

Zinc Rolling 3 Month—Weekly



- Triple top rejection of the 34-55 period EMA bands on the weekly chart has been followed by a break to the downside.
- The RSI is back below its moving average, implying momentum is weakening
- Downside moves below USD 2,215 will create a positive divergence with the RSI. Not a buy signal, it is a warning that we could see a momentum slowdown.
- The 2-period RSI at 14 (this is a very short term momentum indicator), is nearing oversold territory.
- The technical is weakening with the futures looking like they will break the USD 2,215 fractal low. If we do, then we have a potential downside target at USD 1,873; however, the divergence will need to be monitored.

Zinc Rolling 3 Month—Daily

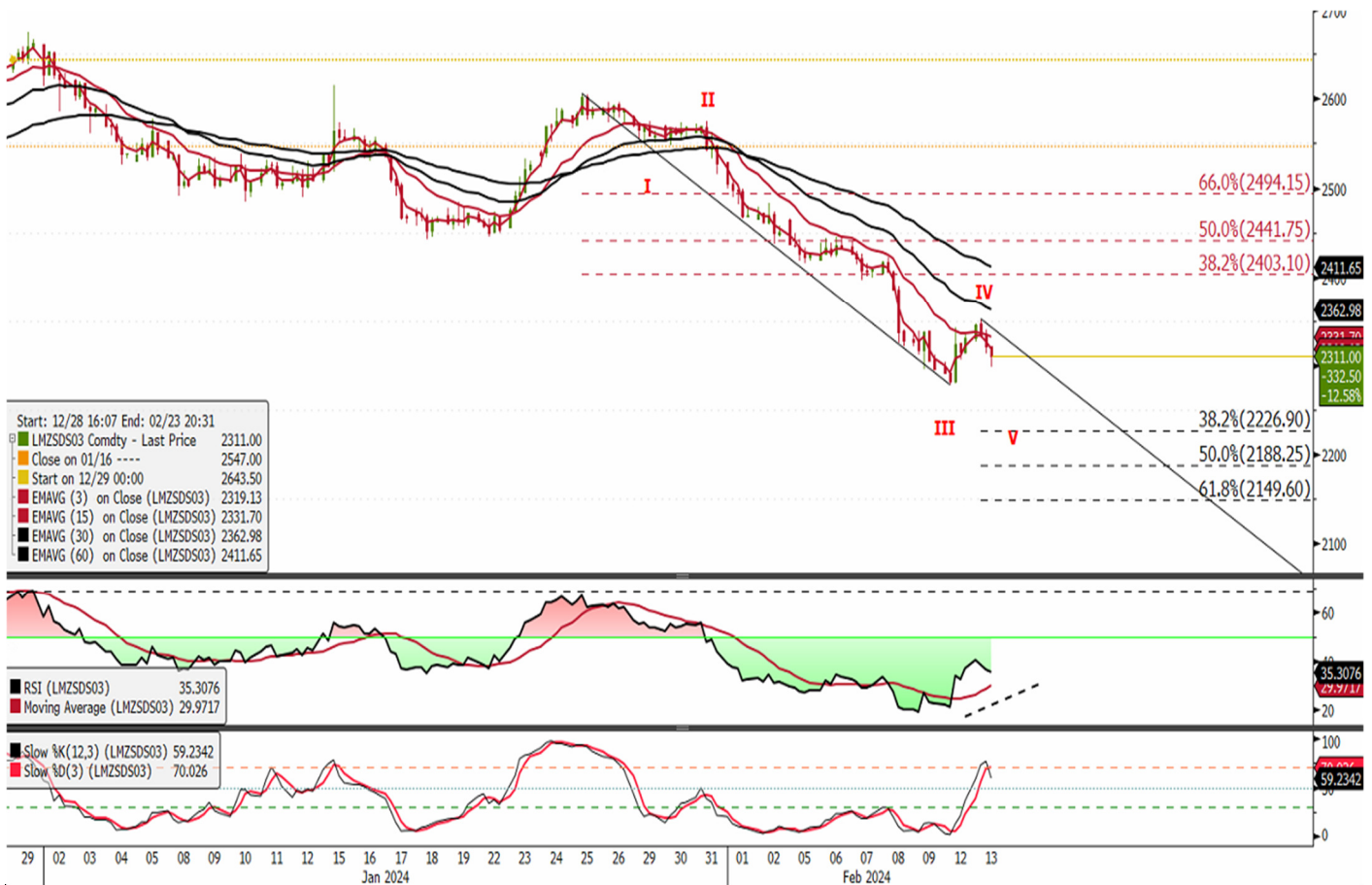


Support		Resistance		Current Price	Bull	Bear
S1	2,257	R1	2,352	2,300	Stochastic oversold	RSI below 50
S2	2,230	R2	2,403			
S3	2,191	R3	2,441			

Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (35)
- Stochastic oversold
- Price is below the weekly pivot point (USD 2,352)
- Technically bearish, the futures have broken the Oct—Dec (23) range to the downside. Price is below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 2,494 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. This means that the probability of the futures trading to a new low will start to decrease.
- The MA on the RSI is sloping lower, warning that momentum is weak at this point, suggesting upside resistance levels could hold if tested. The RSI is also making new lows, warning of momentum weakness, whilst the upside move today (13/02/24), has rejected the weekly pivot level (USD 2,352). Momentum is weak; however, if we start to close above and hold above the USD 2,352 level it will warn that the USD 2,403—USD 2,494 resistance zone could be tested.

