

FIS Base Morning Intraday Note

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Copper

The downside move yesterday broke Fractal support, meaning the intraday futures had made a lower low and should be considered as bearish. The opening candle has closed above the daily pivot with the candles making a higher high; however, the upside moves does not have RSI support at this point meaning price and momentum are conflicting. Upside moves on the 4-hour candle that hold above and close the USD 8,763 level with the RSI 52.5 or higher (currently 48) would mean intraday price and momentum are aligned to the buyside. Likewise, a close below the USD 8,763 level would indicate the intraday price and momentum is weak. Intraday wave analysis would suggest that the technical remains bullish with downside moves considered as countertrend at this point. The corrective move looks to have created a bullish Gartley pattern, warning that we could be in the early stages of a bullish wave. Upside resistance is at USD 8,938, USD 9,050, and USD 9,138. Failure at or below the USD 9,050 level would leave the technical vulnerable to further tests to the downside, above the USD 9,288 level the futures will have broken Fractal resistance. Support is at USD 8,763, USD 8,571, and USD 8,377.

Ali

Like copper, price and momentum are conflicting as the current upside move does not have RSI support. A close on the 4-hour candle above the USD 2,159 level with the RSI at or above the 55 level (currently 50.2) would mean intraday price has momentum support. Upside moves on the 1-hour chart above the USD 2,130 level would mean the lower timeframe technical has made a higher high, warning that momentum is increasing based on price. However, Fractal resistance on the 4-hour chart is currently at USD 2,241 with further resistance at the USD 2,243. Support is at USD 2,159, USD 2,130, and USD 2,106.5.

Zinc

Intraday price and momentum are conflicting; however, the RSI is nearly in bullish territory. A close on the 4-hour candle that holds above the USD 2,712 level and the RSI at or above 47 (currently 45.8) would support a buyer's argument. The futures are now testing Fibonacci resistance at USD 2,782.1, technically we have traded above this level meaning the technical is now neutral. However, at 40 cents above, we would suggest the technical remains vulnerable until we have seen a clear breach; further resistance is at USD 2,811 and USD 2,862. Downside moves that close on the 4-hour candle below the USD 2,712 level would indicate the intraday is weakening with support at USD 2,688 and USD 2,627.

Nickel

Yesterday we highlighted that the futures had entered a bearish phase with upside moves to be considered as countertrend. The current downside move is now more than 161.8% in length than the previous wave with the futures holding around these levels. Upside moves on the 4-hour candle that close above the USD 16,403 level with the RSI at or above 33.5 (currently 28.8) would mean intraday price and momentum is strengthening. Resistance is at USD 16,941, USD 17,285, and USD 17,750, upside moves that fail at or below the USD 17,750 level remain vulnerable to further tests to the downside. Support is at USD 15,830, USD 15,682, and USD 15,321. Below USD 15,830 look for a potential positive divergence.

Lead

Like the rest of the base complex, intraday price and momentum are conflicting. If the futures hold above the USD 2,016 with the RSI at 43 on the 4-hour close (currently 40.7), then intraday price and momentum will be aligned to the buyside. Likewise, a close below the USD 2,016 level would warn of intraday weakness. Price action above the USD 2,043 level will target the USD 2,058 resistance, a rejection of this level will leave the futures vulnerable to further tests to the downside, above this level the technical is neutral with resistance at USD 2,089 and support at USD 1,997, USD 1,981 and USD 1,962.