

# FIS Base Morning Intraday Note

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## Copper

Yesterday we noted that the current open candle had made a lower low in the market warning the futures could be entering a corrective/consolidation phase. Price did move lower on the back of the engulfing candle to trade to a low of USD 9,656, however the downside move failed to hold with the candle closing on the daily pivot point. Intraday price and momentum are still aligned to the buy side, but price is trading on the current pivot level (USD 9,793), downside moves that close below this level with the RSI at or below USD 58 (currently 63) would mean P&M are aligned to the sell side. Corrective moves that hold at or above the USD 9,611 level will support a bull argument, below this level the pullback is considered as deep and the technical phase neutral. Intraday resistance is at USD 9,971, USD 10,017, and USD 10,065; however, on the daily technical we highlight the USD 10,157 level as being important as this current upside moves looks like it is potentially a countertrend corrective wave B. We base this count on two areas, 1) the downside move on the 01/06/21 only consisted of 3-waves and not 5. 2) wave-4 corrections have a tendency to take a long time to form, using the Williams approach to calculate a time zone for completion, the low on the 18/06/21 (USD 9,011) looks to be too short. It is important to note that this is Elliott wave theory and not Elliott wave fact meaning this is my interpretation of the current wave count. Support is at USD 9,743, USD 9,687, and USD 9,611.

## Alu

Price did test to the downside yesterday but failed to achieve RSI support, intraday price and momentum remain conflicting. Key support remains unchanged at USD 2,459; corrective moves that hold above this level remain in bull territory. A close on the 4-hour candle above the USD 2,496.5 with the RSI at or above 52.5 (currently 49.5) would mean intraday price and momentum are aligned to the buy side, further resistance is at USD 2,526 and USD 2,538. The RSI is neutral with the stochastic in oversold territory, momentum is warning the technical is vulnerable to a test to the upside. Price action above the USD 2,538 level will create a higher high in the market, meaning the intraday technical would be considered as bullish. Support is at USD 2,475, USD 2,459, and USD 2,446.

## Zinc

Having produced a rejection candle on the open yesterday (on low volume) the futures continued lower to trade below the USD 2,958 support. Intraday price and momentum are aligned to the sell side with the technical now considered as neutral. A neutral RSI (49.45) with an oversold stochastic is warning that momentum is vulnerable to a move to the upside. A close on the 4-hour candle above the USD 2,982.5 with the RSI at or above 54.5 would mean intraday P&M are aligned to the buy side, further resistance is at USD 3,023 and USD 3,037. longer-term EMA's on the daily candle remain flat, indicating the trend is neutral. Support is at USD 2,958, USD 2,945, and USD 2,921.

## Nickel

Price moved lower yesterday but failed to trade below the USD 19,214 support level. Intraday P&M did become aligned to the sell side, however a strong upside move on the open has resulted in price closing above the daily pivot at USD 19,445. The upside move does not have RSI support meaning intraday P&M are conflicting, if the 4-hour candle is still above USD 19,445 on its close with the RSI at or above 63.5 (currently 58) then it will be 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 19,795 high will target the USD 19,894 and USD 20,037 resistance levels; however, a new high will create a negative divergence with the RSI warning we have the potential for a momentum slowdown. The divergence is not a sell signal as they can and do fail, but from a technical perspective a new high would not be considered a buy. Support is at USD 19,214, USD 19,035, and USD 18,791.

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## Lead

The intraday technical is now neutral as price has traded below the USD 2,338 support, intraday P&M are aligned to the sell side. The futures are on the USD 2,326 support, below this level they will target USD 2,305 and USD 2,273.5. Upside moves on the 4-hour candle that close above USD 2,345 with the RSI at or above 57 (currently 45) would mean intraday price and momentum are aligned to the buy side. Resistance is at USD 2,350, USD 2,357, USD and 2,367, Upside moves that fail at or below the USD 2,367 level remain vulnerable to further tests to the downside, above this level the futures will target the USD 2,388 and USD 2,404 levels. It is worth noting that the daily RSI is on support, if we go lower the daily technical will produce a bullish hidden divergence warning we could potentially see a momentum slowdown into the end of the week.