

FIS Base Morning Intraday Note

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Copper

Copper continues to consolidate with price within the range of the candle that formed on the 01/09/21 (USD 9,526—USD 9,275). The pattern formation is an inside day meaning directional bias should come from a break in the range, the longer-term trend suggests we could potentially be in the early stages of a bullish Elliott 5th wave. On the daily technical the RSI is at 49.86 with the stochastic overbought, momentum is warning we may need to see a technical pullback first. Resistance is at USD 9,440, USD 9,492, USD 9,526 with support at USD 9,398, USD 9,346, and USD 9,275.

Ali

The coup in Guinea was the driver of the upside push yesterday, not the technical. The futures have traded to a new high (USD 2,782) with intraday price and momentum aligned to the buy side, supported by the RSI which is above 50. Downside moves on the 4-hour candle that close at or below USD 2,763 with the RSI at or below 60 (currently 65) would mean intraday P&M are aligned to the sell side. However, corrective moves lower that hold at or above USD 2,713 would support a bull argument, below this level the pullback is considered as deep and the technical phase neutral. The RSI is still in divergence warning of the potential for a momentum slowdown, this is now marginal based on the back of the upside move yesterday. Resistance is at USD 2,782, USD 2,794, USD 2,829 with support at USD 2,763, 2,742, and USD 2,730.

Zinc

A small adjustment on some of the levels from yesterday, however from a technical level we are largely unchanged. Price remains in a range between USD 3,059.5—USD 2,916.50 but continues to move higher, intraday P&M are aligned to the buy side with the RSI above 50 (56), supporting an intraday bull argument. Downside moves on the 4-hour candle that close below USD 3,005 with the RSI at or below 51.5 would mean intraday P&M are aligned to the sell side, however corrective moves that hold at or above USD 2,960 remain in bull territory, whilst neutral below. Near-term resistance is at USD 3,020, USD 3,033, USD 3,062 with support at USD 3,005 USD 2,992, and USD 2,977. Technically neutral and in range.

Nickel

After the initial sell off on the open price spent the bulk of the day below the daily pivot level. Intraday P&M remain conflicting as the futures have opened weaker this morning with price trading down to a low of USD 19,420. Longer-term EMA's (30-60) remain well spaced indicating the trend is currently supported with the RSI above 50 at 54.5. Corrective moves lower on the 4-hour candle that close below USD 19,696 with the RSI at or below 53 would mean intraday P&M are aligned to the sell side. Likewise, a close above USD 19,696 level with the RSI at or above 57.5 would mean it is aligned to the buy side. Technically the trend is bullish, price has already pulled back on a near-term divergence above USD 19,810 with a potential secondary divergence above USD 19,960. the divergence is not a sell signal, but it does warn that we could see a weakening of buy side momentum. Support is at USD 19,467, USD 19,281, and USD 19,155.

Lead

Not a great day for lead yesterday with price producing a deep pullback below USD 2,271, warning that the technical picture is weakening. Intraday P&M are aligned to the sell side with the price testing the USD 2,262 support, a close below this level will target the USD 2,247 –USD 2,241 support zone. Upside moves on the 4-hour candle that close above USD 2,283 with the RSI at or above 51 (currently 44.5) would mean intraday P&M are aligned to the buy side, further resistance is at USD 2,319 and USD 2,329.5, with the latter being the key fractal resistance.