

FIS Base Morning Intraday Note

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Copper

From a technical perspective little has changed from yesterday. The futures remain technically bullish having traded to a high of USD 8,327, price and the RSI have now diverged, warning of the potential for a momentum slowdown. The futures remain aligned to the buy side, however price is on the daily pivot point, a close on the 4—hour candle below the USD 8,252 would warn that we could be seeing a neutral intraday price and momentum. If the RSI closes below 66 (currently 70) then the intraday would be considered as corrective. Based on intraday Elliott wave analysis downside moves should be considered as countertrend at this point. Resistance is at USD 8,446, USD 8,678, USD 8,911 with support at USD 8,252, USD 8,130 and USD 8,087.

Ali

The futures remain aligned to the buy side with the opening 4—hour candle closing above the daily pivot point. The current upside move is still below the USD 2,096 high, meaning the technical has not yet confirmed a bullish wave 5. As with yesterday, downside moves should be considered as countertrend based on the intraday wave analysis. Downside moves on the 4—hour candle that close below the USD 2,070 with the RSI at 60 or lower (currently 66.5) would mean price and momentum are aligned to the sell side. Resistance/target levels are unchanged from the technical at USD 2,080, USD 2,122, USD 2,164 with support at USD 2,070, USD 2,055 and USD 2,030.

Zinc

Price and momentum remain aligned to the buy side having tested the daily pivot point on the open. Intraday wave analysis would suggest downside moves should be considered as countertrend at this point, as highlighted yesterday we seem to have seen a small cycle completion (38 min chart) with the new high suggesting we have entered another lower timeframe bull cycle. Downside moves on the 4—hour candle that close below the USD 2,718 level with the RSI at or below the 58 level (currently 65.5) would mean intraday price and momentum are aligned to the sell side. However, downside moves that hold above the USD 2,675 level would support a buyers argument, below this level the intraday pullback is considered as deep and the phase neutral. Resistance is at USD 2,740, USD 2,750, USD 2,772 with support at USD 2,718, USD 2,702 and USD 2,691.

Nickel

As highlighted yesterday the futures look to have entered a bullish wave 5 of an extended wave 3. Price and momentum remain aligned to the buy side with upside resistance/targets based on Fibonacci extensions at USD 19,128, USD 19,642 and USD 20,156. Note; the longer-term Elliott wave time frame is on a 938 min chart which is now showing a negative divergence, not a sell signal it does warn of the potential for a momentum slowdown as we have now completed the minimum requirement for wave completion of this phase. Downside moves on the 4—hour candle that close below the USD 18,563 level with the RSI at or below the 62 level (currently 67) would mean intraday price and momentum is aligned to the sell side. Downside moves that trade below the USD 18,230 level would create a lower low on the 4—hour chart and warn the futures have entered into a corrective phase. Near-term resistance is at USD 18,871, 19,028 and USD 19,128. with support at USD 18,563, USD 18,406 and USD 18,230.

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Lead

Erratic movements in lead yesterday, having broken above the top of the ascending triangle the futures traded to a high of USD 2,109. Price has opened lower this morning putting it below the daily pivot point, intraday price and momentum is now conflicting, meaning the intraday is considered as neutral. Price is now on the USD 2,085 support from the ascending triangle, as highlighted yesterday the futures need to close above and hold above this level for the technical to be considered as bullish. Closes below the USD 2,085 level would put the futures in neutral territory, this has the potential to become a battleground over the coming days. Downside moves on the 4—hour candle that close below the USD 2,086 level with the RSI at 56.5 or lower (currently 59) would mean price and momentum are aligned to the sell side. Resistance is at USD 2,109, USD 2,131, USD 2,138 with support at USD 2,063, USD 2,041 and USD 1,996.