

FIS Base Morning Intraday Note

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Copper

Sideways action in the copper market has left the futures and the RSI on support levels. Intraday price and momentum is now neutral within a bullish trending environment. Upside moves above the USD 8,327.5 level could create a negative divergence with price, warning we have the potential to see a momentum slowdown on new highs. Upside moves on the 4—hour candle that close above the USD 8,283 level with the RSI at 70 or higher (currently 68) would mean price and momentum is aligned to the buy side. Likewise, a close below USD 8,283 with RSI at 66 or lower would indicate intraday weakness. Resistance is at USD 8,287.5, USD 8,446, USD 8,678 with support at USD 8,246, USD 8,201 and USD 8,119.

Ali

Sideways action yesterday with the futures still below the USD 2,096 high, meaning an Elliott 5th wave is not yet confirmed. Price and momentum are aligned to the buy side but like copper we have the potential to produce a negative divergence above USD 2,083.5. Market buyers will still target the USD 2,096 level to confirm the bullish impulse wave 5 within this phase. Lower timeframe wave analysis remains bullish, suggesting market pullbacks should be considered as countertrend at this point. Downside moves on the 4—hour candle that close below the USD 2,075 level with the RSI at 60.5 or lower (currently 68) would mean intraday price and momentum are aligned to the sell side. Resistance is at USD 2,096, USD 2,112, USD 2,164 with support at USD 2,075, 2,066 and USD 2,055.

Zinc

As previously highlighted, lower timeframe wave analysis would suggest we have entered another bullish Elliot wave phase. This is proving to be the case with price and momentum aligned to the buy side and the futures continuing to make higher highs. Downside moves on the 4—hour candle that close below the USD 2,774 level with the RSI at 66 or lower (currently 76) would warn intraday price and momentum is weakening, however price action that holds at or above the USD 2,752 level would support a buyers argument. Resistance is at USD 2,832, USD 2,864, USD 2,954 with support at USD 2,774, USD 2,752 and USD 2,742.

Nickel

A downside move on the opening candle means price and momentum is now conflicting with the futures now entering a corrective phase. Lower timeframe Elliott wave cycles (28 min) is showing a phase completion; however, as we have seen in Zinc this does not mean the trend is complete. Downside moves that hold at or above the USD 17,891 level would support a buyers argument, upside moves that trade above the USD 18,720 level would indicate we have entered into a lower timeframe bull cycle. Downside moves below USD 18,380 have the potential to test the USD 18,042 support. It is worth noting that recent pullbacks have been shallow, suggesting near-term support could hold. Resistance is at USD 18,720, USD 18,780, USD 18,930 with support at USD 18,540, USD 18,380 and USD 18,042.

Lead

Conflicting price and momentum yesterday turned bullish, the ascending triangle support held with the technical now targeting the USD 2,138 high. Downside moves on the 4 hour candle that close below the USD 2,106 level with the RSI at 58 or lower (currently 65.5) would warn that price and momentum are aligned to the sell side. Intraday wave analysis is bullish suggesting downside moves should be considered as countertrend at this point. Resistance is at USD 2,138, USD 2,154, USD 2,202 with support at USD 2,106, USD 2,090 and USD 2,058.