

Copper

Copper headed for a second straight weekly advance as China introduced more muscular support for the nation's struggling property market, bolstering the outlook for demand in Asia's largest economy.

Prices rose more than 1% this week as Beijing ramped up pressure on banks to support struggling developers, signaling a fresh push by the authorities to tackle a problem that's been a persistent drag on growth this year.

On the supply side, meanwhile, First Quantum Minerals Ltd. suspended production in Panama at one of the world's newest and largest mines as a blockade restricted supplies, heightening investor concern about output.

Copper is the only main industrial metal on the London Metal Exchange to have avoided losses this year. Ensuring adequate supplies has become a growing focus for global policymakers and business executives, especially as demand is forecast to surge due to its crucial role in the global transition to green energy. (Bloomberg)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	8,406	R1	8,431	RSI above 50	
S2	8,324	R2	8,486		
S3	8,279	R3	8,566		

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI is above 50 (55)
- Price is below the daily pivot point USD 8,406
- Stochastic is below 50
- We remain technically bullish but in a corrective phase yesterday, Elliott wave analysis suggested that downside moves should still be considered as countertrend. The MA on the RSI was starting to turn lower, warning that momentum is weakening; however, the RSI was still above 50 with the Stochastic approaching over-sold levels, warning we remained vulnerable to upside moves, providing the RSI held above 50, this was creating a momentum confliction. If we rejected the USD 8,431 resistance then support levels will be vulnerable, if broken it will imply that we were possibly in the early stages of a bullish impulse wave 5. Key support was unchanged at USD 8,279, if broken, then the probability of the futures trading to a new high would start to decrease. The futures held support and breached the USD 8,431 resistance. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the sell side.
- A Close on the 4-hour candle above USD 8,406 with the RSI at or above 61.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 8,279 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures have broken the USD 8,413 resistance; however, the MA on the RSI is still warning of momentum weakness at this point. Market buyers will need to see intraday price and momentum aligned to the buyside for confirmation that we are in the early stages of a wave 5, as the MA on the RSI is suggesting caution at this point.

Aluminium Morning Technical (4-hour)



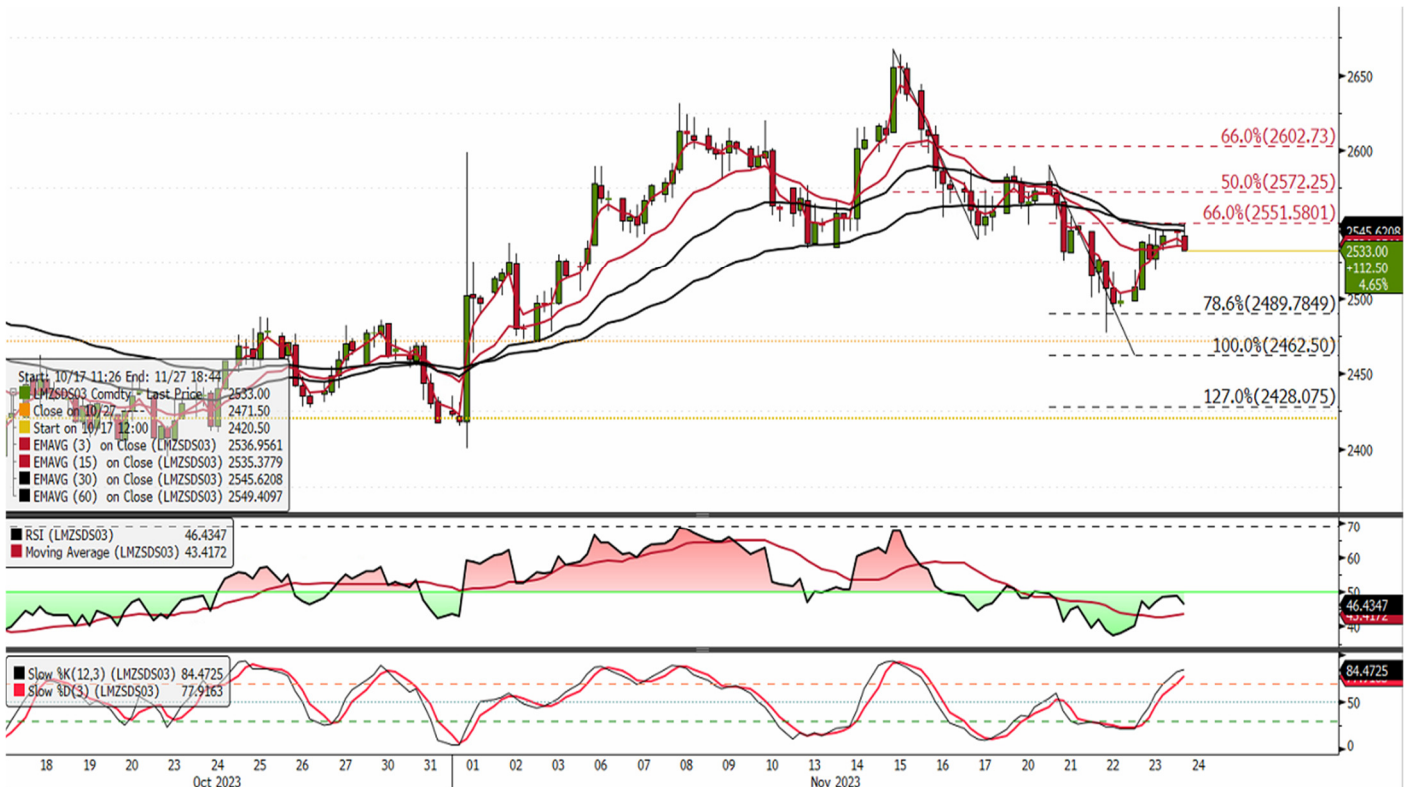
Support	Resistance	Current Price	Bull	Bear
S1	R1	2,224	Stochastic oversold	RSI is below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (47)
- Stochastic is oversold
- Price is on/above the daily pivot point USD 2,223
- Based on price, the technical was bullish yesterday, as it had previously broken the USD 2,244.5 resistance. However, our wave analysis had warned that there was a larger bear cycle in play, warning upside moves looked to be countertrend, the move above USD 2,261 (Breached by USD 3.00) resulted in the technical becoming neutral due to the strength of the pullback. The downside move below USD 2,219 warned that the bearish wave cycle was back in play, meaning the USD 2,196 fractal low could come under pressure. The MA on the RSI was neutral to slightly lower, implying momentum had started to weaken. We were more bearish than bullish, but it is not the cleanest of technicals. The futures moved sideways yesterday with price continuing to trade around the USD 2,219 support. We are below the EMA resistance band (the averages have now crossed) with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,223 with the RSI at or above 51 will mean price and momentum are aligned to the buyside.
- Bullish on price, bearish/neutral on the Elliott wave cycle. The MA on the RSI is moving lower, warning momentum is showing signs of weakness. Like yesterday, we are more bearish than bullish, but it is not the cleanest of technicals.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,529	R1	2,551	2,533	RSI below 50
S2	2,489	R2	2,572		
S3	2,462	R3	2,602		

