

FIS Base Morning Intraday Note

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Copper

A strong push in the USD yesterday on the back of the market positioning for a potential hawkish FOMC today, resulted in the copper futures coming under pressure. The pullback put intraday price and momentum aligned to the sell side, however the downside moves has failed to hold with copper now above the daily pivot point. Intraday price and momentum are conflicting, if the 4-hour candle closes above the USD 9,403.50 level with the RSI at or above the 53 level (currently 50.5), then intraday price and momentum will be aligned to the buyside. Likewise, a close below this level will leave it aligned to the sell side. The RSI is now neutral with the stochastic in oversold territory, momentum is warning the technical is vulnerable to a test to the upside. Resistance is at USD 9,532, USD 9,632, USD 9,675 with support at USD 9,403, USD 9,344, and USD 9,263.

Ali

Like copper, Ali came under pressure yesterday with the futures creating a deep pullback that resulted in intraday P&M being aligned to the sell side and a neutral. The downside move held the 55 period MA with price now testing the pivot resistance at USD 2,523, a close above this level on the 4-hour candle with the RSI at or above 59.5 (currently 51) would mean P&M is aligned to the buyside. The RSI is above 50 with the stochastic in oversold territory, momentum is warning we are vulnerable to a test to the upside. Resistance is at USD 2,523, USD 2,558, USD 2,581.5 with support at USD 2,500, USD 2,491.5, and USD 2,459.

Zinc

Yesterday pullback held the USD 2,918 Fibonacci support, keeping the technical in bullish territory; however, the downside move did result in the intraday P&M becoming aligned to the sell side. The futures have rallied on the open with price above the USD 2,941 daily pivot, the upside move is supported by the RSI, but the candle is still open, meaning that intraday P&M is currently aligned to the buyside but needs confirmation. A close above USD 2,941 with the RSI at or above 55.5 (currently 53.5) would confirm this. Likewise, a close below this level with the RSI at or below 51 would mean it is aligned to the sell side. Upside moves above trade above and hold above USD 2,986 would mean price has broken range resistance suggesting the USD 3,037 - USD 3,075 resistance levels could be tested. Support is at USD 2,941, USD 2,918, and USD 2,898.

Nickel

Like the rest of the base complex the futures sold lower on the back of a strong USD. Price traded down to and held the USD 17,930 fractal support meaning the intraday technical is considered as neutral, however the stochastic is oversold with the RSI at 50, warning that momentum is vulnerable to a move to the upside. Intraday P&M are conflicting with price now above the USD 18,190 pivot level, if we close above it with the RSI at or above 53.5 (currently 51.5) would mean intraday P&M are aligned to the buyside. Likewise, a close below this level would mean P&M are aligned to the sell side. Resistance is at USD 18,450, USD 18,620, USD 18,675 with support at USD 18,190, USD 17,930, and USD 17,760.

Lead

The upside move had previously taken the intraday technical into a neutral phase, the dollar move whipsawed the P&M from bullish to bearish, it is now conflicting. A close on the 4-hour candle above the USD 2,297 level with the RSI at or above 60 (currently 59) would mean P&M are aligned to the buyside. A close below this level with the RSI at or below 52.5 would mean it is aligned to the sell side. Upside moves that trade above the USD 2,328 level will target the USD 2,344, and USD 2,361 resistance levels. Support is at USD 2,297, USD 2,276, and USD 2,259.