

FIS Base Morning Intraday Note

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Copper

A neutral technical yesterday that lacked trend saw the futures have a test at the USD 8,102 level. Resistance was breached on the opening candle but price failed to hold, resulting in a bearish pin-bar and lower pricing. The open 4—hour candle is currently trading below the daily pivot point but does not have a RSI support, leaving the technical conflicting. A close on the 4—hour candle below the USD 8,039 level with the RSI at 50 or lower (Currently 50.5) would mean that price and momentum are aligned to the sell side. Technically neutral, as price has traded above the USD 8,102, 66% Fibonacci level (61.8% + 4% error margin, Neely), the futures failed to hold. USD 8,102 level is also the 78.6% projection level from the high low on the 11-12 of Jan, projected from yesterday's USD 7,950 low, suggesting the rejection could result in further technical weakness. Resistance is at USD 8,039 USD 8,102, USD 8,152 with support at USD 7,994, USD 7,904 and USD 7,814

Ali

An incomplete symmetrical triangle yesterday is starting to look like a flag or pennant today, indicating price and momentum remain neutral. The averages remain flat with price on the USD 2,009 daily pivot point, leaving price and momentum conflicting. Upside moves on the 4 hour candle that close above the USD 2,009 level with the RSI at or above the 51 level (currently 46) would mean that intraday price and momentum are firming. Likewise, a close on the 4-hour candle below the USD 2,009 level would indicate intraday weakness. Technically neutral within a deep corrective phase. Resistance is at USD 2,017, USD 2,026, USD 2,048 with support at USD 1,997, USD 1,992 and USD 1,976.

Zinc

Price and momentum were aligned to the sell side yesterday and this remains the case. Price has broken key fractal support, meaning the technical is considered as bearish, based on the lower low in the market. There is a caveat and that is the USD 2,716 level that held as support for the third time yesterday, making it a key level. Below this level the RSI goes into divergence, warning we have the potential momentum slowdown, if it holds it could attract buying support. The futures are technically bearish but are not considered a technical sell at this point. Resistance is at USD 2,750, USD 2,784, USD 2,805 with support at USD 2,712, USD 2,687 and USD 2,656.

Nickel

Price and momentum confirmed they were aligned to the buyside yesterday with price trading through the USD 17,951 resistance. We noted yesterday that the potential Gartley pattern was looking less harmonic, with upside moves much past this level suggesting that the futures were in a bullish impulse move, rather than an upside countertrend move and this appears to have been the case. This has resolved the week long question of bullish impulse or upside corrective wave? The initial pullback to the low on the 11/1/21 had suggested the upside move could fail. On the 4—hour chart the futures are in divergence, warning we could possibly see a momentum slowdown soon, this is supported by a five wave pattern. When we move down a time frame to take a closer look at the intraday Elliott wave (92 min chart), our wave analysis would suggest we could see further upside moves, indicating the current downside moves is countertrend. Downside moves that trade below the USD 17,818 level would warn the technical picture is weakening, below the USD 17,917 level the technical would be considered as bullish neutral, due to the depth of the pullback. At this point the futures would need to trade below the USD 17,040 level to be considered as bearish. Price and momentum are conflicting, if the current 4—hour candle closes above the USD 18,105 level then the intraday remains firm. If we close below this level with the RSI at 53.5 or lower (currently 56) then intraday price and momentum would be considered as being weak. Resistance is at USD 18,105, USD 18,549, USD 18,642 with support at USD 17,818, USD 17,817 and USD 17305

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Lead

Price and momentum were conflicting yesterday and this remains the case today. The intraday bear argument is strengthening as price has rejected the USD 2,058 resistance and is now below the USD 2,034 daily pivot point. The RSI at 47.5 which supports intraday weakness, however this is not confirmed as the candle is currently open. A close on the 4—hour candle below the USD 2,034 level with the RSI at 48 or lower (currently 47.5) would confirm that intraday price and momentum are aligned to the downside. Likewise, upside moves that close above the USD 2,034 level with the RSI 52 or higher would support a strengthening intraday picture. Resistance is at USD 2,034, USD 2,048, USD 2,076 with support at USD 1,999, USD 1,982 and USD 1,955.