

## Nickel

Two workers were injured in an explosion at a ferronickel smelter in Indonesia run by Chinese metals giant Tsingshan Holding Group, according to a workers' union, just months after a fatal blast at the same facility.

The incident occurred at the Indonesia Morowali Industrial Park (IMIP) in Sulawesi, a region that has developed into the country's nickel mining and processing hub over the last decade.

"Injured victims are currently being treated by the medical team," a media representative for IMIP said without specifying how many workers were affected.

Henry Foord Jebss, head of the IMIP Mining and Energy Industry Workers Union, said two workers were hurt in the incident, which happened on Thursday night.

Read More: [Fatal Blast in Indonesia Shows Costs of Battery Metal Ambitions](#)

At least 21 workers were killed in another blast at the same plant owned by PT Indonesia Tsingshan Stainless Steel in December. That prompted calls by Indonesian politicians, including outgoing President Joko Widodo, for greater scrutiny of health and safety practices in the sector. (Bloomberg)

# Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	9,815	R1	9,817.5		RSI below 50
S2	9,654	R2			
S3	9,567	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- The RSI below 50 (44)
- Stochastic is below 50
- Price is above the daily pivot point USD 9,815
- Technically bearish yesterday, the MA on the RSI implied that we were seeing momentum support. Price was trading on the trend line having failed to trade above the resistance band, the averages and the trend line were starting to converge, warning we could see a directional break-out soon. We remained cautious on downside moves due to the divergence and momentum support.
- Having spent most of the session tracking the trend support, the futures did see a small move lower into the close, with price just below the trend line (USD 9,845). We are below the EMA resistance band with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 9,815 with the RSI at or below 42 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 46.5 will mean it is aligned to the buyside. Upside moves that fail at or below USD 10,018 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Downside moves that hold at or above USD 9,567 will support a longer-term bull argument, if broken, then the higher timeframe Elliott wave cycle will have a neutral bias.
- Unchanged on the technical today, we remain bearish with the MA on the RSI implying that we are seeing momentum support; however, the RSI is on its average. The averages and the trend line continue to diverge, implying we could see a directional breakout soon; if it is to the downside, the futures will be in divergence below USD 9,680, implying caution on moves below this level.

# Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,520	R1	2,542.5		RSI below 50
S2	2,484	R2			
S3	2,451	R3			

Source Bloomberg

## Synopsis - Intraday

- Price is below the EMA Resistance band (Black EMA's)
- RSI is below 50 (41)
- Stochastic is below 50
- Price is below the daily pivot point USD 2,557
- Technically bearish yesterday, the MA on the RSI implied that we have light momentum support; it was marginal, but it looked like the move higher yesterday was enough to confirm a higher timeframe wave 4. This meant that upside moves were still considered as countertrend, providing we had not traded below the USD 2,520 fractal low that formed previously. In theory, we now had a potential downside target at USD 2,409; however, due to the lower timeframe oscillator cross being marginal, downside breakouts could be limited in time. If they were not, then there would be a higher chance of a wave extension within the existing bear trend. We were cautious on downside breakouts as the divergence would be in play.
- The futures moved higher before rejecting the EMA resistance band with price now trading back at yesterday's levels. We are below all key moving averages with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 2,557 with the RSI at or below 37 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean that it is aligned to the buy side. Upside moves that fail at or below USD 2,620 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI continues to imply that we have light momentum support. The upside move yesterday means that our lower timeframe oscillator cross is now more prominent, meaning there is less chance of a wave extension on a downside breakout. However, as noted yesterday, below USD 2,520 the futures will be in divergence, not a buy signal it is a warning that we could see a momentum slowdown which will need to be monitored. We maintain our view that upside moves should be considered as countertrend whilst above USD 2,520, if we do trade above USD 2,620, then the probability of the futures trading to a new low will start to decrease.

# Zinc Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,853		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 (47)
- Stochastic is overbought
- Price is below the daily pivot point USD 2,864
- Technically bearish yesterday, the probability of the futures trading to a new low within this phase of the cycle had started to decrease. The MA on the RSI implied momentum was supported with the RSI closing above the weekly pivot level yesterday (USD 2,841), implying buy-side pressure was increasing. The technical had the potential to become more complex, as we had not yet traded to a new low, if we did, it would imply the corrective wave cycle has completed. However, if we traded above USD 2,930 without making a new low, then the corrective pattern would be a 3 and 3, implying it is (potentially) a higher timeframe corrective wave A. This would suggest that the upside move could be a countertrend wave B, making USD 3,032 the key resistance to follow. Note: Elliott wave is a psychological footprint of the market, it can and does fail, there is always the chance we have seen a wave go missing (it does happen). Based on the information in front of us, this was my interpretation of technical footprint.
- The futures have moved sideways with price below the EMA resistance band with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 2,864 with the RSI at or below 42.5 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. Upside moves that trade above USD 2,930 will mean the intraday technical is bullish based on price.
- Unchanged on the technical today, we remain bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease. The MA on the RSI continues to warn of light momentum support with price holding above the weekly pivot level (USD 2,841). As noted yesterday, the technical will become more complex if we break fractal resistance before trading to a new low, as it will warn that the current corrective move down to the USD 2,737.5 low is possibly a higher timeframe wave A, meaning upside moves could be a countertrend wave B, making USD 3,032 the key resistance to follow. If broken, then the USD 3,150 fractal resistance will start to look vulnerable.

# Nickel Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	17,731	17,760	Stochastic oversold	RSI below 50
S2	17,435			
S3	17,138			
	R1	17,790		
	R2	18,319		
	R3	18,690		

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (37)
- Stochastic is below 50
- Price is below the daily pivot point USD 17,790
- Unchanged on the technical yesterday. We remained bearish with the MA on the RSI implying that momentum was supported. The futures continued to form a base on the back of the positive divergence with the RSI, implying caution on downside breakouts. Key longer-term resistance was at 20,353, upside moves that failed at or below this level will warn that there is a larger, bearish Elliott wave cycle in play.
- The futures have seen a small move to the downside with price below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 17,790 with the RSI at or below 33.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level with the RSI at or above 38 will mean it is aligned to the buy side. Upside moves that fail at or below USD 18,319 will leave the futures vulnerable to further tests to the downside.
- Technically bearish, the MA is implying we have momentum support; however, the RSI is testing the average. The new low means that the futures are in divergence with the RSI, not a buy signal, it warns that we could see a momentum slowdown. Due to the divergence, we maintain a cautious view on downside moves at this point.

# Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,143	R1	2,164	Stochastic oversold	RSI below 50
S2	2,112	R2			
S3	2,072	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (37)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,170
- Unchanged on the technical yesterday, we remained bearish with the MA on the RSI implying that momentum was neutral. We continued to have a note of caution on downside breakouts below USD 2,154, due to the potential divergence.
- The futures continue to consolidate with price below the EMA resistance supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 2,170 with the RSI at or below 35 will mean price and momentum are aligned to the sell side. Likewise, a close above this level will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 2,223 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged again today, we remain bearish with the MA on the RSI implying that momentum is neutral. We continue to have a note of caution on downside breakouts below USD 2,154, due to the potential divergence.

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