

China

China is facing a more challenging global economic environment as growth slows and countries like the US struggle to contain inflation, a senior official at the nation's economic planning agency said.

Global growth lacks momentum and downward pressure is rising, Zhao Chenxin, vice chairman of the National Development and Reform Commission, said at the Boao forum in Hainan on Wednesday. It's very uncertain whether the US and Europe can curb inflation, he added.

Zhao was speaking on a panel about the global economic outlook alongside speakers like Justin Lin, a former World Bank chief economist, and Ahmed Saeed, vice president of the Asian Development Bank. (Bloomberg)

Al

Aluminum retreated with other base metals as speculators cut bullish bets on the metal amid lingering concerns over the strength of the banking sector.

Speculators have decreased their bullish bets on aluminum contracts on the London Metal Exchange to the lowest level in 11 weeks, bourse data on futures and options show.

US financial officials on Tuesday showed the banking sector remains in their spotlight, outlining what's likely to be the biggest regulatory overhaul in years after the collapse of Silicon Valley Bank and other US regional lenders. (Bloomberg)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	8,941	R1	9,058	RSI above 50	
S2	8,871	R2	9,108		
S3	8,802	R3	9,180		

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (53)
- Price is below the daily pivot point USD 8,970
- Stochastic is above 50
- Technically bullish with the futures holding support yesterday, we noted that there was a larger wave cycle in play, suggesting downside moves should be considered as countertrend. The futures are lower this morning but remain 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 8,970 with the RSI at or above 57.5 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 8,708 will support a longer-term bull argument, below this level the daily technical will have a neutral bias.
- The futures remain in a corrective Elliott wave 4 at this point, meaning downside moves should be considered as countertrend. Upside moves above USD 9,030 will warn that resistance levels are vulnerable.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,362	R1	2,374	RSI above 50	Stochastic overbought
S2	2,352	R2			
S3	2,339	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (60)
- Stochastic is overbought
- Price is on the daily pivot point USD 2,374
- The futures remained technically bearish with neutral bias yesterday with the intraday Elliott wave cycle and lower timeframe divergence warning we were nearing exhaustion. However, countering this was the 4-hour RSI which had made a new high, warning we could potentially see the upside move evolve into a larger cycle; we noted that the longer price remained elevated the greater chance the current cycle could extend. Based on the technical in front of us, we were cautious on upside moves as the futures were vulnerable to a pullback. The futures traded USD 24.00 higher with price moving lower on the Asian open, we remain 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 2,374 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.
- The technical is now bullish but the intraday Elliott wave cycle continues to warn that we still have the potential to exhaust. It is still too early to see if this will evolve into a larger cycle.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,912	R1	2,915.5	RSI above 50	Stochastic overbought
S2	2,903	R2			
S3	2,889	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (52)
- Stochastic is overbought
- Price is below the daily pivot point USD 2,918
- Mixed signals on the technical left us with a neutral bias yesterday. The futures have moved higher but we remain technically bearish with a neutral bias, 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 below USD 2,918 with the RSI at or below 49.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Downside moves that hold at or above USD 2,889 will support a near-term bull argument, below this level the futures will target the USD 2,861 fractal support.
- We remain bearish with a neutral bias, the MA on the RSI is moving higher, indicating momentum is supported, suggesting resistance levels are vulnerable.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	23,691	R1	24,118	RSI above 50	Stochastic overbought
S2	23,500	R2	24,507		
S3	23,240	R3	24,998		

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (54)
- Stochastic is overbought
- Price is below the daily pivot point USD 24,033
- Technically bullish yesterday, the MA on the RSI suggested that momentum remained supported, making USD 23,203 the key support to follow. A close on the 4-hour candle below USD 22,890 would warn that the USD 22,690 fractal low could come under pressure. The futures traded to a new high before coming under light pressure on the Asian open, 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 below USD 24,033 with the RSI at or below 52.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Downside moves that hold at or above USD 23,240 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 22,690 is the technical bearish.
- The technical remains bullish but we are seeing signs that buy side momentum is starting to weaken. The MA on the RSI is now flat whilst the downside moves this morning looks to be on the back of a negative divergence with the RSI. A cautious bull at this point as support levels are starting to look like they could come under pressure.

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,129	R1	2,135	RSI above 50	
S2	2,112	R2			
S3	2,100	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (57)
- Stochastic is below 50
- Price is below the daily pivot point USD 2,129
- We remained technically bullish yesterday with the futures making a new high close, however price was below the USD 2,139.5 fractal high. We were cautious on upside moves due to the potential divergence ahead. The futures traded to a new high, created a negative divergence with the RSI, resulting in the futures trading to a low of USD 2,114, before finding buying support on the E.U open. Price is above the EMA support band with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,129 with the RSI at or below 52.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,100 will support a bull argument, below this level the technical will have a neutral bias.
- The futures remain technically bullish, but we continue to be cautious on upside moves, as a new high has the potential to create further negative divergences.

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