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (46)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,529
- Technically bearish yesterday, the MA on the RSI continued to warn of momentum weakness; however, the new low had previously produced a positive divergence with the RSI on the 1-hour chart. Not a buy signal, it warned that we had the potential to see a momentum slowdown, which needed be monitored. If we traded above USD 2,551 then the probability of the futures trading to a new low would start to decrease, whilst a move above USD 2,590 would mean that the technical was bullish based on price. We were cautious on downside moves due to the divergence that was in play. The futures have moved higher but remain below the USD 2,551 resistance (high USD 2,550.5) Price is below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A Close on the 4-hour candle below USD 2,529 with the RSI below 41.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 2,551 will leave the futures vulnerable to further tests to the downside, above this level, the near-term technical will have a neutral bias. However, upside moves that fail below USD 2,602 will warn that we potentially have a larger bearish wave cycle in play.
- We remain bearish with price trading just below the USD 2,551 resistance. If broken it will warn that the probability of the futures trading to a new low will start to decrease. The RSI is below 50 with the Stochastic in overbought territory, momentum is warning that we could see another test to the downside if the RSI can hold below 50. However, we do have a momentum conflict as the MA on the RSI is starting to turn higher, momentum is not bullish, but is showing signs that it is slowing down. We will still be cautious on upside moves even if price breaks the USD 2,551 resistance, as price is approaching a resistance area on the market profile charts, where we previously spent a lot of time trading between USD 2,546 and USD 2,576. If we do see a close on the daily chart above USD 2,546 (this will be above the high of the low candle), it will warn that the market profile resistance zone (USD 2,546 – USD 2,576) could start to come under pressure. Key longer-term resistance is at USD 2,602 based on our Elliott wave cycle. There are a lot of variables on this chart, we are now cautious on upside moves providing we do not close on the daily above USD 2,546, at this point the resistance zone becomes vulnerable.

Nickel Morning Technical (4-hour)



