

China

It is National People's Congress in Beijing that begins this Sunday, suggesting the market will be waiting to hear what they have to say (Bloomberg).

Copper

Copper headed for its biggest weekly gain since mid-January as investors assessed signs of demand recovery in China ahead of the National People's Congress meeting, which is expected to shed more light on economic stimulus plans and the consumption outlook for commodities.

The key industrial metal has been supported after data earlier this week showed a recovery in the country's manufacturing and property sectors. China's manufacturing purchasing managers' index for February rose to the highest since 2012 and topped economists' estimates, while home sales also advanced.

In a sign of accelerating manufacturing activities, China's daily average copper-smelter production rose to a record high of 255,000 tons last month, according to Marex Group, citing their satellite data.

From this weekend, investors will be closely monitoring how Beijing chooses to support the economic recovery following its abandonment Covid restrictions at its annual policy meeting. While the population's new freedoms have buoyed sentiment around commodities like oil and fuels, metals and power markets have been slower to see the benefits after the Lunar New Year holiday in January dented industrial activity. (Bloomberg)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	8,975	R1	9,000	RSI above 50	
S2	8,902	R2			
S3	8,828	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (52)
- Stochastic is below 50
- Price is above the daily pivot point USD 8,975
- Technically bearish with a neutral bias on the last report, the strength of the upside warned the USD 9,168 resistance is vulnerable, making the USD 8,796 level the key support to follow. The RSI was above 50 with its MA supporting this upside move, suggesting support levels could hold if tested. The futures traded to a high of USD 9,135, meaning the technical remains bearish with a neutral bias. A corrective move lower yesterday has held above the USD 8,828 support, resulting in light bid support on the Asian open. Price is above the EMA resistance band with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 8,975 with the RSI at or above 56.5 will mean price and momentum are aligned to the buy side. Likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 8,828 will support a near-term bull argument, below this level we target the USD 8,670 fractal low. Only above USD 9,168 is the technical bullish.
- The technical is bearish neutral, the EMA band is flat and compressed indicating a lack of trend in the market whilst the MA on the RSI is also flat, implying momentum is a little neutral. From here, the technical looks like it is well placed for the National People's Congress in Beijing that begins this Sunday. I.E. in a holding mode.

Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	2,411	R1	2,450	
S2	2,377	R2	2,466	
S3	2,367	R3	2,485	

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (53)
- Stochastic is above 50
- Price is above the daily pivot point USD 2,411
- We remained technically bearish last time but noted that the futures are moving higher with the RSI holding its MA support, warning buyside momentum was strengthening; we also noted that the last 3 daily pivot points were within USD 8.00 of each other. The pivot point cluster warned that we could be forming a base, suggesting resistance levels were vulnerable. The move in copper and the PMI figures, alongside the supported momentum would suggest caution on downside moves. The technical was not bullish, but we were seeing signs it could be about to transition to the buyside. The futures have moved higher with price breaking near-term resistance levels, meaning we now have a neutral bias. A corrective move lower yesterday has held above the USD 2,377 level, resulting in price finding light buying support on the Asian open. The futures are above the EMA resistance band with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4 hour candle above USD 2,411 with the RSI at or above 55 will mean price and momentum are aligned to the buyside. Likewise, a close below the level with the RSI at or below 50.5 will mean it is aligned to the sell side. The futures are holding above the USD 2,377 level, supporting a near-term bull argument, if broken we target the USD 2,338 fractal support.
- Technically bearish but with a neutral bias on the back of the recent upside move. Momentum on the RSI remains supported but the EMA resistance band is flat, warning we are no longer in trend. We have also highlighted on the green dotted lines the area where the futures have traded the most over the last 15 days, price is currently in this band, supporting a neutral view (USD 2,398 – USD 2,418).

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	3,018	R1	3,060	RSI above 50	
S2	2,944	R2			
S3	2,954	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA resistance band (Black EMA's)
- RSI is above 50 (50)
- Stochastic is below 50
- Price is below the daily pivot point USD 3,069
- Bearish but not a technical sell on the last report, the futures were moving higher having held the support zone once again, warning resistance levels were now vulnerable; however, we remained below USD 3,077 which was the key level to follow on the technical at that point. The futures traded above the USD 3,077 level meaning we now have a neutral bias. The futures are trading in the EMA resistance band with the RSI neutral at 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle below USD 3,069 with the RSI at or below 56 will mean price and momentum are aligned to the buyside. The downside moves yesterday has tested and held the USD 3,018 level, supporting a near-term bull argument.
- Technically bearish with a neutral bias, the futures produced a rejection candle off the USD 3,018 support yesterday, this will be a key level going forward, if broken we target the USD 2,954 – USD 2,939 fractal support zone. Again, we see price trading in a flat EMA resistance band, indicating a lack of directional bias.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	24,012	R1	24,305	Stochastic oversold	RSI below 50
S2	23,644	R2			
S3	23,121	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (38)
- Stochastic is oversold
- Price is below the daily pivot point USD 24,385
- We remained technically bearish on the last the report, but the futures had rejected the downside with the RSI holding its MA support. A move below USD 24,280 will create a positive divergence with the RSI, not a buy signal it does warn that we have the potential to see a momentum slowdown on a new low, suggesting caution on downside breakouts. For this reason, we did not consider the futures a technical sell. Based on the rest of the sector there was a good chance that the futures will open with buyside support. The futures initially moved higher before trading to new lows yesterday. Price is below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 24,385 with the RSI at or above 42.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 26,335 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures are now in divergence, meaning we do not consider the technical a sell at this point.

Lead Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,129.5	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (54)
- Stochastic is neutral
- Price is above the daily pivot point USD 2,121
- The downside move on the open has held EMA support with RSI above 50, intraday price and momentum are conflicting. The upside move above USD 2,132 on the 01/03 means the technical is back in bullish territory, warning the USD 2,175 high is vulnerable.
- A close on the 4-hour candle above USD 2,121 with the RSI at or above 56.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side.
- The downside move in the futures held above the USD 2,096 level, supporting a bull argument, if price and momentum become aligned to the buy side, then resistance levels will be vulnerable. If the support is broken then the futures are considered as neutral once again.

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