

FIS Base Morning Intraday Note

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Copper

Intraday price and momentum did become aligned to the buy side yesterday; however, the futures are now pricing below the daily pivot point meaning it is once again conflicting. Upside moves above the USD 9158 level would indicate that the 4-hour intraday is starting to strengthen, targeting the USD 9,288.5 Fractal resistance. Above this level the intraday is considered as bullish as the futures will have traded above the high of the last dominant bear wave. Upside moves that close on the 4-hour candle above the USD 9,070 level with the RSI at or above 54 (currently 50) would mean intraday price and momentum are aligned to the buy side. Likewise, a close below the USD 9,070 level with the RSI at or below 49.5 would indicate the intraday technical is weakening, targeting the USD 8,982 level, USD 8,908, and USD 8,884 support.

Ali

The upside move in the futures yesterday made a new high, confirming that the futures are on a bullish Elliott 5th wave of this phase. The new high means that the minimum requirement for wave completion has now been met with upside resistance now at USD 2,272, USD 2,307, and USD 2,357. Intraday price and momentum are now aligned to the sell side with the lower timeframe momentum indicators in divergence, warning of a momentum slowdown. The downside move is now deep into the last bull wave indicating that the technical has entered a neutral phase. Support is at USD 2,196, USD 2,183.50, and USD 2,160. Downside moves below the USD 2,183.5 level would signal phase completion; however, upside moves that trade above the USD 2,249.5 level before trading below the USD 2,183.5 level would signal a 5th wave extension. It is important to note that the longer-term trend based on the Elliott wave count on a higher time frame remains bullish, as highlighted in our daily technical report.

Zinc

The technical remains neutral bullish with price and momentum now aligned to the sell side. On the daily technical report we noted that the lower timeframe was in divergence and had the potential to enter a corrective phase and this looks to be the case. Downside moves that hold at or above the USD 2,706 level would support a buyer's argument, below this level the upside move is neutralized, suggesting we remain in a higher timeframe corrective wave 4. Upside moves that close on the 4-hour candle above the USD 2,825 level with the RSI at or above the 54.5 level (currently 47.7) would mean intraday price and momentum are aligned to the buy side. Above the USD 2,863 level the futures will have been above key fractal resistance suggesting the intraday futures are entering a new lower timeframe bull cycle, targeting the USD 2,911, USD 2,918, and USD 2,952 resistance levels. Support is at USD 2,772, USD 2,744, and USD 2,706.

Nickel

Intraday price and momentum are aligned to the buy side, but with the futures remaining in range we continue to see false intraday price and momentum signals. Range resistance is at USD 16,690 with support at USD 15,665. Downside moves that trade below the USD 15,665 level have further support at USD 15,622, USD 15,292, and USD 14,962. The 200-period daily MA is at USD 15,683 with the futures likely to produce a positive divergence on a new low. Upside resistance is at USD 16,121, USD 16,308, and USD 16,690.

Lead

The futures remain in divergence having created a lower low in the market with the daily candle closing below the 200 period MA. Upside moves that close above the 200 period MA (USD 1,930) would warn that momentum is strengthening based on price, as would a close on the 4-hour candle above the USD 1,930 level with the RSI at or above 42. Resistance is at USD 1,930, USD 1,944, USD 1,958 with support at USD 1,908, USD 1,888, and USD 1,846.