

FIS Base Morning Intraday Note

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Copper

Intraday price and momentum remained aligned to the sell side yesterday with price selling off into the U.S. close. Price has gapped up on the open by USD 16.00, but the futures remain below the daily pivot (USD 9,681) leaving intraday price and momentum aligned to the sell side. The RSI is neutral at 50 with the stochastic oversold, momentum is warning that the futures are vulnerable to a test to the upside. A close above USD 9,681 with the RSI at or above 58 (currently 50) would mean intraday P&M are aligned to the buy side. The technical pullback has held the USD 9,611 support indicating the futures remain in bull territory, below this level the technical would be considered as neutral. Resistance is at USD 9,681, USD 9,810, and USD 9,924 with support at USD 9,611, USD 9,551, and USD 9,450.

Ali

Conflicting intraday P&M has become aligned to the sell side on the open with the futures now trading below the USD 2,614 daily pivot. Price is in a corrective phase but is above the Fibonacci support zone (USD 2,578, USD 2,559, and USD 2,532). Corrective moves lower are considered as countertrend based on our intraday Elliott wave analysis with the futures considered as bullish above the USD 2,532 support, below this level the intraday technical is considered as neutral. Upside moves that close above USD 2,614 with the RSI at or above 65 (currently 60) would mean intraday P&M are aligned to the buy side. Resistance is at USD 2,614, USD 2,642, and USD 2,652.

Zinc

Technically bullish yesterday we noted that price was at a key resistance point at USD 3,048. The futures traded above this level (USD 3,059) but failed to hold with the 4-hour candle closing on the USD 3,048 level. This created a small bodied long-legged candle (like a long legged Doji), warning there was indecision in the market. Price subsequently sold lower into the close to create a bearish pin-bar (shooting star/rejection candle). Price has opened below the daily pivot point and sold off on the open, intraday price and momentum are aligned to the sell side with the futures on the USD 2,997 support. Corrective moves lower that hold at or above the USD 2,981 level will keep the technical in bull territory, below this level the pullback is considered as deep and the technical phase neutral. Upside moves on the 4-hour candle that close above USD 3,031 with the RSI at or above 61 (currently 50) would mean intraday P&M are aligned to the buy side. Our wave analysis indicates that corrective moves are countertrend, however the pullback is below the USD 3,009 level, creating a wave overlap. In modern wave analysis this is accepted, however it was a golden rule for Elliott that these waves should not overlap. We note this as a warning of a potential cycle failure, if the futures hold above the USD 2,981 level, then then we remain in bull territory. If we trade below this level the technical is considered as neutral and brings into question the bull wave cycle. Resistance is at USD 3,031, USD 3,048, USD 3,059.5 with support at USD 2,997, USD 2,981, and USD 2,969.

Nickel

Momentum had warned yesterday that the futures were vulnerable to a test to the upside. Price did move higher for the morning session but failed to hold, leaving intraday P&M aligned to the sell side. The futures are testing the lower band support on the EMA's (USD 19,275, price is just below it) but the EMA's, although flat, remain well-spaced which would suggest the trend is still supported at this point. Corrective moves lower that hold at or above the USD 18,864 level would be considered as bullish, below this level the pullback would be considered as deep and the technical phase neutral. Our intraday wave analysis would indicate that we are in a countertrend move, making USD 18,864 the key support to follow. Upside moves that close on the 4-hour candle above the USD 19,516 level with the RSI at or above 56.5 (currently 46.5) would mean intraday P&M are aligned to the buy side. Resistance is at USD 19,516, USD 19,760, USD 19,960 with support at USD 19,205, USD 19,130, and USD 18,864.

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Lead

Technically bullish yesterday the futures have sold off aggressively on the open to put intraday P&M aligned to the sell side. The futures are now testing the Fibonacci support zone (USD 2,368, USD 2,360, and USD 2,379) with the RSI holding above the 50 level at this point. The corrective move is on the back of a negative divergence, downside moves that hold above the USD 2,349 level will support a bull argument, below this level the intraday technical is considered as neutral and has the potential to test the USD 2,324 support. Upside moves on the 4-hour candle that close above USD 2,396 with the RSI at or above 58.5 (currently 52.5) would mean intraday P&M are aligned to the buy side, further resistance is at USD 2,412.5 and USD 2,419. Technically bullish but in a corrective phase; the divergence is signaling a momentum slowdown making USD 2,349 the key support to follow.