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(Bloomberg) -- Copper extended a retreat from a nine-month high on speculation that supply dislocations — fueled by the possibility of upcoming US tariffs — may end sooner than had been expected.

After topping \$10,000 earlier in the week, prices fell for a third day in London. That puts them on track for a weekly drop after Bloomberg reported the US administration aims to introduce tariffs on copper imports within weeks, instead of months as had been widely anticipated. A swift implementation would leave little time for traders to divert more metal to the US. Commodities have been jolted this year as investors react to the US administration's imposition of trade levies, plus the threat of many more curbs to come, including a raft of announcements due next week. President Donald Trump has ordered a probe into copper flows, ahead of which traders had been racing to shift cargoes to the US.

"Copper's retreating quickly because the arbitrage trade to bring copper to the US is going to end quickly," said Fan Rui, an analyst at Guoyuan Futures Co. Still, the risk of production cuts in China may limit downside, Fan added.

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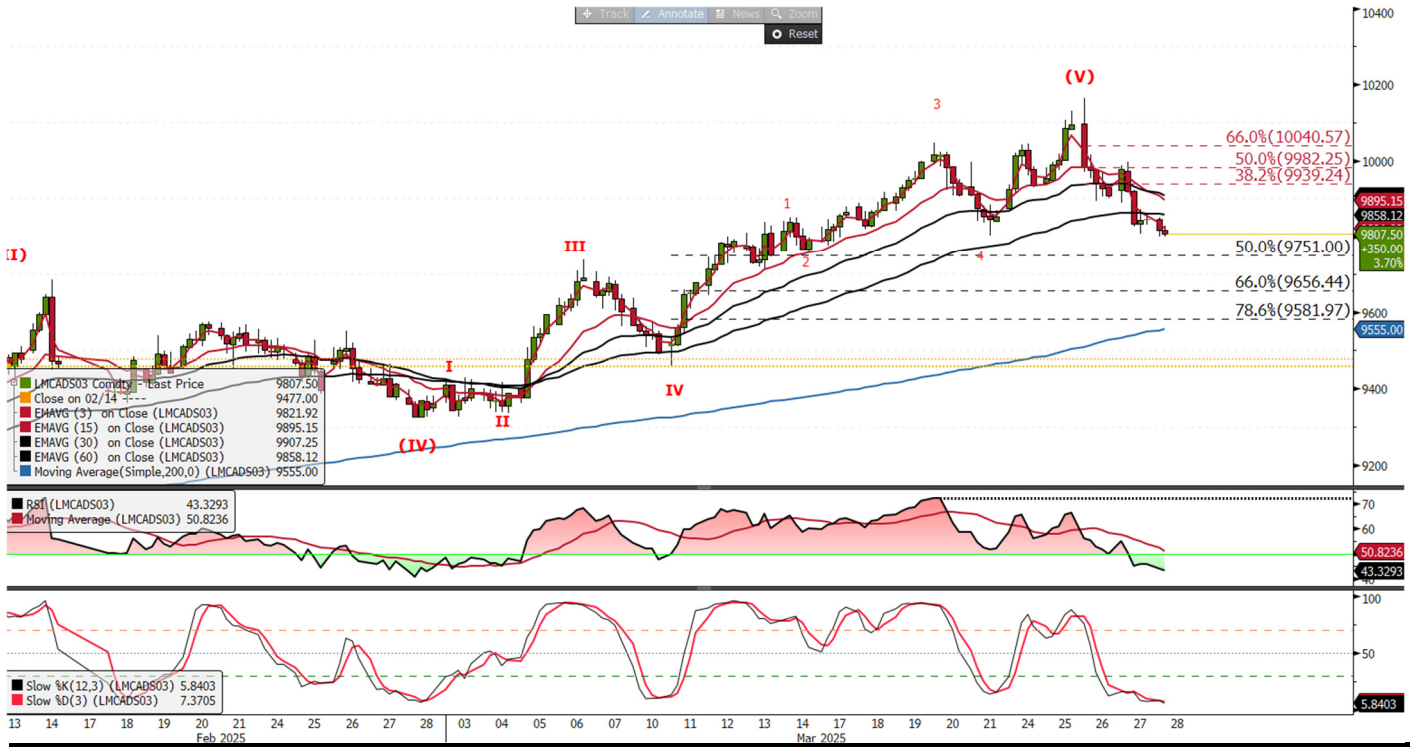
(Bloomberg) -- China tightened rules on building new alumina plants, in a bid to tackle overcapacity that has caused a plunge in prices in the world's top metals market.

Companies won't be allowed to build new alumina plants in heavily polluted areas, according to an aluminum industry development plan for 2025-2027 issued by the Ministry of Industry and Information Technology on Friday. Alumina is made from bauxite, which is usually imported, and is the key feedstock for aluminum, the most widely used metal.

Firms building new alumina projects should also "in principle" control enough bauxite supply to feed the plants, a directive that mirrors similar guidance on raw materials given to China's copper smelters.