Zinc Rolling 3 Month—4-Hour Intraday

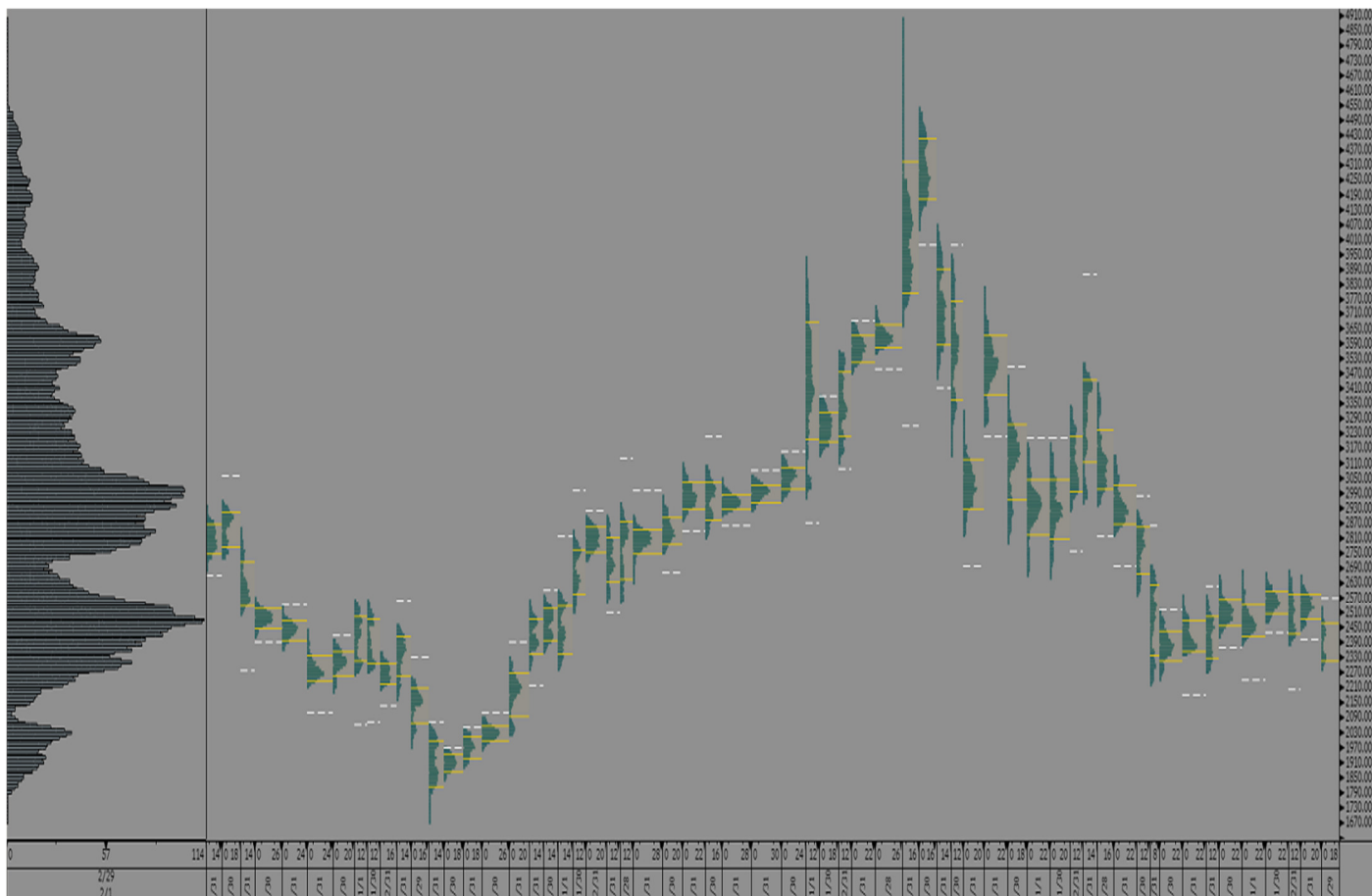


Support	Resistance	Current Price	Bull	Bear
S1	R1	2,311.5		Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is below the EMA Resistance band
- RSI is below 50 (35)
- Stochastic is overbought
- Price is below the daily pivot level (USD 2,317)
- Technically bearish, the futures have rejected the 15-period EMA with the RSI below 50, intraday price and momentum are still aligned to the buyside, as the previous candle closed above the daily pivot level.
- A close on the 4-hour candle below USD 2,317 with the RSI at or below 27.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,494 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias, meaning that the probability of the futures trading to a new low will start to decrease.
- Technically bearish. Momentum is conflicting, as the MA on the RSI would suggest it is supported; countering this, the Stochastic is overbought whilst the RSI is below 50. We have marked an Elliott wave cycle on the intraday chart (note the true cycle is following a 122 min candle cycle, not 240 min as illustrated). The cycle is suggesting that upside moves should be considered as countertrend, providing we have not traded below the USD 2,278 fractal low. If we do trade to a new low, we have a potential downside target at USD 2,149; however, a new low will create a positive divergence with the RSI, not a buy signal, it is a warning that we could see a momentum slowdown.
- Note: the wave cycle is directly and only related to the move the started on the 25/01/24. Once this cycle is completed, there is still a larger bear cycle in play.

Zinc Rolling 3 Month—Market Profile— 60 Months



Source Bloomberg

- Market Profile Chart—Illustrates the most heavily traded areas over the last 60 months in USD 10.00 intervals.
- The most heavily traded area is USD 2,490, this levels has been broken with price now trading below it. This is also the key resistance on the intraday chart (USD 2,494)
- The next significant support on this chart is at USD 2,030
- The breakdown on the market profile chart is illustrating that we have now trading at 5-month lows
- If we close above and hold above the USD 2,490 level, it will warn that there is potentially a change of sentiment in the market, suggesting market sellers should act with caution.