

FIS Base Morning Intraday Note

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Copper

The downside move below USD 9,362 yesterday has taken the intraday technical into a neutral phase, warning the USD 9,268 fractal support could be tested and broken. The futures have moved higher on the open with price now above/on the daily pivot point (USD 9,379) meaning intraday price and momentum are conflicting. A close below this level would mean it is aligned to the sell side, whilst a close above it on the 4-hour candle with the RSI at or above 55.5 (currently 51.5) would mean it is aligned to the buy side. The RSI is above 50 with the stochastic in oversold territory, intraday momentum is warning of a near term test to the upside. However, the daily stochastic is overbought with the RSI neutral, meaning the higher time frame momentum remains weak. This would suggest there is potentially more to come to the downside, it would also imply that upside moves in the intraday could find technical sellers at higher levels. The futures still look like they could be in the early stages of a bullish Elliott 5th wave but at this point the technical remains vulnerable. If the daily RSI goes above and holds above the 50 level, then the faster moving stochastic will become less relevant. Resistance is at USD 9,546, USD 9,620, USD 9,883 with support at USD 9,379, USD 9,268, and USD 9,192.

Ali

The downside move in Ali yesterday held the USD 2,660 support keeping the technical in bull territory. This resulted in an upside move that has created a new high in the market at USD 2,732.5. Technically bullish with intraday P&M aligned to the buy side; however, the intraday RSI has created a negative divergence with price. Not a sell signal it does warn of the potential for a momentum slowdown as we now have a divergence on the daily and intraday technical. Corrective moves lower on the 4-hour candle that close below USD 2,692 with the RSI at or below 58 (currently 62.5) would mean intraday P&M are aligned to the sell side. Key support is now at USD 2,685, below this level the intraday is considered as neutral, whilst below USD 2,661 bearish. Resistance is at USD 2,746, USD 2,760, and USD 2,774.

Zinc

Downside price action yesterday failed to see the 4-hour candle close below the 200-period MA (USD 2,980). Price remains in consolidation on intraday and daily time frames warning the price and momentum signals will be considered as unreliable, as will the EMA's which are currently flat. The daily range remains between USD 3,059.5—USD 2,916.50. Upside moves above USD 3,049.5 would create an intraday high suggesting the USD 3,059—USD 3,075 fractal levels could be tested. Likewise, downside moves that trade below the USD 2,965 level will target the USD 2,926—USD 2,916.50 support zone.

Nickel

The support window remains open (USD 19,250-USD 19,050) but continues to decrease in size having seen further downside price action yesterday. Intraday P&M is bullish on the back of an upside move on the Asian open with price above the USD 19,406 daily pivot, downside moves that close below this level with the RSI at or below 53 (currently 54.8) would mean it is aligned to the sell side. Corrective moves lower that trade below USD 19,050 will close the bull window, whilst below USD 19,034.5 the pullback would be considered as deep, meaning the technical phase will be considered as neutral. Resistance is at 19,563, USD 19,776, 19,810 with support unchanged at USD 19,361, USD 19,222, and USD 19,034.

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Lead

As noted yesterday the technical was starting to look oversold, resulting in an upside move on the daily candle. Intraday price and momentum are aligned to the buy side, but price is on the daily pivot point (USD 2,274), we remain bullish above this level and neutral (conflicting below). A close below this level with the RSI at or below 45 (currently 48) would mean it is aligned to the sell side. Near-term resistance is at USD 2,310—USD 2,329 with key fractal resistance at USD 2,329.5, above this level the intraday will have made a higher high and be considered as bullish. Support is at USD 2,274, USD 2,247, and USD 2,241.