

# FIS Base Morning Intraday Note

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

## Copper

On the close report yesterday, we noted that copper had broken a small trend resistance between 06/07—15/07. Price did test the trend into the U.S. close before opening above and moving higher on the Asian open, we remain above the resistance line but at this point we are not seeing a strong push off it. Intraday price and momentum are aligned to the buy side with resistance at USD 9,558.5, USD 9,632.5, and USD 9,686. Upside moves above the USD 9,632.5 will have broken range resistance; however, price will need to trade above the USD 9,686 level to create a higher high and be considered as bullish. A close on the 4-hour candle below USD 9,413 with the RSI at or below 48 (currently 50) would mean intraday P&M are aligned to the sell side. This would also mean price is back below the trend resistance. Support is at USD 9,413, USD 9,311, and USD 9,236.

## Aluminum

The inside day breakout was to the downside yesterday, resulting in price testing the USD 2,503 support, price however remains within the range of the candle on the 13/07/27 (USD 2,547—USD 2,480). The futures closed near its low but has moved higher on the open, to push price above the daily pivot point (USD 2,517). However, at this point intraday P&M are conflicting with the 5-day average true range (ATR) dropping from USD 56 to USD 34, indicating a decrease in volatility as the market consolidates. A close on the 4-hour candle above USD 2,522 with the RSI at or above 57.5 (currently 55.5) would mean intraday P&M are aligned to the buy side. Likewise, a close below this level with the RSI at or below 53 would mean it is aligned to the sell side. Upside moves above the USD 2,547 level will target the USD 2,581.5 and USD 2,603 resistance levels. Support is at USD 2,517, USD 2,480, and USD 2,432.

## Zinc

The upside move yesterday confirmed that the intraday P&M were aligned to the buy side with the futures now USD 10 below the USD 3,000 range resistance. Upside moves that trade above and hold above the USD 3,000 level will target the USD 3,037 fractal high, above this level the intraday technical is considered a bullish, suggesting the USD 3,075 and USD 3,099 resistance levels could be tested. Downside moves on the 4-hour candle that close below USD 2,953 with the RSI at or below 49.5 (currently 59.5) would mean intraday P&M are aligned to the sell side. Further support can be found at USD 2,904 and USD 2,882.5.

## Nickel

The futures have moved up on the open to trade above the USD 18,860 level, the RSI has also made a new high meaning the near-term divergence has failed; however, we remain in divergence on the longer-term intraday dating back to the 25/06/21. The upside move has created a volatility expansion with the 5-period ATR (intraday 4-hour) moving from USD 143 to USD 278, previous intraday expansions like this one on the 24/06, 30/06, 06/07, and 09/07 have resulted in the market either creating an intraday pullback or a consolidation phase. Price is now USD 300 off its high (USD 19,205) but intraday P&M are aligned to the buy side. A close below USD 18,658 with the RSI at or below 54.5 (currently 58) would mean intraday P&M are aligned to the sell side. Technically bullish but still showing a longer-term negative divergence, the volatility expansion is warning we could consolidate/correct in the near-term, as is the stochastic which is overbought. Resistance is at USD 19,016, USD 19,167, USD 19,360 with support at USD 18,907, USD 18,815, and USD 18,691.

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## Lead

Intraday P&M became aligned to the buy side yesterday, but price failed to create a new high. The RSI is indicating that upside moves above the USD 2,340—2,344 resistance zone have the potential to create a negative divergence. Not a sell signal, the divergence does warn of the potential to create a momentum slowdown. Price is now on the daily pivot point, a close on the 4-hour candle below 2,318 with the RSI at or below the 52.5 level (Currently 54.5) would mean intraday P&M are aligned to the sell side. Technically the trend is bullish, however there are warning signs that momentum could slow down. Resistance is at USD 2,344, USD 2,349, USD 2,381 with support at USD 2,318, USD 2,302, and USD 2,289.