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A key measure of Chinese copper demand just sank to zero, another indication that global prices are not balanced with what buyers in the biggest market are prepared to pay.

Premiums paid on imported refined copper extended a months-long decline to reach zero for the first time in Shanghai Metals Market data going back to 2017. The unusually low levels come just days after copper on the London Metal Exchange rallied to a two-year high near \$10,000 a ton.

“It’s a sign of extremely weak demand for imported cargoes,” Wang Yingying, analyst at Galaxy Futures Co. said. (Bloomberg).

Copper Morning Technical (4-hour)

LMCAD503 Comdty - Last Price	9821.50
Close on 10/30	8140.50
EMA(3) on Close (LMCAD503)	9785.21
EMA(15) on Close (LMCAD503)	9765.05
EMA(30) on Close (LMCAD503)	9708.33
EMA(60) on Close (LMCAD503)	9576.21



	Support	Resistance	Current Price	Bull	Bear
S1	9,740	R1	9,821.5	RSI above 50	
S2	9,650	R2			
S3	9,542	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI above 50 (58)
- Stochastic is oversold
- Price is above the daily pivot point USD 9,740
- Technically bullish yesterday, the futures were in a corrective phase with price testing but holding above the weekly pivot level (USD 9,733). A close on the daily candle below the weekly pivot would imply that sell side pressure was increasing, warning that the USD 9,542 support could come under pressure in the near-term, if broken, then the probability of the futures trading to a new high would start to decrease. Likewise, if we continued to hold above and close above this level then resistance levels should in theory be tested, as the RSI broke near-term resistance last week. The MA on the RSI is signalling that momentum is starting to weaken; however, the EMA's remain well spaced in an upward trajectory at this point, implying that the trend looks to be stable. As noted previously, we remain cautious on downside moves at this point. The futures sold lower with price closing below the weekly pivot level; however, we have held the EMA support band with the futures moving higher in the Asian day session. The RSI is above 50 but price and momentum are conflicting.
- A close on the 4-hour candle above USD 9,740 with the RSI at or above 62.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 9,542 will support a bull argument, below this level the technical will have a neutral bias. Upside moves that fail at or below USD 9,865 will leave the futures vulnerable to further tests to the downside, implying the corrective phase could be more complex.
- Technically bullish, the futures are trading back above the weekly pivot level (USD 9,733); however, to signal buy pressure is increasing, the daily candle will need to close above this level. Momentum is conflicting as the RSI is above 50 whilst the stochastic is oversold, warning we could move higher; countering this, the MA on the RSI is implying that momentum remains weak at this point. The downside move yesterday, resulted in the RSI making a new low, this also warns of near-term momentum weakness. The Elliott wave cycle is still bullish, if we trade above the USD 9,865 level, then it will warn that the USD 9,988 fractal high could be tested and broken. If resistance holds, it will imply that we remain in a corrective phase. Momentum is warning that we could still be in a corrective phase, rather than a bullish impulse move, meaning we need to see a bullish close above the weekly pivot level to convince that the market is supported.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,502	R1	2,590	Stochastic oversold	
S2	2,429	R2			
S3	2,372	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- RSI is at 50 (50)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,602
- Technically bullish yesterday, conflicting price and momentum previously warned that buyside momentum was slowing, resulting in the futures rolling over to the sell side. We were trading on the weekly pivot level (USD 2,635), a close below it on the daily candle would warn that the EMA support band could come under pressure. We noted that the trend itself is stable, based on the EMA spacing, with our intraday Elliott wave analysis suggesting that downside moves look like they could be countertrend. Price action was weakening, as was the MA on the RSI, but we needed to see further downside to confirm that this was a corrective Elliott wave 4. The futures have continued to move lower with price now trading in the EMA support band, the RSI is neutral at 50 with intraday price and momentum aligned to the sell side.
- A close on the 4-hour candle above USD 2,602 with the RSI at or above 61 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 2,429 will support a bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 2,646 will leave the futures vulnerable to further tests to the downside, above this level, the USD 2,688 fractal resistance could be tested.
- Technically bullish but in a corrective phase, the futures are still yet to confirm that we have entered a higher timeframe Elliott wave 4. The MA on the RSI is warning that momentum is weak, warning that resistance levels could hold if tested in the near-term, a close below the weekly pivot level (USD 2,635) is implying that sell side pressure is increasing. The longer-term Elliott wave cycle continues to suggest that downside moves look like they could be countertrend. The EMA band is starting to flatten, the averages remain well space, but it is confirming that sell side pressure is increasing. We are cautious on upside moves in the near-term, as there looks to be further downside within this corrective phase.

