

China

China injected the least amount of medium-term cash into the banking system since November, a sign that policymakers are watching the effects of past easing steps as the nation's economic recovery appears to be on track.

The People's Bank of China offered 170 billion yuan (\$25 billion) of funds to banks through the medium-term lending facility. That resulted in a 20 billion yuan net injection in April, the smallest since November. It also left the interest rate unchanged at 2.75%, the eighth month for it to stand pat, as expected by a majority of economists and analysts in a Bloomberg survey.

The smaller liquidity provision indicates the PBOC is evaluating the impact of its March easing, when it had both cut a banking reserve ratio and provided more cash to support growth. Data last month indicated that an economic recovery is taking off, with credit expansion surging and exports beating estimates. (Bloomberg).

Cu

Tightening credit and slowing growth don't sound like favorable conditions, yet the copper industry is anything but downbeat heading into one of its biggest annual gatherings.

Underpinning the quiet confidence of executives, bankers and traders drifting into the Chilean capital for CESCO Week are the lowest stockpiles of the metal in 18 years — standing at less than a week's worth of consumption. It's a measure that speaks to China's reopening and supply-side stumbles and is a big reason why prices have held up better than most to the uncertainties sweeping through global markets.

"In terms of near-term outlook, I can say that demand for our production continues to be strong," Richard Adkerson, chief executive officer of top publicly traded producer Freeport-McMoRan Inc., said in an interview. (Bloomberg)

Al

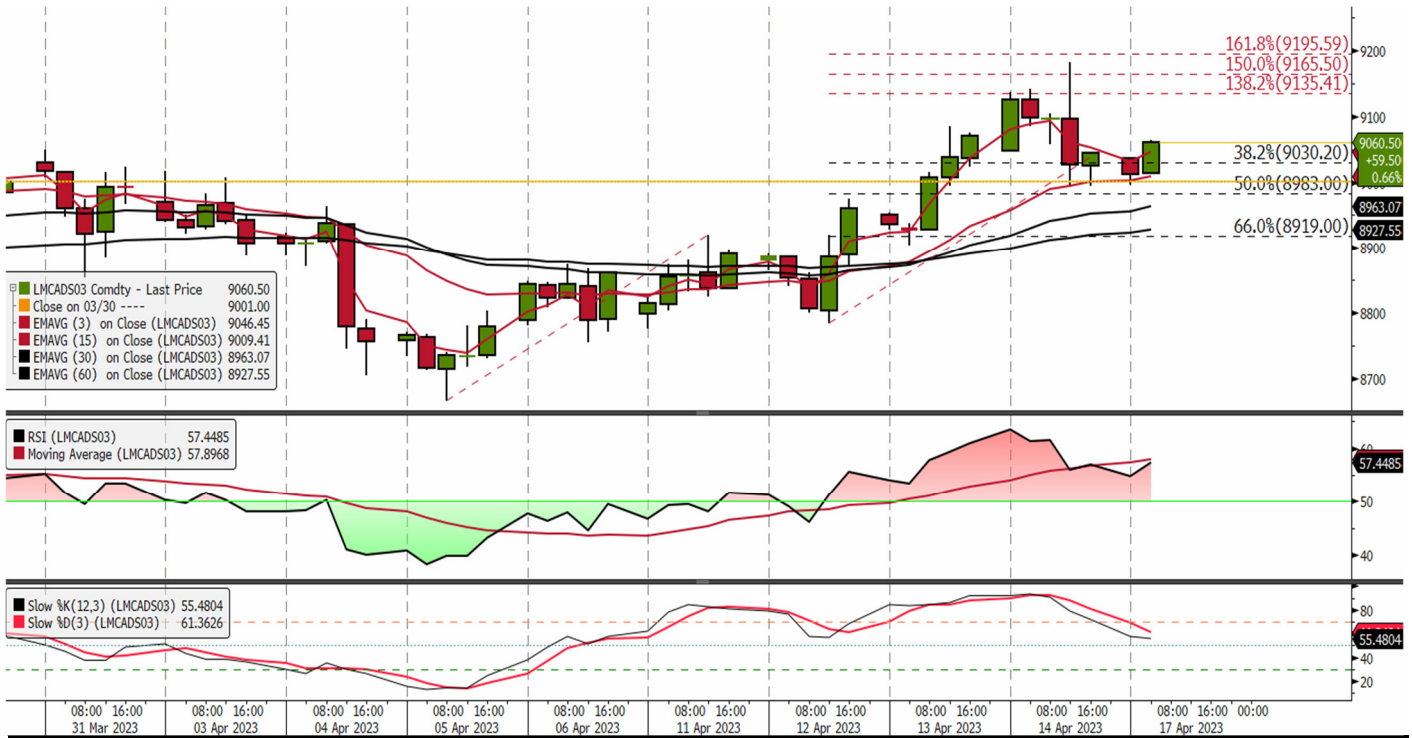
China's alumina output may rise 3.1% to 82.2m tons this year, outpacing a 2.2% gain in demand, according to estimates from Beijing Antaike Information Development Co.

