

FIS Base Morning Intraday Note

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Copper

Price and momentum are aligned to the buy side with the RSI divergence too close to call as the RSI is on its high whilst the futures are making a new high. If it is a negative divergence it is marginal. Near-term upside resistance is now at USD 8,466 with further resistance at USD 8,613 and USD 8,760. Downside below the USD 8,334 level would warn that momentum is weakening based on price with a potential near-term downside target at USD 8,262. A close on the 4-hour candle below the USD 8,282 level with the RSI at 66 or lower (currently 71) would warn that intraday price and momentum is weakening. Support is at USD 8,282, USD 8,214 and USD 8,119.

Ali

Price has now traded within 50 cents of the USD 2,096 high, meaning we have still not confirmed the Elliott 5th wave. There is the potential to produce a negative divergence on a new high, but it is marginal and will need confirmation on the 4-hour candle close. Note; the divergence is a warning and not a sell signal. Upside moves above the USD 2,096 level will target the USD 2,140 level, then USD 2,213. Downside moves on the 4-hour candle that close below the USD 2,083 level with the RSI at 62.5 or lower (currently 68.5) would mean intraday price and momentum is weakening. Support is at USD 2,083, USD 2,059 and USD 2,023.

Zinc

The futures continue to make new highs with 4-hour price and momentum aligned to the buy side. The lower timeframe RSI is showing a negative divergence, warning we could see a momentum slowdown soon. Intraday wave analysis on a lower timeframe (36 min chart) would suggest downside moves should be considered as countertrend at this point. A close on the 4-hour candle below the USD 2,818 level with the RSI at or below the 70 level (currently 74) would mean intraday price and momentum is weak. Resistance is at USD 2,865, USD 2,931, USD 2,950 with support at USD 2,818, USD 2,803 and USD 2,761.

Nickel

The futures have made a new high but price and momentum is conflicting, the RSI is in divergence, warning that we have the potential to produce a momentum slowdown soon. Note; the Nickel divergence is more pronounced on the 4-hour chart than copper and Ali, if Ali produces a divergence. Downside moves on the 4-hour candle that close below the USD 18,513 level with the RSI at or below 60.5 (currently 63.5) would mean price and momentum is aligned to the sell side. Resistance is at USD 18,942, USD 19,313, USD 19,636 with support at USD 18,513, USD 18,439 and USD 18,101.

Lead

Price and momentum remains aligned to the buy side with the futures trading up to the second pivot resistance, at USD 2,144. Like the copper technical we are seeing a marginal negative divergence with the RSI, warning of a potential momentum slowdown. Note; the divergence is more pronounced on the 60 min chart suggesting the futures are not a technical buy at this point. Downside moves that close below the USD 2,122 level with the RSI at or below the 59.5 level (currently 64.5) would mean price and momentum is aligned to the sell side. Resistance is at USD 2,144, USD 2,165, USD 2,181 with support at USD 2,122, USD 2,101 and USD 2,072.