FIS Base Morning Intraday Note

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Copper

Technically bullish yesterday with minor divergences on the lower timeframe charts. The futures rallied to a high of USD 9,792 before entering a corrective phase in the U.S/Asian session with the futures trading USD 2.5 below our USD 9,665 support. Intraday price and momentum are aligned to the buyside, but this will need to be confirmed by a close above USD 9,723 on the 4-hour candle. For P&M to be aligned to the sell side we will need to see a close below this level with the RSI at or below 49.5 (currently 57). The technical is bullish based on the futures making higher highs, the 4-hour longer period EMA's (30-60) remain flat indicating a lack of trend, however the same EMA's on the 1-hour chart are starting to fan, indicating the lower timeframe chart is potentially in the early stages of a trending environment. Resistance is at USD 9,795 USD 9,880, USD 9,930 with support at USD 9,723, USD 9,609, and USD 9,578. Corrective moves lower that hold at or above 9,477 will support a bull argument, below this level the pullback is considered as deep meaning the technical is considered as neutral/bullish.

Ali

Flat moving averages signal a lack of trend in the market, the futures remain neutral and potentially in a transitional phase to the buyside. (unchanged). Intraday price and momentum are conflicting, a close on the 4-hour candle above USD 2,682 would mean it is aligned to the buyside. Likewise, a close below this level with the RSI at or below 51 (currently 55) would mean intraday P&M are aligned to the sell side. Technically neutral and potentially in an accumulation phase with key fractal resistance at USD 2,738.5, above this level the futures will be considered as bullish. Resistance is at USD 2,738.5, USD 2,749, USD 2,768 with support at USD 2,615, USD 2,596, and USD 2,577.

Zinc

As noted yesterday the upside move in the futures had created a bubble on the EMA' meaning the futures were starting to look overextended. The futures entered a corrective phase before finding support just below our secondary support level (USD 3,288, low USD 3,284) before moving higher in the Asian session. Intraday price and momentum are aligned to the buyside with the futures considered as technically bullish, upside moves have a near-term target at yesterday's high of USD 3,375. Downside moves that close on the 4-hour candle below USD 3,320 with the RSI at or below 53 (currently 58) would mean intraday P&M are aligned to the sell side; however, corrective moves lower that hold at or above USD 3,217 will support a bull argument. Resistance is at USD 3,375, USD 3,390 with support at USD 3,320, USD 3,255, and USD 3,217.

Nickel

As noted previously, technically bullish, although not in a trending environment we are potentially in the early stages of one. The move higher on the open has created a tweezers top at USD 20,685, above this level would suggest upside continuation with further resistance at USD 20,730 and USD 20,844. Downside moves that close on the 4-hour candle below USD 20,438 with the RSI at or below 57.5 (currently 68) would mean intraday P&M are aligned to the sell side; however, corrective moves lower that hold at or above USD 19,671 will support a bull argument, below this level the pullback is considered as deep and the technical phase neutral. Intraday. Based on the futures and the RSI both making a higher high, it would suggest that downside moves should be considered as countertrend at this point. Support is at USD 20,438, USD 19,984, and USD 19,934.

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Lead

The futures continue to move higher with price now entering the Fibonacci resistance zone, the EMA's remain well spaced but are starting to flatten with resistance levels expected to hold. Upside moves that fail at or below USD 2,318 remain vulnerable to further tests to the downside, above this level the technical is considered as neutral bearish. A close on the 4-hour candle below USD 2,255 with the RSI at or below 42.5 (currently 50) would mean intraday P&M are aligned to the sell side. Resistance is at USD 2,288, 2,299, USD 2,318 with support at USD 2,255, USD 2,247, and USD 2,236.

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