

FIS Base Morning Intraday Note

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Copper

The futures entered a corrective phase with price and momentum becoming aligned to the sell side into the close on Friday. The futures have opened below the daily pivot point and remain corrective at this point. Upside moves on the 4-hour candle that close above the USD 8,111 level with the RSI at 61 or higher (currently 48.8) would warn that intraday price and momentum are turning bullish. Downside moves that hold at or above the USD 7,904 level would support a buyers argument, below this level the pullback would be considered as deep and the phase neutral. Resistance is at USD 8,111, USD 8,211, USD 8,238 with support at USD 7,904, USD 7,841 and USD 7,733.

Ali

Having rejected the 78.6% retracement last week at USD 2,072 price and momentum became aligned to the sell side. The futures pullback is considered as deep below the USD 2,009 level, taking the technical phase from bullish to bullish/neutral. Downside moves below the USD 1,997 level would weaken the technical further. Upside moves that close above the USD 2,023 level on the 4 hour candle with the RSI at 56 or higher (currently 44) would mean price and momentum are aligned to the buyside. The deep pullback is suggesting we could be entering a corrective phase on a higher time frame. For Wave enthusiasts the current cycle started on the 01-10-20, the time period is 702 min candle with the wave 3 between the 29-10-20 and 17-12-20 having 9 sub-waves, meaning it was and extended wave 3. Resistance is at USD 2,023, USD 2,033, USD 2,058 with support at USD 1,997, USD 1,969 and USD 1,976.

Zinc

The futures failed to trade above the USD 2,900 level and make a new high. The downside move is now below the USD 2,782 support meaning the pullback is considered as deep, taking the technical into a neutral phase (neutral/bullish as it has not yet made a lower low). Upside moves that close on the 4-hour candle above the USD 2,831 level with the RSI at 56 or higher (currently 45), would mean intraday price and momentum are aligned to the buyside. Like the Ali futures, the deep pullback is warning that we may be entering a corrective phase on a higher time frame. The Zinc higher timeframe cycle is also a 702 min candles, that started on the 02-10-20. Downside moves below the USD 2,726.5 support would confirm a higher time frame correction, based on the lower low in the market. Resistance is USD 2,831, USD 2,864, USD 2,930 with support at USD 2,762, USD 2,726 and USD 2,634.

Nickel

Having made a higher high, the Nickel futures had confirmed that it had entered a bullish wave 5. USD 17,117 is a key support to follow; downside moves below this level would warn the futures could be entering into a corrective phase on a higher timeframe, due to the depth of the pullback. If support holds then the technical cycle remains in bullish territory with an upside target of USD 18,200. Upside moves on the 4-hour candle that close above the USD 17,725 level with the RSI at 57.5 (currently 45) would mean price and momentum are aligned to the buyside. Resistance is at USD 17,725, USD 17,980, USD 18,200 with support at USD 17,117, USD 17,025 and USD 16,910.

Lead

The upside move had been 161.8% longer than the previous wave, suggesting that it was a bullish impulse wave. However, the downside move is now considered as deep, taking the technical into a neutral phase. Upside moves that close on the 4-hour candle above the USD 2,006 level with the RSI at 50 or higher would mean price and momentum are aligned to the buyside. Downside moves that trade below the USD 1,955 support would create a lower low and be considered as bearish. Resistance is at USD 2,006, USD 2,034, USD 2,058 with support at USD 1,955, 1,940 and USD 1,929.

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