

China

(Bloomberg) -- Chinese regulators told the nation's banks to lower rates they pay on deposits from other financial institutions to free up funds to boost the economy, according to people familiar with the matter.

China's interest rate self-disciplinary mechanism, a supervisory body overseen by the central bank, said banks should benchmark the interbank deposit rate against the 7-day reverse repo rate, currently set at 1.5% annually, the people said, asking not to be identified discussing a private matter.

Banks were told not to collect funds from interbank peers at a rate that is substantially higher than policy rates, the people said, adding that some lenders are now paying 1.8% annually or above to attract savings from financial counterparties.

The People's Bank of China didn't immediately respond to a request for comment.

U.S.

(Bloomberg) -- A seismic selloff in Treasuries paused Thursday as investors' attention turned from Donald Trump's victory in the US presidential election to interest-rate decisions from major central banks including the Federal Reserve.

The yield on 30-year US bonds was little changed after a 17-basis-point surge Wednesday — the biggest since March 2020. UK debt rebounded from three days of losses, while euro-area notes fell as investors digested news of snap elections in Germany.

Traders are looking to central bankers for any clues on how Trump's potential tax-cut and high-tariff policies will impact their outlook for global growth and inflation. Fed Chair Jerome Powell holds a press conference after Thursday's decision, which is expected to be a quarter-point rate cut.

Cu

(Bloomberg) -- Copper and other base metals gained, after plunging on Wednesday, as investors weighed the potential consequences of Donald Trump's return to the White House early next year.

Commodities including base metals were hammered in the immediate aftermath of the result as the Republican's solid victory fueled a dollar rally, with copper down more than 4% by the close. Traders must now weigh the potential impact of a second Trump term, including the prospect of tough US trade measures — especially against China.

China slashed the daily reference rate for its currency to the lowest since 2023 in response to the dollar's spike. Investors are awaiting to see if this week's meeting of the country's top legislative body rolls out new measures to support domestic growth.

"Base metals are now highly dependent on the degree of tariffs, and the degree of China easing, both of which remain uncertain," Citigroup Inc. analysts including Max Layton said in a note. "Metals will be in wait-and-see mode as a result."

Copper traded 1.2% higher at \$9,455 a ton on the London Metal Exchange by 2:27 p.m. Singapore time, after closing Wednesday at its lowest in nearly eight weeks. Aluminum and zinc also rose. Lead was steady.

Copper Morning Technical (4-hour)



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|---------------------|--------------|
| S1 | 9,449 | R1 | 9,473 | Stochastic oversold | RSI below 50 |
| S2 | 9,335 | R2 | | | |
| S3 | 9,214 | R3 | | | |

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- The RSI below 50 (45)
- Stochastic is oversold
- Price is above the daily pivot point USD 9,449
- Technically bullish but in a corrective phase yesterday, the rejection of the USD 9,887 level implied that the corrective phase would be more complex. We noted that it could also change the psychological footprint of the market, meaning the bullish wave cycle had a greater chance of failing. The strength of the overnight sell off warned that the USD 9,435.5 fractal low would be tested and broken, if it was, then we would target our key support at USD 9,354. If broken, the probability of the futures trading to a new high would start to decrease.
- The futures sold below the USD 9,354 level; However, we are seeing good bid support in the Asian day session. 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 above USD 9,449 with the RSI at or above 52.5 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. Upside moves that fail at or below USD 9,618 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bullish territory.
- Technically bullish but with a neutral bias, the probability of the futures trading to a new high has started to decrease. With the corrective phase now more complex, alongside key support being broken, we are now cautious on moves higher at this point, making USD 9,618 the key resistance to follow.

Aluminium Morning Technical (4-hour)



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|------|
| S1 | 2,512 | R1 | 2,638 | RSI above 50 | |
| S2 | 2,601 | R2 | | | |
| S3 | 2,579 | R3 | | | |

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (51)
- Stochastic is above 50
- Price is below the daily pivot point USD 2,612
- Technically bullish with a neutral bias yesterday, the futures had rejected key resistance for a second time, warning support levels could come under pressure. As noted previously, the Elliott wave cycle looked like it has already completed and did not currently support the recent move higher; meaning we maintained a cautious view on upside breakouts above USD 2,694, as the daily chart would still be in divergence.
- The futures sold to a low of USD 2,568.5 before rejecting the 200-period MA (USD 2,586). We are above all key moving averages with the RSI near-neutral at 51, intraday price and momentum are conflicting, as the RSI is yet to show a clear move above the average.
- A close on the 4-hour candle above USD 2,612 with the RSI at or above 53 will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 48.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,669 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bullish territory.
- Technically bullish with a neutral bias, the futures are finding bid support on the downside rejection candle from yesterday. We have held the 200-period MA, implying that there is an underlying support in the market, warning resistance levels have the potential to come under pressure in the near-term. As noted previously, we remain cautious on upside breakouts above USD 2,715, as the futures will be in divergence on the daily timeframe. Not a sell signal, it is a warning that we could see a momentum slowdown, suggesting upside moves could struggle to hold above this level.

