

FIS Base Morning Intraday Note

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Copper

The futures drifted lower yesterday resulting in price and momentum being aligned to the sell side. Upside moves above the USD 9,158 level would indicate that momentum is starting to increase based on price with the futures still needing to trade above the USD 9,288.5 level to be considered as bullish. Likewise, downside moves that trade below the USD 8,908 level would create a lower low in the market and warn that the intraday technical picture is weakening. A close on the 4-hour candle above the USD 9,041 level with the RSI at or above the 53 (currently 45) level would mean intraday price and momentum is aligned to the buy side. It is worth noting that the futures look to be in a consolidation period meaning the P&M indicators are not seeing follow through at this point. Resistance is at USD 9,041, USD 9,134, USD 9,288.5 with support at USD 8,908, USD 8,784, and USD 8,704.

Ali

The futures are now in a corrective phase with price and momentum aligned to the sell side. Key fractal support remains unchanged at USD 2,183.5; downside moves below this level would create a lower low in the market and confirm phase completion; likewise, if support holds and price trades above the USD 2,249.5 level then we are looking at wave extension. A close on the 4-hour candle above the USD 2,220 level with the RSI at or above 60 (currently 49) would mean intraday price and momentum are aligned to the sell side. The intraday technical is looking vulnerable on the back of the deep pullback, meaning the futures are considered as neutral as they approach Fractal support. Short term indicators are a little oversold warning of a potential intraday bounce, however if pivot resistance holds market bears will target the USD 2,183.5 level. Resistance is at USD 2,220, USD 2,237, USD 2,249.50 with support at 2,202, USD 2,181, and USD 2,142.

Zinc

The downside moves yesterday traded below the USD 2,795 fractal support, meaning the intraday technical has made a lower low and is considered as bearish. Price and momentum are currently conflicting as the current candle is trading above the daily pivot (USD 2,796). If the 4-hour candle closes above this level with the RSI at or above 53 (currently 46.5) then price and momentum would be aligned to the buy side, failure to close above the daily pivot will leave the intraday technical vulnerable to further tests to the downside. Resistance is at USD 2,833, USD 2,854, USD 2,863 with support at USD 2,758, USD 2,738, and USD 2,700.

Nickel

Nickel continues to flat line and remains in range between USD 16,690, USD 15,665.

Lead

The intraday divergence has resulted in a small upside move meaning price and momentum are aligned to the upside. The futures continue to trade around the daily 200 period MA but have yet to close above it, leaving the technical vulnerable. If the daily chart closes above and holds above the USD 1,930 level, we could see technical buyers enter the market as the daily stochastic is oversold. The intraday technical would suggest that we should close above the daily MA, however until we do the futures remain vulnerable to downside moves. Resistance is at USD 1,947, USD 1,958, USD 1,970 with Support at USD 1,922, USD 1,908, and USD 1,873