

# FIS Base Morning Intraday Note

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## Copper

Price and momentum are now aligned to the buy side with the futures holding above the USD 7,904 level. The futures are now trading above the previous two day highs but we remain in the range of the daily candle from the 15/1/21. Upside moves that trade above the USD 8,115 level would further support a buyers argument. Price is currently in a symmetrical pattern that started to form between the 8th and 11th of Jan and is now testing the upside resistance for a potential bullish breakout. Downside moves that close below the USD 7,991 level with the RSI at 48.5 or lower (currently 54.5) would mean price and momentum are aligned to the sell side. Resistance is at USD 8,053, USD 8,102, USD 8,152 with support at USD 7,991, USD 7,931 and USD 7,904.

## Alu

The futures traded below the USD 1,976 level and hit the USD 1,944 downside target. Price and momentum are currently aligned to the buy side on the intraday 4—hour technical in what looks to be an upside countertrend move. Intraday wave analysis would suggest we have the potential for one further test to the downside in this wave C correction. Upside moves that fail at or below the USD 1,993 level remain vulnerable to further tests to the downside, above this level the pullback is considered as deep and the technical phase as neutral. A close on the 4-hour candle below the USD 1,964 level with the RSI at 39 or lower (currently 45) would imply the intraday technical picture is weakening. Resistance is at USD 1,993, USD 2,003, USD 2,015 with support at USD 1,964, USD 1,945 and USD 1,933.

## Zinc

The futures continue to hold in the support zone with lower timeframe indicators in divergence. The divergence is not a buy signal but a warning that we have the potential to see a momentum slowdown. The wave C is 127% longer than the initial wave A and contains a 5 wave pattern, suggesting we could be seeing a wave C completion. The current 4—hour candle is open and aligned to the buy side, if we close above the USD 2,684 level with the RSI 41.5 or higher (price is currently USD 2,707 and the RSI is 43.5) then it would confirm that intraday price and momentum is positive. Downside moves on the 4 hour candle that close below the USD 2,684 level with the RSI at 37.5 or lower would signal further intraday weakness, however there is a chance that price action that trades below the USD 2,667 level could create a positive divergence in the market, warning of the potential momentum slowdown. Resistance is at USD 2,715, USD 2,745, USD 2,770 with support at USD 2,684, USD 2,656 and USD 2,623.

## Nickel

The futures continue to trade near the recent high with price and momentum now conflicting, having seen sideways price action for the last two days. The intraday Elliott wave remains bullish on lower time frames, suggesting we could have another small test to the upside to come. A close on the 4—hour candle below the USD 18,180 with the RSI at 54 (currently 56) or lower would signal intraday weakness. Likewise, a close above the USD 18,180 level with the RSI at 58 or higher would suggest price and momentum were aligned to the buy side. Resistance is at USD 18,448, USD 18,645 and USD 19,110 with support at USD 18,180, USD 17,945 and USD 17,818.

## Lead Page

We have had lead in a neutral phase for a few days now and this continues to remain the case. Price and momentum are aligned to the buy side but the futures look to have formed a symmetrical candle, that is in itself a neutral pattern.

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## Lead

The base of the triangle started on the 22/12/20 with the high on the 6/1/21, at this point trend support and resistance is between USD 1,981—USD 2,047. Price action that closes outside of the triangle (and holds outside of it) should give the directional bias to the market. Resistance is at USD 2,027, USD 2,044, USD 2,085 with support at USD 2,006, USD 1,981 and USD 1,960.