For years, China has pledged to contain the blind expansion in alumina capacity. But a widening surplus of the mineral has led to a surge in exports in recent months.

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	9,751	R1	9,883	Stochastic overbought	RSI below 50
S2	9,656	R2	9,939		
S3	9,581	R3	9,982		

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- The RSI below 50 (43)
- Stochastic is oversold
- Price is below the daily pivot point USD 9,883
- Technically bullish with a neutral bias yesterday, the probability of the futures trading to a new high had started to decrease. The MA on the RSI implied that we had light momentum weakness, whilst the depth of the pullback and the Elliott wave cycle were warning that upside moves looked like they could be countertrend. We had a note of caution on moves higher, as the technical warned that they could struggle to hold.
- The futures have sold below the USD 9,800 fractal support, meaning the technical is now bearish. We are below the EMA support band with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 9,883 with the RSI at or above 53 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 10,040 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 implies that momentum is weak at this point. The break in fractal support confirms that this phase of the cycle that started on the 31/12/24 looks to have completed (to be clear, this is based on my interpretation of the Elliott wave cycle in front of me), meaning we are entering a bear phase. Corrective moves that trade below USD 9,656 will weaken the technical further; however, keeping the technical in perspective, this last bull wave was in the region of USD 1,200, meaning downside moves that hold above USD 9,235 will warn that there could still be a larger bull cycle in play! We are now cautious on upside moves in the near-term.

Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,553	RSI below 50	Stochastic oversold
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA Resistance band (Black EMA's)
- RSI is below 50 (31)
- Stochastic is oversold
- Price is above the daily pivot point USD 2,579
- Unchanged on the technical yesterday. The MA on the RSI implied that we had light momentum support due to the minor positive divergence in play. However, Elliott wave analysis continued to suggest that intraday upside moves should be considered as countertrend, making USD 2,659 the key resistance to follow. A move above this level would be considered as deep into the last bear wave, warning the probability of price trading to a new low had started to decrease.
- The futures continued to sell lower with price breaching the polarity support yesterday (pink box), we are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,579 with the RSI at or above 39 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 2,642 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 implies momentum is weak, whilst the futures are trading below the polarity support. Elliott wave analysis remains unchanged, meaning upside moves should still be considered as countertrend at this point. Key resistance is now at USD 2,642; if we do trade above this level, then the probability of the futures trading to a new high will start to decrease.

Zinc Morning Technical (4-hour)



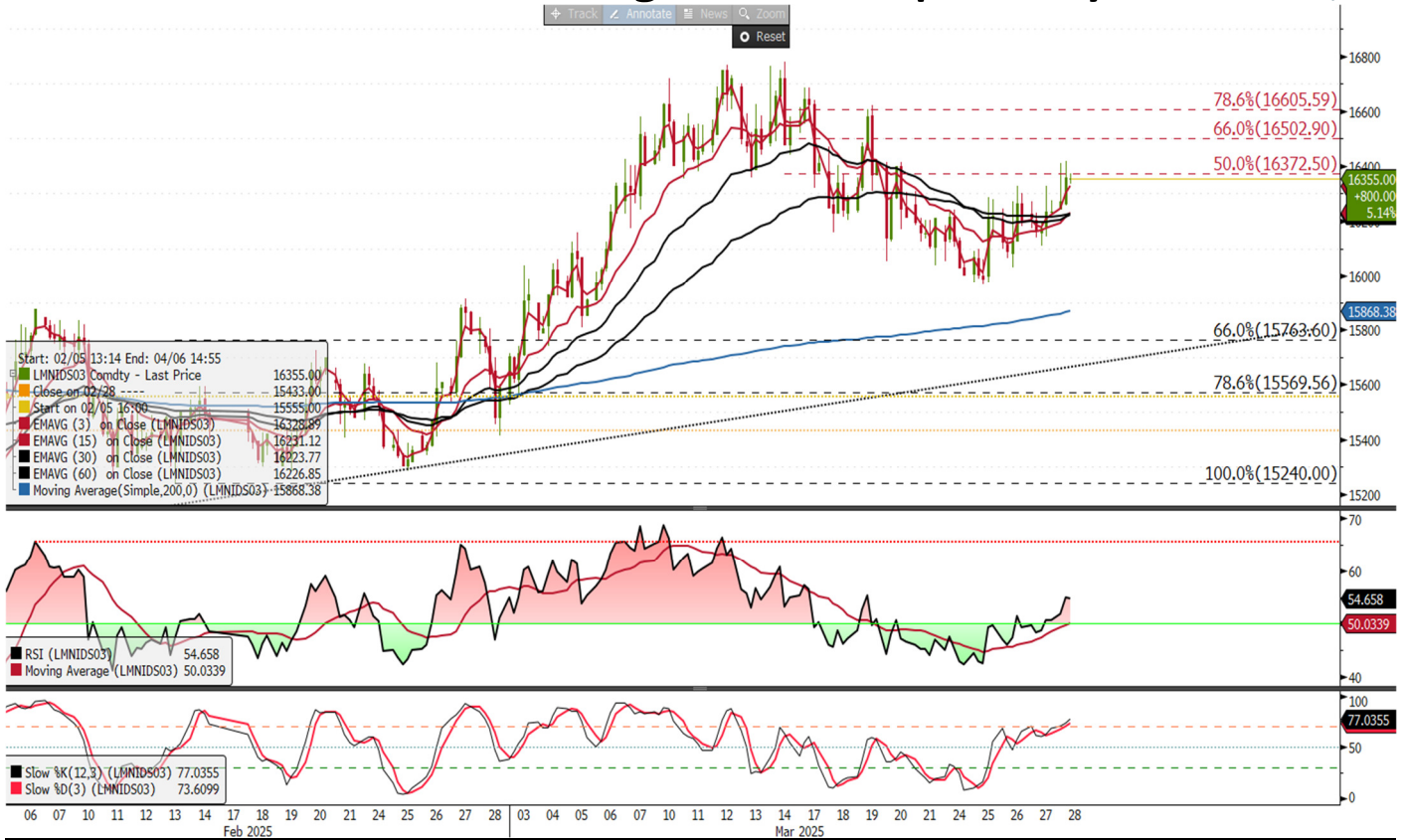
	Support	Resistance	Current Price	Bull	Bear
S1	2,885	R1	2,906	Stochastic oversold	RSI below 50
S2	2,846	R2	2,917		
S3	2,823	R3	2,937		

