FIS Base Morning Intraday Note

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Copper

Price and momentum became aligned to the sell side yesterday with the futures trading down to a low of USD 8,871. The Fractal footprint remains bearish with near-term support at the USD 8,841 then USD 8,784. Downside moves that trade below the USD 8,884 level would weaken the technical further and warn we have the potential to test the YSD 8,570 support. Intraday wave analysis would indicate that we are in a wave 4 corrective phase, indicating there is still the potential for another bull move to the upside. A close on the 4—hour candle above the USD 8,962 level with the RSI at or above the 52 level (currently 47) would mean intraday price and momentum are aligned to the buyside, targeting the USD 9,044 and USD 9,158 resistance levels.

Ali

A strong move lower in the Ali futures on the open was the move of the day with price continuing to remain within the candles range. Price and momentum are still aligned to the sell side with key Fractal support at USD 2,188. The deep pullback means the technical is now in a neutral phase warning that the lower timeframe Elliott wave cycle has a higher probability of failure. Upside moves on the 4—hour candle that close above the USD 2,228 level with the RSI at or above the 56 level (currently 48) would mean intraday price and momentum are aligned to the buyside with further resistance at USD 2,240 and USD 2,255. Upside moves that fail at or below the USD 2,255 level would leave the technical vulnerable to further tests to the downside, above this level would support a strengthening technical picture. Support is at USD 2,188, USD 2,138, and USD 2,049.

Zinc

The technical is now considered as neutral due to the deep pullback yesterday, price and momentum remain aligned to the sell side. The futures continue to hold around the USD 2,806 support with short –term momentum indicators in oversold territory. Upside moves that close on the 4—hour candle above the USD 2,838 level with the RSI at or above 54.5 (currently 48.5) would mean intraday price and momentum is aligned to the buy side; however the intraday futures will need to trade above the USD 2,899 high to be considered as bullish. The deep pullback does bring into question the bullish Elliott wave cycle, however less severe than the Ali would suggest there is the potential for a test to the upside. Resistance is at USD 2,838, USD 2,876, USD 2,936 with support at USD 2,806, USD 2,778, and USD 2,642

Nickel

The possibility of a nickel breakout yesterday faded yesterday with a market sell off back into the range. USD 16,690 is the resistance and USD 15,665 is the support. Support and resistance between these level are intraday noise that at this point lack reliability.

Lead

Intraday price and momentum is aligned to the sell side after a sell off in the afternoon. The fractal footprint is bullish with the downside move considered as correct ,rather than bearish above the USD 1,908 level. However, downside moves below the USD 1,935 level would take the technical into neutral territory an warn that intraday momentum is weakening. Upside moves on the 4—hour candle that close above the USD 1,960 level with RSI at or above the 52.5 level (currently 47) would mean intraday price and momentum is firming. Resistance is at USD 1,960, USD 1,974, USD 1,998 with support at USD 1,936, USD 1,921, and USD 1,908.

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