

FIS Base Morning Intraday Note

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Copper

Previously the downside move had held above the USD 8,784 level supporting a buyer's argument but had made a lower low in the market meaning the Fractal footprint was bearish. Price and momentum did become aligned to the buy side yesterday but failed to make a new high, leaving the technical vulnerable, resulting in a downside move on the open that has put price below the daily pivot point. Price and momentum are now conflicting, a close on the 4-hour candle below the USD 9,082 level with the RSI at or below 49 (currently 50.8) would mean intraday price and momentum are aligned to the sell side. Likewise, a close above the USD 9,082 level would mean intraday price and momentum is starting to strengthen and above the USD 9,158 level the futures will have broken a near-term fractal resistance; however, to be considered as bullish the futures need to trade above the USD 9,288.5 level. Support is at USD 9,034, USD 8,884, and USD 8,841.

Ali

Nothing technical about the downside moves on the open as it has been driven by China considering selling Ali from state reserves to cool prices. Price and momentum are aligned to the sell side with the futures pullback deep into the last bull wave, indicating a neutral technical. From an Elliott wave perspective, we have not made a new low, but the wave overlap between the 1 and 4 waves would suggest that intraday upside moves would not be considered as bullish impulse at this point. A close on the 4-hour candle above the USD 2,271 level with the RSI at or above 60 (currently 52) would mean intraday price and momentum is considered as bullish. Resistance is at USD 2,240, USD 2,255, and USD 2,271 with support at USD 2,188, USD 2,149, and USD 2,123.

Zinc

We know from the Ali story that the base complex has taken a hit this morning with the opening candle taking price and momentum into bearish territory. The Fractal footprint is still bullish; However, the pullback is now considered as deep, meaning the intraday technical has gone from bullish to neutral. Upside moves on the 4-hour candle that close above the USD 2,866 level with the RSI at or above 56 (currently 53.5) would mean intraday price and momentum are aligned to the buy side, further resistance is at USD 2,899 and USD 2,923. Support is at USD 2,806, USD 2,788, and USD 2,758.

Nickel

Nickel remains in range between the USD 16,690 resistance and the USD 15,665 support. Interestingly the futures have rallied and are now at the upper end of the resistance zone with price and momentum aligned to the buy side. The futures will need to trade, close and hold above the USD 16,690 resistance to gain bullish momentum. Resistance is at USD 16,690, USD 16,941, USD 17,285 with support at USD 16,385, USD 16,225, and USD 15,665.

Lead

As highlighted previously the daily technical has closed above and is holding above the 200-period daily MA with the stochastic in oversold territory, this has resulted in an upside moves that has put intraday price and momentum aligned to the buy side. A close on the 4-hour candle below the USD 1,975 level with the RSI at or below the 49 level (Currently 56.5) for price and momentum to be weak. Resistance is at USD 1,989.5, USD 2,005, USD 2,036 with support at USD 1,975, USD 1,961, and USD 1,914.