

FIS Base Morning Intraday Note

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Copper

Price and momentum were conflicting on the open with the futures below the daily pivot point. A downside move failed to gain RSI support resulting in the futures basing just below the USD 8,899 50% Fibonacci retracement level. Price and momentum are aligned to the buy side; however, the current 4-hour candle is open and needs to close above the USD 8,961 level for confirmation. Downside moves on the 4-hour candle that close below the USD 8,961 level with the RSI at or below the 48.5 level (currently 52) would mean intraday price and momentum are weakening. Upside moves above the USD 9,104 level would target the USD 9,199.5 and USD 9,288.5 resistance levels. The intraday technical is bullish within a ranging environment with support at USD 8,961.5, USD 8,899, and USD 8,834.

Aluminum

The intraday technical remains neutral with price and momentum now aligned to the buy side. Sideways action yesterday with price trading on both sides of the daily pivot indicating a lack of the trend. Upside moves above the USD 2,273.5 level would create a higher high in the market warning the futures could test USD 2,303 and potentially the USD 2,334 resistance levels. Downside moves that close on the 4-hour candle below USD 2,257 with the RSI at or below the 50.5 level (currently 54) would mean intraday price and momentum are aligned to the sell side; however, corrective moves lower that hold at or above the USD 2,228 level would support a buyers argument, below this level would warn that momentum is weakening based on price with the potential to test the USD 2,206 support.

Zinc

Downside moves below the daily pivot point yesterday failed to gain RSI support resulting in the futures closing the day with price and momentum aligned to the buy side. Having made a higher high the intraday Fractal footprint is bullish with near-term resistance at the USD 2,849 high from two days ago, above this level the futures will target the USD 2,865 level with the potential to test the USD 2,898 level, which is the 100% Fibonacci projection of the move between the 01/04/21 and the 06/04/21. Downside moves on the 4-hour candle that close below the USD 2,828 level with the RSI at or below the 49 level (currently 53) would mean intraday price and momentum are aligned to the sell side, targeting the USD 2,812 and USD 2,802 support levels. However, downside moves that hold at or above the USD 2,790 level would support a buyer's argument, below this level the pullback would be considered as deep and the technical phase neutral.

Nickel

Price continues to probe above the USD 16,690 level with the futures moving sideways for the bulk of yesterday. A downside test on the open today created conflicting price and momentum; however, the test back into the range failed to hold suggesting we could potentially be seeing some accumulation as the market is now showing signs of buying pressure. Intraday price and momentum are currently aligned to the buy side; however, this will need to be confirmed by a close on the current 4-hour candle above the USD 16,663 level as the current candle is open. Downside moves that close below this level with the RSI at or below the 51 level (currently 56) would mean that intraday price and momentum are aligned to the sell side. Warning signs suggest we are potentially seeing a momentum build to the buy side, a bull candle indicating a volatility expansion (large candle) that closes above the USD 16,795 level would indicate that buying pressure is increasing. Resistance is USD 16,795, USD 17,285, USD 17,750 with support at USD 16,663, 16,465, and USD 16,283.

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Lead

Buying intensity increased yesterday with the daily futures testing but failing to break the 55 period EMA. The futures have traded above the USD 1,989.5 level creating a higher in the market however the upside move has so far failed to hold, warning it could be range expansion rather than a bullish breakout. The open 4-hour candle is trading above the USD 1,979 level but needs to close above this level to confirm that intraday price and momentum is aligned to the buy side. A close on the 4-hour candle below this level with the RSI at or below 48.5 (currently 53) would mean intraday price and momentum is considered as weak. The technical picture is improving but still lacks conviction at this point. Resistance is at USD 2,000, USD 2,017, USD 2,055 with support at USD 1,979, USD 1,959, and USD 1,941.