Zinc Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,811	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 (53)
- Stochastic is below 50
- Price is below the daily pivot point USD 2,791
- Technically bullish yesterday, the futures were moving lower, warning we remained in the corrective phase at this point. The intraday price was trading below the weekly pivot level (USD 2,818), if we closed below it on the daily chart, it would imply that sell side pressure was increasing, meaning we could test the USD 2,763 support. We highlighted this as a key near-term level to follow, if it was broken, it would warn that the corrective phase could become more complex, meaning we could test the USD 2,707 fractal low in the near-term. Our Elliott wave analysis continued to warn that the downside move looked to be countertrend, making USD 2,606 the key longer-term support to follow. If this level was broken, then the probability of the futures trading to a new high would start to decrease. The futures trading to a low of USD 2,758 before finding bid support in the Asian day session. We are 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 2,791 with the RSI at or above 56.5 will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 52 will mean it is aligned to the sell side. Downside moves that hold at or above USD 2,606 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the downside move in the futures yesterday breached the USD 2,763 support, warning that the corrective phase now has the potential to become more complex. We closed below the weekly pivot level (USD 2,818), warning that sell side pressure is increasing, if we close on the daily candle back above this level, it suggests that there is underlying support in the market. The MA on the RSI is implying momentum is weak; countering this, the RSI is above 50 whilst the stochastic is moving above 30. The longer-term Elliott wave cycle continues to suggest that downside moves look to be countertrend. There are conflicts in this technical; however, the breach in support yesterday is warning that there could be further downside within this corrective phase.

Nickel Morning Technical (4-hour)

Start: 02/27 04:02 End: 05/01 19:07
 LMNID503 Comdty - Last Price 19190.00
 Close on 03/25 ---- 16937.00
 Start on 02/27 08:00 17365.00
 EMAVG (3) on Close (LMNID503) 19120.03
 EMAVG (15) on Close (LMNID503) 19073.34
 EMAVG (30) on Close (LMNID503) 18835.27
 EMAVG (60) on Close (LMNID503) 18468.04



	Support	Resistance	Current Price	Bull	Bear
S1	18,942	R1	19,190	RSI above 50	
S2	18,843	R2			
S3	18,685	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (58)
- Stochastic is oversold
- Price is below the daily pivot point USD 19,198
- Technically bullish yesterday, the futures looked like they could be in the early stages of a corrective phase due to the move lower on the back of the negative divergence with the RSI, warning Fibonacci support levels could come under pressure. A close on the daily candle below USD (18,843) would imply that sell side pressure was increasing; likewise, if we held above this level, then resistance levels had the potential to come under pressure in the near-term. If we traded below the USD 18,336 support, then the probability of the futures trading to a new high would start to decrease. We were bullish with downside moves considered as countertrend, but potentially in the early stages of a corrective phase. The futures traded into the Fibonacci support zone but held above and closed above the weekly pivot level (USD 18,843), resulting in a small move higher this morning. We are 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 19,198 with the RSI at or above 63.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 18,336 will support a bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 19,452 will leave the futures vulnerable to further tests to the downside, above this level we target the USD 19,775 fractal high.
- Technically bullish, the futures remain in a corrective phase with price holding above the EMA support band. The MA on the RSI is warning that momentum remains weak; countering this, the RSI is above 50 whilst the stochastic is oversold. A close on the daily candle below USD 18,843 will warn that sell side pressure is increasing, meaning support levels could be tested in the near-term. Our intraday Elliott wave analysis is suggesting that downside moves look to be countertrend; however, the pullback at this point does not look deep enough to be the corrective wave 4 that we are looking for, suggesting we could move lower in the near-term.

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,190	R1	2,206	Stochastic oversold	RSI below 50
S2	2,172	R2			
S3	2,135	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,172
- Technically bullish yesterday, the depth of the pullback meant we had a neutral bias, the probability of the futures trading to a new high had started to decrease. Below USD 2,135 the intraday technical would be bearish. The RSI had broken support, whilst the MA on the RSI warned that momentum remained weak, suggesting that upside resistance levels could hold in the near-term. The close below the weekly pivot level (USD 2,190) warned that sell side pressure was increasing, meaning support levels were vulnerable. Key longer-term support was at USD 2,072, if we held above this level, it would warn that there was potentially a larger bullish Elliott wave cycle in play. The technical warned that the USD 2,135 fractal support could be broken. The futures traded to a low of USD 2,141 before finding strong bid side support, resulting in the futures trading above the USD 2,195 resistance this morning. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 2,172 with the RSI at or below 50 will mean price and momentum are aligned to the sell side.
- Technically bullish have broken the USD 2,195 resistance. The RSI is above its average; however, the MA is warning that momentum is still weak, despite the USD 60 move higher. A move above USD 2,222 will create further negative divergences with the RSI, suggesting caution on upside breakouts. I am neutral on this upside moves as this phase of the wave cycle looked to have completed. Despite the bullish price action, I remain cautious on upside moves.

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