

FIS Base Morning Intraday Note

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Copper

Neutral bearish on the last report with momentum and the Elliott wave warning we had the potential for a test to the upside. Price moved higher on Friday, resulting in intraday price and momentum becoming aligned to the buy side. Near-term resistance is now at USD 9,620 with further resistance at USD 9,810 and USD 9,924. Downside moves on the 4-hour candle that close below USD 9,384 with the RSI at or below 50.5 (currently 62) would mean intraday price and momentum are aligned to the sell side. Support is at USD 9,420, USD 9,384, and USD 9,351, corrective moves below the tertiary support would be considered as deep into the last intraday bull wave, meaning the intraday technical would be considered as neutral.

Alu

Technically bullish on Friday but not considered a technical buy on a new high, as the futures would create a negative divergence with the RSI, warning of the potential for a momentum slowdown. Price has traded above the USD 2,642 level to create the divergence and is now testing the USD 2,714 resistance; further resistance can be found at USD 2,746 and USD 2,760. Downside moves on the 4-hour candle that close below USD 2,656 with the RSI at or below 56 (currently 67) would mean intraday P&M are aligned to the sell side. However, corrective moves lower that hold at or above the USD 2,635 level would support a bull argument, below this level the technical is considered as neutral, warning the USD 2,619 and USD 2,593 support levels could be tested. Technically bullish but in divergence and at resistance, from a technical perspective the market is not considered a technical buy.

Zinc

Price did trade below the 200-period MA on Friday; however, this attracted buying interest resulting in the support level holding, price subsequently moved USD 50.00 higher from the day's low. Like the downside move the upside move failed to hold with the futures closing the day USD 12.00 lower, this created a long legged small bodied daily candle, not a Doji, it does warn of indecision in the market. Price is above the daily pivot point (USD 2,992) with the RSI at 53.5, if the 4-hour candle and RSI close at these levels then intraday P&M will be considered as bullish. Likewise, a close below this level with the RSI at or below 49 would mean it is aligned to the sell side. Price action is neutral as highlighted by the flat EMA's (30 to 60); however, the 200 period MA (USD2,978) is holding which would indicate there is intraday buying support in the market. Resistance is at USD 3,020.5, USD 3,046, USD 3,055 with support at USD 2,992, USD 2,978, and USD 2,970.

Nickel

Bearish neutral on the last report, we noted that the futures had produced a 3-wave pattern lower warning we could be in the early stages of the next bull wave. The futures moved higher during Friday before gapping higher on the open, to trade to at USD 19,810 high. The bull gap on the open (USD 19,005—USD 19,525) is now considered a support zone (open support window, Nison), if the window is closed the futures will target the USD 18,896 daily pivot. A close below this level with the RSI at or below 49.5 (currently 63) would mean intraday P&M are aligned to the sell side. Resistance is at USD 19,960, USD 20,037, and USD 20,187.

Lead

The Intraday trend remains unstable based on the converging EMA's. Friday's upside move failed to trade above the 200-period MA resulting in the futures trading to a low of USD 2,259. The Daily technical is showing signs that momentum is becoming oversold with price on the 55 period MA (2,279), warning that we could see buying support on a higher timeframe. Upside moves on the 4-hour candle that close above USD 2,293 with the RSI at or above 50.5 (currently 47) would mean intraday P&M are aligned to the buy side.

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Upside moves above USD 2,329 would warn the USD 2,343 fractal high could be tested, above this level the daily technical is considered as bullish. Support is at USD 2,265, USD 2,241, and USD 2,230.