

FIS Base Morning Intraday Note

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Copper

The futures produced a double bottom last week with intraday momentum indicators suggesting the futures would be vulnerable to a test to the upside. Intraday price and momentum are conflicting, the current open candle is trading below the daily pivot at USD 9,466. A close on the 4-hour candle below this level with the RSI at or below 49 (currently 52) would mean intraday price and momentum are aligned to the sell side. Support is at USD 9,393, USD 9,347, USD 9,270 with resistance at USD 9,532, USD 9,558, and USD 9,675.

Aluminum

Having held support the futures moved higher on Friday meaning intraday price and momentum are aligned to the buy side. However, price is on the daily pivot point with the RSI above 50 and the stochastic is overbought, momentum is warning the technical is vulnerable to a test to the downside. Corrective moves lower that close below USD 2,488 with the RSI at or below 45.5 (currently 48.5) would mean intraday price and momentum are aligned to the sell side. The upside move is now considered as deep into the last bear wave meaning the intraday technical is considered as neutral, above USD 2,533 the futures will have created a higher high and be considered as bullish. Support is at USD 2,488, USD 2,466, USD 2,432 with resistance at USD 2,511, USD 2,533, and USD 2,564.

Zinc

The futures traded above the USD 2,986 resistance but the 4-hour candle failed to close above it. Range resistance is now at USD 3,000, intraday price and momentum are aligned to the sell side with the RSI neutral at 50 whilst the longer-term averages are now flat. Upside moves on the 4-hour candle that close above USD 2,972 with the RSI at or above 55.5 (currently 50) would mean intraday P&M are aligned to the buy side, further resistance is at USD 2,986 and USD 3,000. Support is at USD 2,918, USD 2,898, and USD 2,882.5. Technically we remain neutral with the longer-term EMA's flat with the range now at USD 2,882.5—USD 3,000.

Nickel

Having traded to new highs on Friday's open the futures created a negative divergence with price resulting in a momentum slowdown. The futures have produced a technical pullback meaning price is below the USD 18,609 pivot support, intraday P&M are now conflicting. A close on the 4-hour candle below this level with the RSI at or below 53 (currently 54) would mean intraday P&M are aligned to the sell side. Likewise, a close above the daily pivot with the RSI at or above 57.5 would mean it is aligned to the buy side. Corrective moves that hold at or above the USD 18,386 level would support a bull argument, below this level the pullback is considered as deep and the technical phase neutral, below USD 18,160 the futures will have created a lower low and be considered as bearish. Resistance is at USD 18,609, USD 18,675, USD 18,850 with support at USD 18,494, USD 18,386, and USD 18,160.

Lead

Upside price rejection on Thursday did not have RSI support leaving intraday P&M aligned to the sell side on Friday morning. Price moved higher to put the P&M aligned to the buy side; price is now just below the daily pivot with the current candle still open, a close below USD 2,318 with the RSI at or below 55 (currently 56) would mean it is aligned to the sell side. Support is at USD 2,291, USD 2,279, and USD 2,264, corrective moves that hold above the USD 2,264 level would support a bull argument, below this level the pullback is considered as deep into the last bull wave meaning the technical is considered as neutral. Resistance is at USD 2,318, USD 2,344, and USD 2,361.