Base Morning Technical Report

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China

China's Premier Li Keqiang asked local officials from six key provinces that account for about 40% of the country's economy to bolster pro-growth measures after data for July showed consumption and output grew slower than expectations due to Covid lockdowns and the ongoing property slump.

Li told officials at a meeting to take the lead in helping boost consumption and offer more fiscal support via government bond issuance for investments, state television CCTV reported Tuesday evening. He also vowed to "reasonably" step up policy support to stabilize employment, prices and ensure economic growth.

"Only when the main entities of the market are stable can the economy and employment be stable," Li was cited as saying at the meeting in a front-page report carried in the People's Daily, the flagship newspaper of the Communist Party. (Bloomberg).

Al

Europe's soaring costs for electricity have claimed another victim, with Norsk Hydro ASA planning to shutter an aluminum smelter in Slovakia at the end of next month.

The closure of the Slovalco facility adds to growing signs of stress across European industries including metals, as power prices surge to record highs. On Tuesday, zinc prices rallied after one of the region's biggest smelters said it would suspend output next month. (Bloomberg)

FIS

Copper Morning Technical (4-hour)

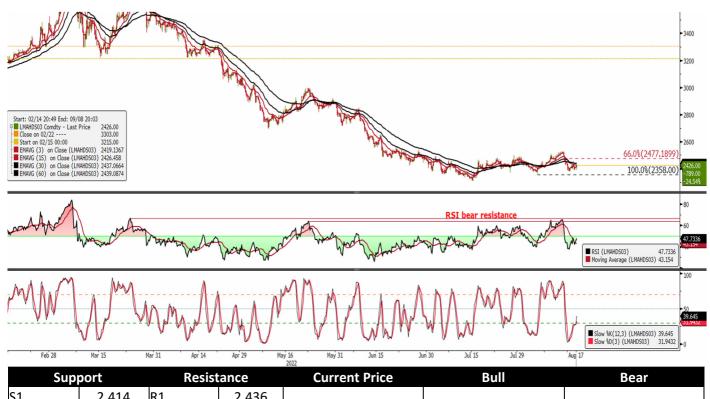


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S3	7,810	R3	8,244			
S2	7,865	R2	8,214	8,016	RSI above 50	
S1	7,995	R1	8 <i>,</i> 095			

Synopsis - Intraday

Source Bloomberg

- Price is on the EMA support band (Black EMA's)
- RSI is above 50 (52)
- Stochastic is below 50
- Price is above the daily pivot point USD 7,995
- A flat reading session yesterday and on the Asian open. The futures are trading on the EMA support band with the RSI above 50. Intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 7,995 with the RSI at or above 54 will mean price and momentum are aligned to the buyside. likewise, a close below this level with the RSI at or below 49.5 will mean it is aligned to the sell side. Upside moves that fail at or below USD 8,095 will leave the futures vulnerable to further tests to the downside, above this level the intraday technical will have a neutral bias.
- The RSI is testing MA resistance with the futures trading on the EMA support band, which is now flat, suggesting the technical is becoming more neutral as the bull trend is less stable.
- Downside moves that hold at or above USD 7,812 will support a higher timeframe bull argument; however, when looking at the daily technical we can see price is at the EMA resistance band having moved lower on a negative divergence, warning this technical is vulnerable to a downside move from here. If we trade below USD 7,812, we target the USD 7,602 level in the near-term with the potential to trade back to the USD 6,955 low.



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S1	2,414	R1	2,436			
S2	2,380	R2	2,453	2,421	Stochastic oversold	RSI below 50
S3	2,358	R3	2,477			

Synopsis - Intraday

Source Bloomberg

FIS

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (46)
- Stochastic is oversold
- Price is above the daily pivot point 2,414
- A mixed day yesterday with a little bit of random price movement. The downside move has put the futures back into the ranging environment. Price is below the EMA resistance band (EMA's have now crossed) supported by the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below 2,414 with the RSI at or below 41 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,477 will leave the futures vulnerable to further tests to the downside, above this level the intraday technical will have a neutral bias.
- Price is currently rejecting the daily EMA resistance band whilst the intraday RSI rejected the bearish resistance band. The technical is neutral with intraday momentum to the buyside; however, there are warning signs that the USD 2,358 and USD 2,310 support levels are vulnerable. The futures have based well around these levels and that does support a bull argument, but if we break to the downside any recent market accumulation has the potential to exit.



Zinc Morning Technical (4-hour)



Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (57)
- Stochastic is above 50
- Price is below the daily pivot point USD 3,671
- Yesterday we noted that the support band had the potential to come under pressure in the near-term as further upside moves would create another negative divergence. Price did move higher but failed to hold the USD 3,797 resistance, resulting a bull close that contained a rejection tail. A float open in Asia with price still holding above the EMA band supported by the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close above the 4-hour candle above USD 3,671 with the RSI at or above 60 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 3,552 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 3,480 is the intraday technical bearish.
- Technically bullish on a new high with price producing a rejection tail on the daily cand having moved lower on a negative divergence. The technical is bullish but not considered a technical buy at this point.

Nickel Morning Technical (4-hour)



Synopsis - Intraday

Source Bloomberg

FIS

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (51)
- Stochastic is oversold
- Price is below the daily pivot point USD 22,370

Technically neutral yesterday the futures moved higher but remained within the previous days range. Price is above the EMA support band which is flat and compressed signaling a lack of trend in the market. the RSI is above 50 but price and momentum are aligned to the sell side.

A close on the 4-hour candle above USD 22,370 with the RSI at or above 53.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 23,277 will leave the futures vulnerable to further tests to the downside, above this level we target the USD 14,090 fractal resistance.

Technically neutral with the futures producing an inside day candle stick yesterday.

Lead Morning Technical (4-hour) 2200 2100 66.0%(2074.4399) Start: 07/21 01:07 End: 08/18 13:45 LMPBDS03 Comdty - Last Price 2050 Close on 07/20 2032.50 Start on 07/21 04:00 2027.50 on Close (LMPBDS03) EMAVG (3) 2152.913 2155.5 2000 EMAVG (60) on Close (LMPBDS03) 2124.1223 RSI (LMPBDS03) 51.279 Moving Average (LMPBDS03) 54.477 100 24,4847 Slow %K(12,3) (LMPBDS03) 24.484 Slow %D(3) (LMPBDS03) 25.580 Resistance **Current Price** Bull Support Bear S1 2,134 R1 2,165 S2 R2 RSI above 50 2,109 2,197.5 2,150 2,074 R3 2,217 S3

Synopsis - Intraday

• Price is in/above the EMA support band (Black EMA's)

Source Bloomberg

- RSI is above 50 (52)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,165
- Technically bullish but in a corrective phase, the upside move early in the session failed to hold resulting in the futures closing lower on the day. Price is in/on the EMA support band with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,165 with the RSI at or above 57 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 2,074 will support a bull argument, below this level the technical will have a neutral bias.
- The RSI is rejecting it moving averages with the EMA support band starting to flatten, indicating the bull trend is becoming less stable. The technical remain bullish with price in a corrective phase at this point. Downside moves below USD 2,137.5 will suggest the correction is becoming a complex one.

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