Zinc Morning Technical (4-hour)



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|---------------------|--------------|
| S1 | 3,006 | R1 | 3,063 | Stochastic oversold | RSI below 50 |
| S2 | 2,960 | R2 | 3,083 | | |
| S3 | 2,951 | R3 | 3,117 | | |

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (47)
- Stochastic is oversold
- Price is above the daily pivot point USD 3,006
- Technically bullish but with a neutral bias yesterday, the probability of the futures trading to a new high had started to decrease. The downside move was finding support on the 200-period MA again (USD 3,038), warning that there is an underlying support in the market; however, as noted previously, we maintain a cautious view on upside moves, due to the depth of the pullback.
- The futures traded below and closed below the 200-period MA (USD 3,044). We are below all key moving averages, supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 3,006 with the RSI at or above 48.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level with the RSI at or below 44 will mean it is aligned to the sell side. Upside moves that fail at or below 3,192 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bullish territory.
- The futures traded below the USD 2,978 fractal support yesterday, meaning the intraday technical is now bearish. the MA on the RSI is flat, implying momentum is neutral; however, the move lower has been replicated by the RSI, suggesting upside moves have the potential to be countertrend. For this reason, we remain cautious on moves higher at this point, if we do trade above USD 3,063 then the probability of the futures trading to a new low will start to decrease. Price is at an inflection point, as we are testing the 200-period MA, a close above that holds above it will leave resistance levels vulnerable, as this is regarded as a benchmark average; likewise, a rejection of the average will imply downside continuation.

Nickel Morning Technical (4-hour)



| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|--------------|-----------------------|
| S1 | R1 | 16,380 | RSI above 50 | Stochastic overbought |
| S2 | R2 | | | |
| S3 | R3 | | | |

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the daily pivot point USD 16,074
- Technically bearish yesterday, the MA on the RSI was flat, implying momentum was neutral. Price was in the process of rejecting the EMA resistance band, whilst our intraday Elliott wave analysis suggests that upside moves looked like they could be countertrend. This warned that the USD 15,705 fractal support was starting to look vulnerable. However, if we did trade above and close above USD 16,375, then the Fibonacci resistance zone could come under in the near-term. Due to the Elliott wave cycle, we maintained a cautious view on upside moves.
- The futures traded to a low of USD 15,885 before finding bid support, we are above the USD 16,375 fractal resistance but are yet to close above it. Price is above the EMA resistance band supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 16,074 with the RSI at or below 50 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below 17,186 will leave the futures vulnerable to further tests to the down side, above this level the technical will have a neutral bias.
- Technically bearish but moving higher, the MA on the RSI is implying that momentum is supported. The futures are now trading above the USD 16,375 fractal resistance, if we close above it, then the Fibonacci resistance zone could come under pressure. Our Elliott wave analysis does suggest that upside moves look like they should be countertrend; however, if we do trade above USD 17,186, then the probability of the futures trading to a new high will start to decrease.

Lead Morning Technical (4-hour)



| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|--------------|-----------------------|
| S1 | R1 | 2,051 | RSI above 50 | Stochastic overbought |
| 2,034 | 2,070 | | | |
| S2 | R2 | | | |
| 2,009 | 2,085 | | | |
| S3 | R3 | | | |
| 1,993 | 2,110 | | | |

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (54)
- Stochastic is overbought
- Price is above the daily point USD 2,034
- Technically bearish yesterday, the MA on the RSI indicated that momentum was weak, warning support levels were vulnerable. The daily rejection candle was followed by a bearish close previously, supporting the move lower. Momentum and price action warn that support levels were still vulnerable; however, if we closed on the daily candle above USD 2,042, it would suggest that sell side pressure was losing momentum.
- The downside move failed to hold yesterday, resulting in the daily candle closing above the USD 2,042 level, signalling sell side pressure has lost momentum. Price is moving higher again this morning, meaning we are above the EMA resistance band supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,034 with the RSI at or below 47 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,070 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the close above USD 2,042 yesterday is warning that buyside pressure is increasing, meaning the USD 2,070 resistance could be about to come under pressure. If broken, then the probability of the futures trading at a new low will start to decrease. The failure to hold the downside move yesterday is indicating that the futures have buyside support.

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com