

# FIS Base Morning Intraday Note

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## Nickel

Conflicting momentum and price on Friday meant the upside move was not supported, resulting in price failing to hold in positive territory. Price opened in negative territory but is trading above the USD 17,541 daily pivot point; however, price needs to close on the 4-hour candle above this level with the RSI at 65.5 or higher (Currently 63.5), for price and momentum to be aligned to the buyside. Downside moves that close on the 4-hour candle below the USD 17,541 level would indicate intraday weakness. Upside moves that trade above the USD 17,880 level would create a negative divergence in the market and warn of a potential momentum slowdown. Resistance is at USD 17,880, USD 18,111, USD 18,310 with support at USD 17,541, USD 17,368 and USD 17,280.

## Ali,

Price and momentum are aligned to the downside with the futures pullback considered as deep and the technical phase as neutral/bullish. It is not considered as bearish as the futures have not made a lower low in the market. The deep pullback also brings into question the bullish intraday Elliott wave count. Upside moves that close on the 4-hour candle above the USD 2,063 level with the RSI at 55 or higher (currently 48.7), would mean that price and momentum are aligned to the buy side. Resistance is at USD 2,063, USD 2,081, USD 2,097 with support at USD 2,036, USD 2,024 and USD 1,972.

## Copper

Price and momentum are now conflicting. Price is below the daily pivot point at USD 7,975 but not supported by the RSI. Downside moves on the 4-hour candle that close below the USD 7,975 level with the RSI at 60 or lower (currently 61.2), would mean price and momentum are aligned to the sell side. Likewise, a close on the 4-hour candle above the USD 7,978 level with the RSI at 64 or higher would indicate price and momentum are aligned to the buyside. The futures have been in divergence with the RSI since the 04-12-20, however the intraday Elliott wave cycle (65 min chart) would suggest we have the potential for another test to the upside in the near-term. Resistance is at USD 7,975, USD 8,028, USD 8,078 with support at USD 7,922, USD 7,848, USD 7,722.

## Zinc

Momentum weakened on Friday but price held above the daily pivot point, leaving the technical conflicting into the close. Price is now above the daily pivot point with the RSI at 59, if price holds above the USD 2,862 level with the RSI at 58 or higher then price and momentum would be aligned to the buyside. However, the new high has created a negative divergence with the RSI warning that the intraday is in an Elliott wave 5 with the potential to produce a momentum slowdown soon. A close on the 4-hour candle below USD 2,862 with the RSI at 54.2 or lower would mean price and momentum are aligned to the sell side, suggesting we have potentially entered a corrective phase. Resistance is at USD 2,907, USD 2,942, USD 2,986 with support at USD 2,862, USD 2,840 and USD 2,822.

## Lead

Intraday price and momentum failed to confirm bullish intraday price and momentum on Friday. Resulting in the 4-hour candle closing below the USD 2,043 level with the RSI below 45.6, meaning intraday price and momentum finished the week aligned to the sell side. Our Elliott wave count suggested that this could be on wave 4 of C, supporting further weakness. However the strength of the downside move means the intraday divergence failed, warning that intraday upside moves could be countertrend at this point.

**Continued on page 2**

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## Lead continued

The lack of divergence would now support the intraday downside move as a Wave 3 of Wave C. Upside moves on the 4-hour candle that close above the USD 2,039 level with the RSI at 49 or higher (currently 37.8), would mean price and momentum are aligned to the buy side. Resistance is at USD 2,039, USD 2,049, USD 2,068 with support at USD 1,981, USD 1,943 and USD 1,881.