

FIS Base Morning Intraday Note

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Copper

The futures failed to trade above the USD 9,030 resistance yesterday, leaving the technical vulnerable to further tests to the downside. We have seen a technical pullback that has put price below the daily pivot point (USD 8,905), however we do not have momentum support, meaning price and momentum are conflicting. A close on the 4-hour below the daily pivot with the RSI at or below 45 (currently 47) would mean intraday price and momentum are weakening, and below USD 8,837 the futures will target the USD 8,702, USD 8,570 support levels. Price rallied on a bullish Gartley pattern but now needs to trade above the USD 9,000 swing high and the USD 9,030 resistance to neutralize the bear move down. Upside moves above the USD 9,288.5 level would be above our key fractal resistance and put the intraday into bullish territory.

Alu

A second test of the USD 2,303 resistance failed yesterday resulting in a technical pullback that has put intraday price and momentum aligned to the sell side. Downside moves that hold at or above the USD 2,250 level would support a buyer's argument, below this level the pullback is considered as deep and the technical phase neutral, warning we could see the USD 2,225 Fractal coming under pressure. Further support can be found at USD 2,190 which is the base of the intraday wave 5 that started on the 23/03/21. Upside moves that close on the 4-hour candle above the USD 2,278 level with the RSI at or above the 58 level (currently 53) would mean intraday price and momentum are strengthening, targeting the USD 2,303 resistance and potentially the USD 2,334 level.

Zinc

Intraday price and momentum continue to conflict with both price and momentum on support levels. The head and shoulders pattern on the intraday 4—hour chart remains a possibility with the potential right shoulder still below the USD 2,863 peak of the left. Downside moves the close on the 4-hour candle below the USD 2,823 level with the RSI at or below the 48 level (currently 50.7) would mean intraday price and momentum are aligned to the sell side. Likewise, a close above the USD 2,823 level with the RSI above the 53 level would mean intraday price and momentum are strengthening. Downside moves that trade below the USD 2,805 level would target the USD 2,762 neckline support of the H&S pattern, below this level the futures have near-term support at USD 2,715. Upside resistance is at USD 2,863, USD 2,899, and USD 2,952.

Nickel

USD 16,690 is the resistance and USD 15,665 is the support. The technical remains in range with aggregate open interest dropping since yesterday. Price remains in a range with daily MA's flat, indicating a lack of trend in market. As highlighted yesterday downside moves that trade below the USD 15,665 but fail to hold below this level would warn of buying support in the market.

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Lead

Intraday price and momentum continue to remain aligned to the buy side with the futures moving higher during the day. The daily chart is now above the 8 period EMA and testing the 21 period EMA. Further resistance is at the 55 period EMA (USD 2,006), above this level the daily futures will be above all key moving averages with Fibonacci resistance at USD 2,013, USD 2,046, and USD 2,090. Downside moves on the 4-hour candle that close below the USD 1,959 level with the RSI at or below the 48.5 level would mean that intraday price and momentum are aligned to the sell side. Further support can be found at USD 1,945, USD 1,917, and USD 1,908.