

FIS Base Morning Intraday Note

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Copper

A mixed technical on Friday with the futures showing Bearish and bullish price and momentum signals. A bearish Gartley pattern remains in play; however price and momentum are conflicting with the futures now moving sideways since the upside move on the 28/1/21. Upside moves on the 4—hour candle that close above USD 7,851 level with the RSI at 48 or higher (currently 47) would mean price and momentum are aligned to the buyside. Likewise, downside moves that close below the USD 7,851 level with the RSI 43.5 or lower would mean the intraday technical is weakening in price. The technical is in a neutral phase with a potential bearish Gartley pattern in play. Upside moves above the USD 7,960 level would indicate the technical is strengthening and above USD 8,029 the 4-hour futures will have made a higher high, meaning the intraday technical is confirmed as bullish with a near-term upside target at USD 8,117. Support is at USD 7,851, USD 7,788.5 (Double bottom) and USD 7,705.

Ali

The upside move on Friday took the futures above the USD 2,006 level, meaning the pullback was deep into the last bear wave, taking the technical phase into neutral territory. A downside move on the final candle of the week took the intraday price and momentum into bearish territory, however the opening candle of the week has resulted in price and momentum conflicting once again. Upside moves on the 4—hour candle that close above the USD 1,986.5 level with the RSI at 50 or higher (currently 48) would mean price and momentum were aligned to the buyside. Likewise a close below the USD 1986.5 level with the RSI at 46.5 or lower would mean the intraday price and momentum is weakening. The fractal footprint is bearish, upside moves the fail at or near the USD 2,013 level would warn we have the potential further tests to the downside, above the USD 2,025.5 level the intraday will have made a higher high on the 4—hour candle and be considered as technically bullish. Technically neutral with resistance at USD 2,006, USD 2,013, USD 2,025.5 and support at USD 1,969, USD 1,956 and USD 1,945.

Zinc

Price and momentum remained conflicting on Friday but is now aligned to the buyside. The Fractal footprint remains bearish, upside moves that fail at or below the USD 2,672 level remain vulnerable to further tests to the downside, above this level the pullback is considered as deep and the technical phase neutral. A close on the 4 hour candle below USD 2,589 with the RSI at 31 or lower (currently 33) would mean intraday price and momentum are aligned to the sell side. Intraday wave analysis would suggest Friday's upside move could be countertrend; however downside moves that make a lower low could potentially create a positive divergence in the market. The technical on the 4—hour intraday is still bearish with a potential downside target between USD 2,519—USD 2,507 but there are technical and wave analysis signals that would suggest that if we make a new low it would signal potential intraday market exhaustion. Resistance is at USD 2,621, USD 2,643, 2,672 with support at USD 2,568, USD 2,519, USD 2,507.

Nickel

On Friday we highlighted the positive divergence that had formed on the new low in the market, resulting in an upside move and price and momentum being aligned to the buyside, on the intraday 4—hour candle. Upside moves that fail at or below USD 18,164 would leave the technical vulnerable to further tests to the downside, above this level the pullback would be considered as deep and the intraday wave analysis as neutral. Downside moves that close below the USD 17,735 level with the RSI at 43 or lower (currently 49) would mean price and momentum would be aligned to the sell side. Resistance is at USD 17,906, USD 18,016 and USD 18,164 with support at USD 17,735, USD 17,520 and USD 17,455

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Lead

Price and momentum are now conflicting, Upside moves that close on the 4—hour candle the close above the USD 2,027 level with the RSI above 50.5 (currently 48) would mean intraday price and momentum is aligned to the buy side. Likewise a close on the 4—hour candle below the USD 2,027 level with the RSI at 46.5 or lower would mean the intraday price and momentum is weakening. However, upside moves that fail at or below the USD 2,055 level remain vulnerable to further tests to the downside, above this level the technical phase is considered as neutral. Resistance is at USD 2,034, USD 2,043 and USD 2,055 with support at USD 2,005, USD 1,979 and 1,932.