



Base Morning Technical Report

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China

Citi economists said, “We have long been discussing our view that China can be a major growth hedge this year – if anything, recent global banking stresses perhaps have strengthened this thesis.”

The decision by the People’s Bank of China to cut its required reserved ratio showed “reassurance of policy support amid global volatilities,” Citi economists wrote. (CNN)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	8,957	R1	9,030	RSI above 50	Stochastic overbought
S2	8,816	R2			
S3	8,744	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (61)
- Price is above the daily pivot point USD 8,957
- Stochastic is overbought
- Technically bullish and in trend yesterday, the new high had created a negative divergence on the 1-hour RSI, which needed to be monitored. We did have a lower timeframe Elliott cycle that looked like it was near completion/completed; however, the futures continued to move higher, with the wave cycle extending. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 8,957 with the RSI below 55 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 8,647 will support a bull argument, below this level the technical will have a neutral bias.
- We remain technically bullish and in trend but the RSI on the lower timeframe is still in divergence, meaning we remain a cautious bull at this point, as we have the potential to see a momentum slowdown. The wave extension on the Elliott wave cycle is making this a little less clear to read, it is warning that we could see an intraday corrective pullback, but it was yesterday making me a cautious bull as the 4-hour RSI continues to make new highs.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,319	R1	2,348.5	RSI above 50	Stochastic overbought
S2	2,305	R2			
S3	2,290	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (61)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,319
- The futures remained in consolidation yesterday but had formed a base over the previous days, with downside moves to a new low likely to create further positive divergences with the RSI. For this reason, we remained cautious on downside moves as resistance levels looked vulnerable. The futures have moved higher and broken the consolidation phase but remain below the USD 2,380 fractal resistance. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 2,319 with the RSI at or below 48.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,290 will support a near-term bull argument, below this level the futures will target the USD 2,261 fractal support.
- The technical remains bearish, but now has a neutral bias due to the strength of the upside move, suggesting the USD 2,380 fractal high has the potential to be tested and broken. The MA on the RSI would imply that momentum is supported at this point.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,889	R1	2,927	RSI above 50	Stochastic overbought
S2	2,879	R2			
S3	2,853	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (54)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,889
- We remained technically bearish but cautious on downside moves yesterday, as a new low would create another positive divergence with the RSI, not a buy signal it warned that we have the potential to see a momentum slowdown. The RSI was holding above its MA, suggesting resistance levels could be vulnerable. The futures have moved higher with price trading above the EMA resistance band supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,889 with the RSI at or below 44.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,879 will support a near-term bull argument, below this level the futures will target the USD 2,853 fractal support.
- We remain technically bearish with a neutral bias, the upside moves is supported by the MA on the RSI turning higher, momentum is strengthening, it is not yet strong. Upside moves above USD 2,941 will warn that the USD 2,967 fractal resistance could be tested and broken.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	22,175	R1	22,517	Stochastic oversold	RSI below 50
S2	21,783	R2			
S3	21,285	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (41)
- Stochastic is oversold
- Price is below the daily pivot point USD 22,448
- We maintained our view that the futures were not considered a technical sell yesterday as the futures were in divergence with the RSI, warning we could see a momentum slowdown. The futures did trade to a new low but the move failed to hold, price remains below the EMA resistance band with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 22,448 with the RSI at or above 43.5 will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 39 will mean it is aligned to the sell side. Upside moves that fail at or below USD 23,099 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Only above USD 23,615 is the technical bullish.
- We remain in divergence, meaning we maintain our view that the futures are not considered a technical sell at these levels.

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,107	R1	2,122	RSI above 50	Stochastic overbought
S2	2,097	R2	2,134.5		
S3	2,089	R3	2,150		

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (54)
- Stochastic is overbought
- Price is below the daily pivot point USD 2,122
- Technically bullish yesterday, we are maintaining a neutral view until as we wanted to see a close see a close above the USD 2,134.5 high, as price was still trading within the dominant bear candle from the 21/03. The futures traded to new highs but failed to produce the close we were looking for, resulting in a light pull-back. Price is above the EMA support band with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 2,122 with the RSI at or above 57 will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 52.5 will mean it is aligned to the sell side.
- Technically bullish, we failed to get the bullish close with the new high creating a negative divergence with the RSI, suggesting caution on upside moves at this point.

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