lower close, warning that momentum is slowing. A close below USD 7,212 with the RSI at 60 or lower would mean that intraday price and momentum is aligned to the downside. However, price action that holds at or above the USD 7,108 level would keep the technical in bullish territory, below this level the pullback would be considered as deep and the technical phase neutral. Resistance is at USD 7,294, USD 7,343, USD 7,425 with support at USD 7,212, USD 7,108 and USD 7,000

Zinc

Price held in bullish territory on Friday resulting in a new high, meaning we have not seen a technical pullback yet. Current intraday price action is now on the daily pivot point (USD 2,783) warning price could soon be entering a corrective move. For price and momentum to be aligned we would need to see the RSI at 64 or lower (currently 67). Price and momentum are showing signs we could be entering the technical pullback that we warned of on Friday; However, we maintain our view that downside moves have the potential to be countertrend at this point. Resistance is at USD 2,820, USD 2,840, USD 2,897 with support at USD 2,763, USD 2,726 and USD 2,669

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Lead

The 4-hour divergence did not hold on Friday keeping the technical in bullish territory, resulting in the RSI making a new high and a divergence failure. Early session price action today is showing signs of weakness with price trading on/at the current daily pivot point of USD 2,012. Downside moves that close on the 4-hour candlestick below the daily pivot will need to see the RSI 66 or lower for momentum and price to be aligned to the downside, however price action that holds at or above the USD 1,898 level would keep the technical in bull territory. Below this level the pullback would be considered as deep and the phase neutral. Technically bullish but potentially entering into a countertrend corrective move. Resistance is at USD 2,012, USD 2,055, USD 2,081 with support at USD 1,986, USD 1,942 and USD 1,898.

Data source Bloomberg