

# FIS Base Morning Intraday Note

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## Copper

Copper is trading above the daily pivot point with intraday price and momentum conflicting. The futures have moved higher on the back of Chinese data pointing to a steady recovery and Powell's comments that more economic progress is needed before stimulus can be pared back (Bloomberg). Price is up having held Bollinger band support on the open but the technical itself is neutral and in range. We are now seeing a Bollinger band squeeze on the daily chart with the band width (standard setting 20,2,2) now at the lowest point this year. The daily bands are warning we have the potential to see a volatility breakout soon, be aware of a possible head fake, downside moves that create a positive divergence would suggest the move is likely to be bullish and vice versa. Intraday support and resistance on the Bollinger Bands is USD 9,323 and USD 9,521. For more information on the BB squeeze please follow the link <https://www.investopedia.com/articles/technical/04/030304.asp>

## Ali

Having created a new high, the futures entered an intraday consolidation, meaning the daily chart has produced another inside day pattern, this gives us support and resistance (breakout levels) at USD 2,514—USD 2,547. In theory a breakout should give you directional bias, with the breakout leaning in the direction of the initial trend around 62% of the time in equities (Bulkowski), confirmation will come on the close of the daily candle as this will avoid potential false breakouts. Intraday price and momentum are aligned to the buy side with the RSI above 50 in bull territory, upside moves above USD 2,547 will target the USD 25,64 and USD 2,581.5 resistance levels. Downside moves on the 4-hour candle that close below USD 2,522 with the RSI at or below 48.5 would mean intraday price and momentum are aligned to the sell side. Support is at USD 2,522, USD 2,503, and USD 2,489.

## Zinc

The futures have been and remain in a neutral environment, in a range between USD 2,882.5—USD 3,000. Having previously failed to hold the upside break the futures retraced to, but held above the USD 2,898 Fibonacci support, resulting in an upside move in the futures. Intraday price and momentum are aligned to the buy side on the back of the upside move, however the candle remains open and needs confirmation on a 4-hour close above USD 2,925 with the RSI at or above the USD 51.5 (currently 52). A close below this level with the RSI at or below 47 would mean P&M is aligned to the sell side. A close on the 4-hour candle that holds above the USD 3,000 level would warn the USD 3,037 fractal resistance could be broken, at this point the intraday futures would be considered as bullish and target the USD 3,075 level. Support is at USD 2,925, USD 2,882.5, and USD 2,843.

## Nickel

Support levels were tested on the open, but price has held above the 18,398-level, meaning the intraday technical remains in bullish territory. The following upside move has put price above the daily pivot point, intraday price and momentum are now conflicting. A close on the 4-hour candle above USD 18,641 with the RSI at or above 57.5 (currently 55) would mean it is aligned to the buy side; likewise, a close below this level would mean it is aligned to the sell side. Upside moves above the USD 18,860 level still have the potential to create further negative divergences and will need to be monitored. Resistance is at USD 18,763, USD 18,860, USD 18,941 with support at USD 18,641, USD 18,470, and USD 18,341.

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## Lead

The futures failed to test the USD 2,274 support level yesterday with price moving sideways. Intraday P&M is conflicting and needs to close on the 4-hour candle above USD 2,299 with the RSI at or above 56.50 to confirm this (currently 56). Likewise, a close below this level with the RSI at or below 52.5 would mean it is aligned to the sell side. Resistance is at USD 2,324, USD 2,340, and USD 2,344. Above USD 2,344 we have the potential to produce a negative divergence with the RSI. Support is at USD 2,299, USD 2,288, and USD 2,274.