

# FIS Base Morning Intraday Note

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## Nickel

Yesterday we noted the upside moves was not supported by momentum. The USD 16,334 resistance level held with price closing below the daily pivot point signaling intraday weakness. Price has opened below the daily pivot with the RSI below 50 indicating intraday weakness, the futures have also made a lower low supporting a corrective phase. The initial downside move from the high of 16,525 produces a 61.8% retracement with the second wave down to 15,830 producing a 78.6% retracement (retracement of the upside wave 19-11-20 to 30-11-20). The retracement pattern is known as a Gartley pattern and warns we have the potential to see a test to the upside in the near-term. A close on the 4 hour candle above USD 16,021 with the RSI at 52.5 or higher would support bullish intraday price action (21 period RSI currently 43) with near-term upside target resistance at USD 16,178, USD 16,245, USD 16,311 with downside support at USD 15,821, USD 15,778 and USD 15,630.

## Ali

Ali reached a high of USD 2080 yesterday meaning our upside target has not been met, price then closed below the USD 2,054 support with the RSI below 69.5, signaling intraday weakness. Ali has opened up on the daily pivot point (USD 1,981) with the RSI below 69.5. A close below the USD 1,981 level would signal intraday weakness whilst price action below the USD 2,004 would be considered as deep and take the technical into a neutral phase. Likewise, downside moves that hold above the USD 2,004 level would support a buyers argument. Currently in a corrective phase, near-term Elliott wave analysis (60 min chart 23—11—20 low) would suggest the current downside move is countertrend, indicating we have the potential for another test to the upside in the near-term, providing downside moves hold the USD 2,004 level. Resistance is at USD 2,070, USD 2,084, USD 2,097 with support at USD 2,027, 2,010 and USD 1,962.

## Copper

Sideways action yesterday on Copper, price spent most of the day below the 7,674 daily pivot point with price trading to a low of USD 7,565. The opening candle is above the current pivot point (USD 7,654) with the RSI above 50; however, for price to support an intraday bullish upside move, the RSI would need to be at 74 or higher (currently 65). As with the previous two days upside moves above the USD 7,743 level would create a negative divergence with the RSI warning we have the potential to see a momentum slowdown above this level. Downside moves on the 4—hour candle that close below the USD 7,654 level would signal intraday price and momentum are weak. USD 7,419 is the key technical support, as downside moves that hold at or above this level would keep the technical in a bullish phase and neutral below. Resistance is at USD 7,743, USD 7,812, USD 7,969 with support at USD 7,565, USD 7,497 and USD 7,419.

## Zinc

Price closed below the daily pivot point yesterday meaning intraday price and momentum were aligned to the downside resulting in the futures trading to a low of USD 2,722. the RSI is now below 50 with price on the daily pivot point. A close below the USD 2,756 on the 4—hour candle would level would indicate that intraday price is weak. Likewise, a close above the USD 2,756 level with the RSI at 55 or higher (Currently 47.5) would indicate intraday strength. Technically as highlighted yesterday it looks like we are seeing a potential cycle completion; however, the October November intraday Elliott wave cycle could still be part of a larger cycle. From a longer-term cycle perspective USD 2,473 is a support level to monitor, as price action that holds this level still has the potential to start another bull intraday Elliott wave cycle. Resistance is at USD 2,791, USD 2,844, USD 2,909 with support at USD 2,714, USD 2,672 and USD 2,603

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## Lead

Lead Remains in bearish territory with price below the daily pivot point with the RSI below 50. Upside moves on the 4—hour candle that close above the USD 2,050 level with the RSI at 60 or higher (currently 48) would support bullish intraday price action. The futures remain in a corrective phase with wave analysis suggesting that downside moves should be considered as countertrend at this point. Resistance is at USD 2,074, 2,096, 2,138 with support at USD 2,028, 2,005 and USD 1,998

## Data source Bloomberg