Output rise to lead to tight balance in both domestic and global markets for the compound, Antaike analyst Yan Jin says at industry conference in Datong city in Shanxi province on Friday, according to its press release

Chinese alumina capacity may expand by 8.4 million tons combined in 2023 and 2024 from 99.55m tons as of 2022: Yan

Over-heated investment in alumina will contain gains in prices: Yan (Bloomberg)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	9,030	R1	9,067	RSI above 50	
S2	8,983	R2	9,135		
S3	8,919	R3	9,165		

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA Resistance band (Black EMA's)
- RSI is above 50 (57)
- Price is below the daily pivot point USD 9,067
- Stochastic is above 50
- Technically bullish on Friday, the futures and the RSI were making new highs, suggesting downside moves could potentially be countertrend at this point. We did see the futures pullback to the Fibonacci support zone before finding light buying support on the Asian open today. Price is above 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 9,067 with the RSI at or above 60 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 8,919 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase. We maintain our view that downside moves look to be considered as countertrend at this point, based on the recent high on the RSI.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,385	R1	2,390	RSI above 50	Stochastic overbought
S2	2,364	R2			
S3	2,350	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (57)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,385
- Technically bullish on the intraday last week with the MA on the RSI suggesting momentum is supported. However, we did have a small rejection candle, warning we could see an intraday pullback in the near-term. There was no upside follow through on the rejection candle with price moving higher, however, the move failed to hold. The futures have opened with light bid support around Friday mornings levels. 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 2,385 with the RSI at or below 51.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,331 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI would imply that momentum remains supported at this point, suggesting Fibonacci support levels should in theory hold if tested in the near-term.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,842	R1	2,869	RSI above 50	Stochastic overbought
S2	2,822	R2	2,881		
S3	2,794	R3	2,921		

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 2,869
- Technically bearish with a neutral bias, the Ma on the RSI suggested momentum was supported; however, we had a significant resistance zone ahead that could be an area of interest for market sellers. Implying caution above USD 2,900. The futures traded to a high of USD 2,910, into the resistance zone but the move failed to hold, resulting in the futures entering a corrective phase. 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 2,869 with the RSI at or below 49 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 2,794 will support a near-term bull argument, below this level we target the USD 2,734.5 fractal low.
- We remain bearish with a neutral bias, the MA on the RSI continues to suggest that momentum is supported, meaning the USD 2,908 – USD 2,912 resistance zone highlighted on the chart remains vulnerable at this point.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	24,189	R1	24,645	RSI above 50	Stochastic overbought
S2	24,103	R2			
S3	23,892	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (62)
- Stochastic is overbought
- Price is above the daily pivot point USD 24,189
- Technically bullish on Friday, the MA on the RSI indicated momentum remained supported. We had one note of caution, the futures were trading in the daily EMA resistance band, suggesting the futures were not a technical buy at these levels, as we could see a move lower in the near-term. We didn't get a move lower, the futures moved higher, meaning we remain 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 24,189 with the RSI at or below 56 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 23,606 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the new high means the intraday RSI is now in divergence with price, not a sell signal it does warn that we have the potential to see a momentum slowdown and will need to be monitored. The futures remain in the daily EMA resistance band, for this reason we remain cautious on upside moves at this point.

Lead Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,153	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 (57)
- Stochastic is above 50
- Price is below the daily pivot point USD 2,161
- Technically bullish last week, the MA on the RSI was supported, suggesting downside moves should be considered as countertrend. The futures have entered a corrective phase with price holding above the Fibonacci support zone at this point. Price is above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,161 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 2,115 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI has softened a little meaning buyside momentum is potentially slowing down. However, at this point we maintain our view that resistance levels remain vulnerable.

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