

## China

China's economy likely grew rapidly in April, though key data this week may obscure how much momentum the recovery is starting to lose.

Bustling shopping centers, open factories and accelerated investment: The world's second-largest economy looked a lot different last month than it did a year earlier, when stringent Covid Zero controls hampered activity across the country and led Shanghai to lock down.

Official data due Tuesday is expected to show improvement from the prior year for China's industrial output, retail sales and fixed-asset investment. But the comparison to 2022 also means those figures will be distorted, leaving several economists turning to month-on-month changes as they search for a more accurate gauge of the economic rebound. (Bloomberg).

## Copper

Copper fell on Monday — following a fourth straight weekly drop — amid a downbeat mood in metals markets ahead of a major industry gathering in Hong Kong.

LME Asia Week is getting underway against a backdrop of worries over global demand that have hammered metals and pushed copper to its lowest level of the year last week. There are multiple downside risks from a potential US debt default to China's disappointing demand recovery.

A sweep of Chinese data due Tuesday should underscore a mixed picture for the world's second-biggest economy. The weaker-than-expected rebound, especially in the key property sector, has hit sentiment after an optimistic start to the year. (Bloomberg)

# Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	8,226	R1	8,257	Stochastic oversold	RSI below 50
S2	8,110	R2			
S3	7,947	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA Resistance band (Black EMA's)
- RSI is below 50 (38)
- Price is above the daily pivot point USD 8,226
- Stochastic is oversold
- Technically bearish on Friday with the RSI still in divergence which will need to be monitored; however, the MA on the RSI suggested that momentum remained weak. We also noted that the strength of the downside move (the move was equal to 100% of the previous wave) was warning that we could potentially be seeing a downside wave extension, suggesting upside moves could possibly be countertrend. We have seen a small move higher, but price remains below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 8,226 with the RSI at or below 33 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 8,517 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish we maintain our view that upside moves look like they could be countertrend at this point, making USD 8,517 the key resistance to follow.

# Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,236		RSI below 50
S2	R2			
S3	R3			

**Synopsis - Intraday**

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (41)
- Stochastic is below 50
- Price is above the daily pivot point USD 2,227
- The downside move had failed to produce a pullback alongside the RSI making a new low on Friday, indicating the Elliott wave cycle was extending to the downside. The MA on the RSI suggested momentum remained weak, meaning upside moves should be considered as countertrend. The futures have started to move higher, but we remain below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,227 with the RSI at or below 34 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,292 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- We remain technically bearish with the upside move looking like it could be countertrend based on our intraday Elliott wave analysis. The MA on the RSI has flattened, meaning sell side momentum is slowing down at this point, making USD 2,292 the key resistance to follow.

# Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,517.5	R1	2,585	Stochastic oversold	RSI below 50
S2	2,503	R2	2,607		
S3	2,449	R3	2,635		

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (37)
- Stochastic is oversold
- Price is above the daily pivot point USD 2,546
- Technically bearish last week, the futures were in divergence which needed to be monitored; however, the MA on the RSI suggested that momentum remained weak. Intraday Elliott wave analysis continued to suggest that we had a potential downside target at USD 2,503. Key resistance to follow was at USD 2,642. The futures traded to a low of USD 2,517.5 before finding light buyside support. We remain below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,546 with the RSI at or above 33.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,635 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 seeing light bid support on the open with the RSI now above its MA. However, lower timeframe Elliott wave analysis (37 min cycle) is warning that intraday moves to the upside have the potential to be countertrend at this point, making USD 2,635 the key resistance to follow. This also means that the USD 2,517.50 fractal low remains vulnerable.

# Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	21,800	R1	22,130	Stochastic oversold	
S2	21,145	R2			
S3	20,808	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (38)
- Stochastic is below 50
- Price is below the daily pivot point USD 22,154
- Technically bearish on Friday, the MA on the RSI indicated that momentum remained weak. Having not seen an intraday pullback, we maintained our view that upside moves should be considered as countertrend. The futures have moved a little higher with price still below the EMA resistance band, the RSI is below 50 with price and momentum aligned were conflicting.
- A close on the 4-hour candle below USD 22,154 with the RSI at or below 33 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; likewise, a close above this level will mean it is aligned to the buy side. Upside moves that fail at or below USD 23,703 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- We remain technically bearish with intraday Elliott wave analysis continuing to suggest that upside moves should be considered as countertrend at this point. However, the MA on the RSI is now flat, implying downside momentum is slowing, warning the Fibonacci resistance zone could come under pressure in the near-term. Note: we look to still be on an Elliott wave 3 that is extending to the downside.

# Lead Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	2,070	2,079	Stochastic oversold	RSI below 50
S2	2,049			
S3	2,032			
R1	2,087			
R2	2,098			
R3	2,107			

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (39)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,087
- We remained bullish with a neutral bias on Friday; however, the MA on the RSI suggested that momentum was weakening, meaning support levels were starting to look vulnerable. USD 2,129 looked to be the most heavily traded level last week making it an area of interest, if we did see an upside move that tested and rejected this level, then it would further weaken a bull argument. Likewise, a move above that held above this level would warn that the USD 2,148 resistance could come under pressure. The futures rejected the USD 2,116 pivot resistance, resulting in support levels being broken, price is below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,087 with the RSI at or above 45 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 2,119 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The downside move means the futures have broken fractal support, the technical is now bearish. The MA on the RSI continues to suggest that momentum is weak whilst the RSI has now made a new low. This would imply that upside moves should be considered as countertrend at this point, making USD 2,119 the key resistance to follow.

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