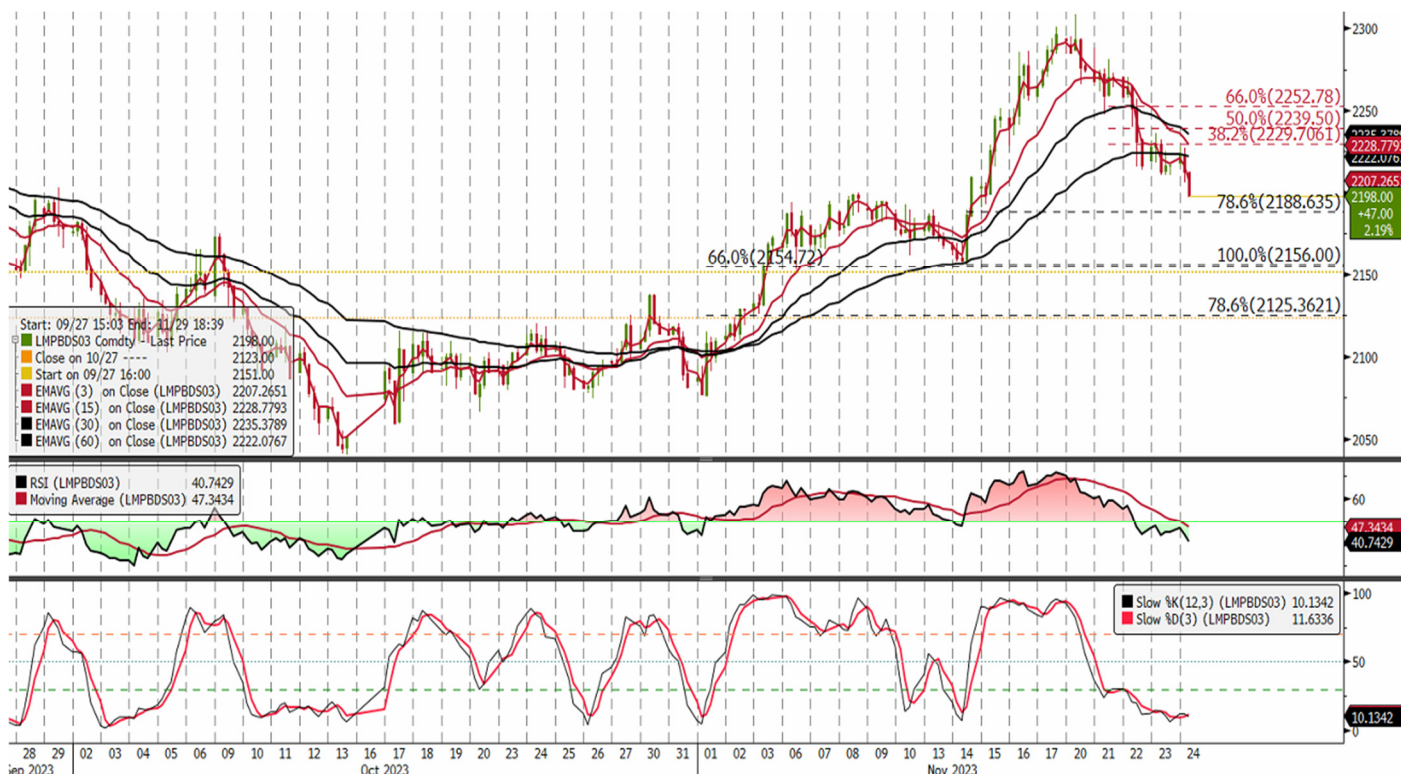
Support	Resistance	Current Price	Bull	Bear
S1	R1	16,455		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (36)
- Stochastic is below 50
- Price is below the daily pivot point USD 16,521
- Unchanged on the technical yesterday. We remained bearish with the RSI still in divergence with price, warning the futures were still vulnerable to a momentum slowdown. However, due to the Elliott wave extension, upside moves should be considered as countertrend, meaning from an Elliott wave cycle perspective, key resistance was at USD 17,862. The futures traded to a new low before seeing a small move higher, price remains below the EMA resistance zone with the RSI below 50, intraday price and momentum are now conflicting.
- A close on the 4-hour candle above USD 16,521 with the RSI at or above 38.5 will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 34 will mean it is aligned to the sell side. Upside moves that fail at or above USD 17,144 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. However, key resistance in terms of the Elliott wave cycle is at USD 17,844, we remain bearish below this level and neutral above.
- Unchanged on the technical again today. We are still bearish with the futures moving lower this morning, the RSI remains in divergence with price, warning the futures are vulnerable to a momentum slowdown. However, due to the Elliott wave extension, upside moves should be considered as countertrend at this point.

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,188	R1	2,198	Stochastic oversold	RSI is below 50
S2	2,156	R2			
S3	2,125	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (40)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,221
- We remained bullish yesterday with downside moves considered as countertrend; however, the MA on the RSI continued to suggest that momentum remained weak. We had key support at USD 2,207; however, if our wave analysis was correct, then our interpretation of the cycle was that the move higher that started on the 01/11/23 looked to be the base of what will eventually be a wave 3 extension. If this was the case, then the USD 2,207 support was probably not as significant a level as a normal 66% retracement, suggesting it could be breached but still produce a move higher. If we moved below USD 2,156, then it would start bringing into question the longer-term cycle. The futures continue to move lower on the weak momentum indicators with price now below the USD 2,207 support. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,221 with the RSI at or above 49.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 2,252 will leave the futures vulnerable to further tests to the downside, above this level we could see the USD 2,308.5 fractal high coming under pressure.
- Technically bullish but in a corrective phase, price is now below the USD 2,207 resistance, warning of technical weakness. The MA on the RSI continues to suggest that momentum remains weak whilst the RSI is also making new lows, warning upside moves could fail to hold in the near-term. Momentum suggests support levels remain vulnerable, the key level to follow is at USD 2,154, if this is broken, then the probability of the futures trading to a new high will be greatly reduced, as it will also take out a fractal support at USD 2,156. On paper, the futures are in a corrective phase based on the Elliott wave cycle; In reality, the technical is warning that we could move lower, meaning that the futures are not considered a technical buy at this point.

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