

FIS Copper Technical Report

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Copper—Rolling 3 month



Support		Resistance		Current Price	Bull	Bear
S1	6,955	R1	8,086	7,420		RSI below 50
S2	6,595	R2	8,435			
S3	6,065	R3	8,909			

Synopsis

Chart source Bloomberg

- Price is between the 8-21—period EMA
- RSI is below 50 (33)
- Stochastic is below 50
- Technically bearish but in divergence on the last report, the retreat in global markets had looked like it could soon become a rout, the downside moves below USD 9,232 warned that the USD 8,938 low could be tested. from coppers perspective, it was a rout with the downside moves exceeding our expectations, as the futures re-entered a bearish trending environment resulting in the futures trading to a low of USD 6,955. Price is below all key moving averages supported by the RSI below 50.
- The downside move below USD 8,938 signaled the futures had entered a higher timeframe Elliott wave-3, which went on to extend within its own cycle. The futures have now found a base with price moving higher on the back of a positive divergence with the RSI.
- The upside move we are now seeing is a higher timeframe wave 4. This is theory means the current upside move is countertrend move, as wave analysis suggests there is more downside in this cycle.
- Again, in theory, a wave 4 tends to retrace between 38.2% and 50% of the wave 3, making key resistance levels to follow between USD 8,086 and USD 8,909. However, upside moves that fail at or below USD 8,909 remain vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, wave analysis indicates this upside move is countertrend.

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