

FIS Base Morning Intraday Note

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

Copper

Yesterday we noted that the upside move in the futures did not have RSI support with the futures creating a negative divergence on the new high, not a sell signal it does warn of the potential for a momentum slowdown. Price and momentum continue to conflict with the futures producing sideways action at this point. Technically the Elliott wave cycle is still bullish at this point with near-term upside targets unchanged at USD 10,146. However, the minimum requirement for wave completion is now achieved meaning upside moves have the potential to be limited in the near-term. A close on the 4—hour candle below the USD 9962.5 level would mean intraday price and momentum is weak; likewise, a close above this level with the RSI at or above the 66.5 level (currently 62) would mean intraday P&M are aligned to the buy side. Resistance is at USD 10,065, USD 10,146, USD 10,263 with support at USD 9,962, USD 9,898, and USD 9,820.

Ali

intraday price and momentum were conflicting yesterday but nearing bull territory whilst testing technical resistance. intraday P&M is now aligned to the buy side with price continuing to move higher, resistance has now been revised higher to USD 2,486, USD 2,515, and USD 2,527. The intraday Elliott cycle is bullish but continues to warn of a potential momentum slowdown within this phase of the cycle. Downside moves on the 4—hour candle that close below USD 2,440 with the RSI at or below 64 (currently 69) would mean intraday price and momentum are aligned to the sell side. Support is at USD 2,440, USD 2,428, and USD 2,413.

Zinc

We noted yesterday that the technical, although bullish, was showing signs of a momentum slowdown due to the negative divergence that was in play on the back of the new high. The futures have moved lower with intraday price and momentum aligned to the sell side creating a deep pullback into the last bear wave. From a technical perspective the Elliott wave cycle is now considered neutral, downside moves below the USD 2,283.5 level would indicate the wave cycle is corrective/bearish, further support can be found at USD 2,865, and USD 2,790. A close on the 4-hour candle above the USD 2,940 level with the RSI at or above 60.5 (currently 52.5) would mean intraday price and momentum are aligned to the buy side with near-term resistance at USD 2,988.5 and USD 3,074.

Nickel

Conflicting price and momentum yesterday became bearish on a weaker open this morning. The longer-term intraday technical remains bullish above the USD 17,367 level, downside moves below this level would leave the futures in neutral territory. However, when we look at the daily technical, we can see that the USD 17,887 resistance is holding whilst the daily technical is vulnerable to further tests to the downside, below the USD 18,598 level giving us conflicting signals. The intraday technical is holding in bullish territory above USD 17,367 but the lower timeframe wave analysis is suggesting we may have seen cycle completion (46 min chart), indicating we are in the early stages of a corrective phase. Upside moves on the 4—hour candle that close above the USD 17,883 level with the RSI at or above 68.5 (currently 58) would mean intraday P&M are aligned to the buy side. Technically in bullish territory but looking very vulnerable. Resistance is at USD 17,883, USD 18,038, USD 18,198 with support at USD 17,430, USD 17,332, and USD 17,228.

Lead page 2

FIS Base Morning Intraday Note

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

Lead

A technical pullback yesterday has resulted in intraday price and momentum becoming aligned to the sell side. From an Elliott wave perspective, the cycle continues to suggest that the downside moves we are witnessing should be considered as countertrend at this point. Corrective moves lower that hold above the USD 2,130 level would support a buyer's argument, below this level the pullback would be considered as deep and the technical phase neutral. This would also warn that we have the potential to see wave failure. A close on the 4-hour candle above USD 2,182 with the RSI at or above 66.5 (currently 60) would mean intraday price and momentum are aligned to the buy side. Resistance is at USD 2,182, USD 2,205, USD 2,220 with support at USD 2,159, USD 2,144, and USD 2,130.