

# FIS Base Morning Intraday Note

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

## Copper

Sideways action yesterday with a failed upside move on the open would suggest the marginal negative divergence highlighted yesterday is becoming a factor in the technical. Price and momentum is weakening and currently conflicting, downside moves that close below the USD 8,379 level with the RSI at 66.5 or lower (currently 66.6) would mean intraday price and momentum is aligned to the buyside. Upside moves above the USD 8,437 level have the potential to produce further negative divergences. Resistance is at USD 8,421, USD 8,448, USD 8,817 with support at USD 8,379 (on it), USD 8,352 and USD 8,310.

## Alu

The futures failed to trade above the USD 2,096 level yesterday, resulting in the futures entering into a corrective phase. At this point we have still not confirmed the market is on an Elliott 5th wave. Price and momentum are aligned to the sell side with near-term support at USD 2,059 with further support/targets at USD 2,023 and USD 1,953. Intraday wave analysis would suggest that downside moves should be considered as countertrend at this point, market pullbacks that hold at or above the USD 2,005 level would support a buyers argument. Below this level the pullback is considered as deep and the intraday technical phase as neutral. Upside moves on the 4-hour candle that close above the USD 2,081 level with the RSI at 65 or higher (currently 60) would mean intraday price and momentum is strengthening. Resistance is at USD 2,096, USD 2,107 and USD 2,132.

## Zinc

As highlighted yesterday, a lower timeframe divergence (36 min chart) warned that we had the potential to see a momentum slowdown soon. We also noted that the lower timeframe wave analysis would suggest that the downside move looked like it could be countertrend at this point. The futures traded up to but failed to trade above the USD 2,845 high from the opening candle of the day. Price and momentum is currently aligned to the sell side but this is unconfirmed as the candle remains open. A close below the USD 2,832 level with the RSI at 71.5 or lower (currently 70) confirm that intraday price and momentum is weakening. Upside moves that close on the 4-hour candle above the USD 2,832 level with the RSI at 76 or higher would warn that intraday price and momentum is aligned to the buyside. Upside resistance is at USD 2,832, USD 2,845, USD 2,869 with support at USD 2,820, USD 2,796 and USD 2,759.

## Nickel

The upside move yesterday failed to hold on the back of the negative divergence with the RSI. Price and momentum are now aligned to the sell side with the futures trading just below the daily pivot point (USD 18,655). Upside moves on the 4-hour candle that close above the USD 18,655 level with the RSI at 64 or higher (currently 59) would indicate that intraday price and momentum is starting to strengthen. However, above the USD 17,785 level we have the potential for further negative divergences. Intraday wave analysis on a lower timeframe chart (55 min starting 03/02/21) is warning we could be in the early stages of a corrective phase. Resistance is at USD 18,655, USD 18,730, USD 18,785 with support at USD 18,525, USD 18,450 and USD 18,245.

## Lead Page 2

# FIS Base Morning Intraday Note

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

## Lead

Yesterday we highlighted that the futures were not a technical buy due to divergences on the 240 min and 60 min timeframes and this has been the case. Price and momentum are now aligned to the sell side indicating intraday weakness. Intraday wave analysis would suggest that downside moves should be considered as countertrend at this point, however market pullbacks below the USD 2,049 level would be considered as deep and the technical phase neutral. A deep pullback would bring the bullish intraday Elliot wave phase into question. Upside moves that close on the 4—hour candle above the USD 2,126 level with the RSI at or above 63.5 (currently 59.5) would mean intraday price and momentum is strengthening. Resistance is at USD 2,126, USD 2,145, USD 2,189 with support at USD 2,107, USD 2,094 and USD 2,063.