



Base Morning Technical Report

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China

China's exports rose much less than expected in September, curbing a trade rebound that has been a bright spot for the slowing economy.

Exports climbed just 2.4% in dollar terms from a year earlier, while imports inched up 0.3%, the customs administration said Monday. That left a trade surplus of \$81.71 billion for the month. Economists had forecast that exports would rise 6% while imports would expand 0.8%. (Bloomberg).

Copper Morning Technical (4-hour)



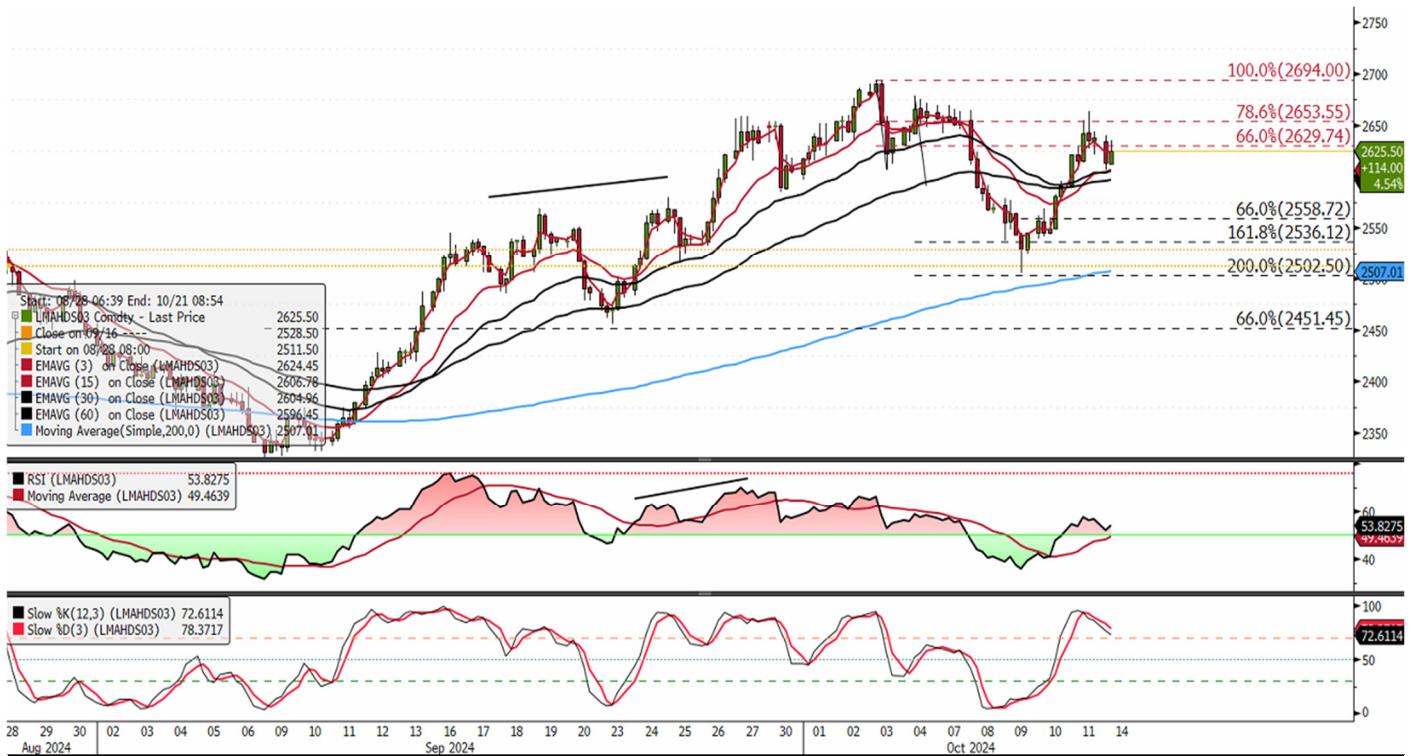
	Support	Resistance	Current Price	Bull	Bear
S1	9,693	R1	9,782		
S2	9,549	R2	9,945		RSI below 50
S3	9,354	R3	10,090		

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- The RSI below 50 (49)
- Stochastic is overbought
- Price is above the daily pivot point USD 9,771
- Unchanged on the technical on Friday. We were bullish with the futures finding light bid support within the corrective phase. We noted that a close above the upper channel resistance (USD 9,832) would imply that buy-side pressure (based on price) was increasing, warning that the USD 9,945 and USD 10,158 resistance levels could be tested and broken. As noted previously, if we did trade below USD 9,354, then the probability of the futures trading to a new high will start to decrease.
- The futures remain supported with price moving sideways. We are below the EMA support band with the RSI near-neutral at 49, intraday price and momentum are conflicting, as the previous candle closed below the daily pivot level.
- A close on the 4-hour candle below USD 9,771 with the RSI at or below 43 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 fail at or below USD 9,945 will leave the futures vulnerable to further tests to the downside, warning the corrective phase has the potential to become more complex. Downside moves that hold at or above USD 9,354 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures remain in a corrective phase, the MA on the RSI is indicating that momentum is supported at this point. A close above the upper channel resistance (USD 9,782) will indicate that buy-side pressure is increasing, warning the USD 9,945 and USD 10,158 resistance levels could be tested and broken. Likewise, a rejection of the resistance of the resistance will leave support levels vulnerable. As noted previously, if we do trade below USD 9,354, then the probability of the futures trading to a new high will start to decrease.

Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,625.5	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (53)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,629
- Technically bearish last week, the MA on the RSI implied that we had light momentum support. The futures were at an inflection point, technically, the upside move looked like it should be countertrend, warning the futures were vulnerable to a move lower. However, we noted that this observation was based on the psychological footprint of the market (Elliott wave), which could change with the Policy meeting in China on Saturday. If we did trade above the USD 2,692 level, then the probability of the futures trading to a new low would start to decrease.
- The futures traded to a high of USD 2,663 before testing and holding the EMA support band, the technical is now bearish with a neutral bias. The RSI is above 50 with intraday and momentum conflicting, as the previous candle closed below the daily pivot level.
- A close on the 4-hour candle below USD 2,629 with the RSI at or below 47 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. Downside moves that hold at or above USD 2,558 will support a near-term bull argument, below this level the futures will be back in bearish territory.
- Technically bearish with a neutral bias, the MA on the RSI is implying that momentum is supported. The move above USD 2,629 means that the probability of the futures trading to a new low has started to decrease; however, our intraday Elliott wave analysis is suggesting upside moves look to be countertrend. The conflation means we are now neutral due to the lack of directional bias.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,961	R1	3,130	RSI above 50	Stochastic overbought
S2	2,913	R2	3,066		
S3	2,833	R3	3,093		

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (52)
- Stochastic is overbought
- Price is below the daily pivot point USD 3,132
- Technically bullish on Friday, the MA on the RSI is implying that we have light momentum support. However, the futures are in the process of rejecting the USD 3,130 resistance, warning we could see an intraday move lower in the near-term. We noted that if we did trade above USD 3,130, then the probability of the futures trading to a new low would start to decrease, warning we could be in the early stages of a bullish impulse wave 5. As noted previously, our intraday Elliott wave analysis suggested that downside moves looked like they could be countertrend.
- The futures traded to a low of USD 3,081 before trading above the USD 3,130 resistance on Friday. We have gapped lower on the open today, but price is holding above the EMA support band with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 3,132 with the RSI at or below 47 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. Downside moves that hold at or above USD 2,961 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the move above USD 3,130 is warning that we could be in the early stages of a bullish Elliott impulse wave 5. The MA on the RSI is implying that we have light momentum support. However, the gap lower on the open is warning of near-term weakness, warning support levels remain vulnerable. Focus should be on the EMA support band and the MA on the RSI, as these will need to hold to avoid a corrective move lower.

Nickel Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	17,650		Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- RSI is at 50 (50)
- Stochastic is overbought
- Price is below the daily pivot point USD 17,783
- We remained bullish but in a corrective phase on Friday, the MA on the RSI was flat, implying sell side momentum was slowing. The futures were moving higher on the lower timeframe positive divergence, meaning we remained cautious on downside moves. However, upside moves that failed at or below the USD 17,958 level would warn that the corrective phase could be becoming more complex, above this level the probability of the futures trading below USD 17,305 would decrease, implying we are probably in an unconfirmed Elliott wave 5 (confirmation only officially comes after a new high).
- The futures have rejected the USD 17,950 resistance with price now trading in the EMA support band. The RSI is above 50 with intraday price and momentum conflicting.
- A close on the 4-hour candle below USD 17,783 with the RSI at or below 49 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. Downside moves that hold at or above USD 16,669 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the rejection of key resistance is warning that the corrective phase now has the potential to become more complex. The MA on the RSI is implying we have light momentum support; however, the RSI is now testing its MA support. The futures are now trading on the top of the EMA support, market buyers will want to see the band hold; if we do, it will warn that the USD 17,958 resistance remains vulnerable. A close below the band will mean price and momentum are probably aligned to the sell side, meaning support levels could come under pressure in the near-term.

Lead Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,065		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 (42)
- Stochastic is above 50
- Price is below the daily point USD 2,090
- Technically bearish on Friday, our Elliott wave analysis suggested that the current upside moves looks like it could be countertrend, making USD 2,125 the key resistance to follow. If broken, it would warn that there was a larger, bullish, Elliott wave cycle in play.
- The futures rejected key resistance with price moving lower this morning. We are 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 2,090 with the RSI at or above 45.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 2,125 will leave the futures vulnerable to further tests to the downside. Likewise, downside moves that hold at or above USD 2,021 will warn that there is potentially a larger bullish Elliott wave cycle in play.
- Technically bearish, the rejection of the USD 2,125 resistance is warning that the USD 2,045.5 support could be tested and broken, making USD 2,021 the key support to follow. If broken, then the USD 1,993 and USD 1,946 support levels will start to look vulnerable.

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