

# FIS Base Morning Intraday Note

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

## Copper

A strong open on copper have resulted in price and momentum becoming aligned to the buyside. The upside move so far has come before the confirmation candle closed, the RSI at 72.63 is in divergence still. The technical is bullish, the futures are making higher highs in line with the end of the CNY with a near-term upside target in the futures at USD 8,627—USD 8,637. Upside moves above our resistance zone have the potential to trade up to the USD 8,937 area. Market pullbacks below the USD 8,500 level would indicate a momentum weakness based on price, warning we could test the USD 8,428 level and potentially the daily pivot at USD 8,397. Downside moves that close on the 4—hour candle below the USD 8,397 level with the RSI at 66 or lower (currently 72) would indicate that price and momentum are aligned to the sell side. Technically bullish but needs to see the RSI above 74.9 to break the divergence. Resistance is at USD 8,637, USD 8,784, USD 8,937 with support at USD 8,500, USD 8,428 and USD 8,397.

## Alu

Conflicting price and momentum turned bullish early on yesterday with the futures trading above the USD 2,096 level, confirming the Elliott wave 5 that we highlighted in last weeks technical (this is a 5th wave on the daily technical not intraday). Price traded above the USD 2,106 level supporting a further increase in price that targeted USD 2,124 then USD 2,143, the futures are currently trading at USD 2,133, having achieved the first of our near-term targets. The RSI is no longer in divergence the which is significant as it is signaling that the Elliott wave has just moved up a time frame on the intraday, suggesting the initial 1—5 intraday move that started on the 02/02/21 is part of a larger cycle. I.E. the upside moves becomes the first leg of a larger cycle, indicating a potential wave 3 of a larger wave 5. Downside moves on the 4—hour candle that close below the USD 2,103 level with the RSI at 63 or lower (currently 73) would mean intraday price and momentum is aligned to the sell side. Resistance is at USD 2,143, USD 2,216 and USD 2,291 with support at USD 2,103, USD 2,061 and USD 2,043.

## Zinc

USD 2,845 remains the elusive number on Zinc with the futures failing once again to create a new high in the market. Intraday price and momentum is conflicting as the upside move does not have RSI support at this point. A close on the 4—hour candle above the USD 2,815 level with the RSI at 72 or higher (currently 66.5) would mean price and momentum is aligned to the buyside. Likewise a close below the USD 2,815 level with the RSI at 67.5 or lower would mean intraday price and momentum is weakening. Intraday price is now at USD 2,833, above this level the futures will target (I.E resistance) USD 2,845, USD 2,875 then USD 2,961. Support is at USD 2,815, USD 2,785 and USD 2,761.

## Nickel

Intraday wave analysis has been showing signs of exhaustion in recent days. The futures need a significant move higher to push the wave count into a higher time frame and hold the bullish momentum; however, the upside move this morning has failed to hold, warning that we have technical sellers at higher levels. Price and momentum is currently conflicting meaning intraday price and momentum is considered as neutral. A close on the 4—hour candle above the USD 18,760 level with the RSI at 63 or higher (currently 61) would mean intraday price and momentum is strengthening. Likewise a close below USD 18,760 with the RSI at 59 or lower would indicate intraday weakness. Sideways action and flattening shorter term MA's would support market consolidation at this point. Note the USD 18,945 on the open has triggered a third negative divergence with the RSI. Resistance is at USD 18,845, USD 18,945, USD 19,070 with support at USD 18,690, USD 18,605 and USD 18,450.

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## Lead

Downside moves have been considered as countertrend in the last few days and this looks to have been the case. An upside move that has put the futures above the daily pivot point, however the RSI is not yet supporting an upside move, meaning intraday price and momentum are conflicting. A close on the 4—hour candle above the USD 2,107 level with the RSI at 59.5 or higher would mean intraday price and momentum are aligned to the buy side. Likewise, a close below the USD 2,107 level with the RSI at 55 or lower would mean intraday price and momentum is weakening. Resistance is at USD 2,128, USD 2,150, USD 2,168 with support at USD 2,107, USD 2,097 and USD 2,085.