

FIS Base Morning Intraday Note

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Copper

Conflicting price and momentum on the copper futures resulted in the current upside moves continues failing at the 50% Fibonacci retracement level (USD 8,038). The intraday EMA's are flat indicating the market is not currently in trend, with the futures moving sideways for the last 24 hours. The depth of the pullback has left the futures in a neutral/bullish phase, upside moves that fail at or below the USD 8,102 level remain vulnerable to further tests to the downside, above this level the upside moves is deep into the last bear wave down and would support a buyers argument. Downside moves on the 4—hour candle that close below the USD 7,991 level with the RSI at 49.5 or lower would indicate price and momentum is weakening (currently 50.5). Likewise, above the USD 7,991 level with the RSI 53.5 or higher would mean price and momentum are aligned to the buyside. Resistance is at USD 8,038, USD 8,102, USD 8,152 with support at USD 7,931, USD 7,904 and USD 7,841.

Ali

Like the copper futures yesterday, price did not have the support of momentum, meaning the upside move failed to hold. Intraday price movement is moving sideways and has formed a symmetrical triangle, however in term of data points we see A,B,C but not D and E. The pattern could break in either direction at this point as it is symmetrical, if the pattern completes D and E, the probability of the move being to the downside increases (Elliott Wave Principle). A close on the 4—hour candle above the USD 2,014 level with the RSI 52 or higher (currently 48) would mean price and momentum are aligned to the buyside. Conversely, a close below the USD 2,014 level would indicate intraday weakness. Resistance is at USD 2,027, USD 2,048, USD 2,058 with support at USD 2,009, 1,997 and USD 1,988.

Zinc

Conflicting price and momentum was resolved yesterday when the 4—hour candle closed below the USD 2,782, meaning price and momentum were aligned to the sell side. Key fractal support is at USD 2,726.5, downside moves below this level go from being corrective to bearish. Upside moves that close above the USD 2,778 level on the 4—hour candle with the RSI at 49.5 or higher (currently 38) would mean price and momentum are aligned to the buyside. Resistance is at USD 2,778, USD 2,791, USD 2,805 with support at USD 2,726.5, USD 2,713 and USD 2,957

Nickel

Downside moves in Nickel yesterday took the intraday into a neutral phase as price and momentum were conflicting due to momentum weakness. The futures remain above the daily pivot and is currently receiving RSI support, however this will need confirmation on the close of the 4—hour candle above the USD 17,683 level with the RSI at 55.5 or higher (currently USD 17,860, RSI 56.8). A close on the 4—hour candle below the USD 17,683 level with the RSI at 51 or lower would mean the intraday price and momentum are weak. Upside moves that fail around the USD 17,951 level remain vulnerable to further tests to the downside (potential Gartley pattern but looking less harmonic today); however, much past this level would suggest that market bulls are targeting the USD 18,200 high. Resistance is at USD 17,951, USD 18,200, USD 18,329 with support at USD 17,683, USD 17,496 and USD 17,308.

Lead

The futures remained aligned to the buyside yesterday with price failing at the USD 2,058 resistance. A weak opening has left price and momentum conflicting, as the futures are below the daily pivot (USD 2,042); however, a close on the 4—hour candle above this level would mean price and momentum are aligned to the buyside. Likewise a close below 2,042 on the 4—hour candle with the RSI 47 or lower (currently 54) would indicate intraday weakness. Technically still conflicting having seen a deep pullback and deep upside move. Resistance is at USD 2,058, USD 2,085, USD 2,106 with support at USD 2,029, USD 2,010 and USD 1,999.

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