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA Support band (Black EMA's)
- RSI is below 50 (35)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,917
- Technically bullish yesterday, the MA on the RSI implied that we had light momentum weakness; however, price continued to hold above the daily 200-period MA (USD 2,918). The technical was at an inflection point, as we were testing trend support (USD 2,940) and the polarity support area (highlighted on chart). If we closed below and held below the trend support line, it would warn that the daily 200-period MA could come under pressure. A close below that holds below the longer-term average would indicate that sell side pressure was increasing, warning Fibonacci support levels could be tested. Upside moves that traded above USD 2,994.5 would indicate we are seeing an Elliott wave extension to the upside; however, we remained cautious on upside breakouts, as it would create a negative divergence with the RSI. Likewise, downside moves that held at or above USD 2,846 would warn that there could be a larger, bullish, Elliott wave cycle coming into play. Price was holding support, but due to the potential divergences at higher levels, we had a note of caution on upside moves at that point.
- The futures closed below trend support resulting in price selling lower, we are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,917 with the RSI at or above 49 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 2,846 will support a longer-term bullish Elliott wave cycle.
- Technically bearish, the MA on the RSI implies momentum is weak at this point, whilst Elliott wave analysis is suggesting upside moves should be considered as countertrend, making USD 2,937 the key resistance to follow. If we do trade above this level, then the probability of the futures trading to a new low was started to decrease. Price is now below the intraday 200-period MA (USD 2,874), if we close below and hold below the average, then the USD 2,486 Fibonacci support will become vulnerable. If broken, then the probability of there being a larger, bullish Elliott wave cycle coming into play will start to decrease.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	15,965	R1	16,355	RSI above 50	Stochastic overbought
S2	15,841	R2			
S3	15,763	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (54)
- Stochastic is overbought
- Price is above the daily pivot point USD 16,229
- Technically bullish but in a corrective phase yesterday, the MA on the RSI implied that momentum was supported at that point. The futures were finding bid support on a lower timeframe divergence, as the Elliott wave correction looked like it may have completed. However, if an upside move did reject the USD 16,605 resistance, it would warn that there could be a larger, bearish Elliott wave cycle coming into play. We now had a note of caution on downside moves.
- The futures are moving higher but remain below the USD 16,502 resistance. We are above the EMA support band with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 16,229 with the RSI at or below 48 will mean price and momentum are aligned to the sell side. Upside moves that fail at or USD 16,502 will warn that there is further downside within this corrective phase, above this level will warn that the USD 16,780 fractal high could be tested and broken. Downside moves that hold at or above 15,763 will support a bull argument's, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies that momentum is supported at this point. The futures are trading below the 16,502 Fibonacci resistance, this is going to be a key level to follow as the base sector is coming under pressure. If we reject this level, it will warn that there is potentially a larger, bearish Elliott wave cycle coming into play.

Lead Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,035.5	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (40)
- Stochastic is oversold
- Price is below the daily point USD 2,056
- Technically bullish yesterday, the MA on the RSI continued to imply that momentum was supported, whilst the move above USD 2,074 previously meant the USD 2,104.5 fractal high was vulnerable.
- Spectacularly wrong on this one yesterday. The futures broke to the downside with price breaching the USD 2,024 support again. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,056 with the RSI at or above 52.5 will mean price and momentum are aligned to the buy side. Upside move 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 bullish with a neutral bias, the MA on the RSI implies momentum is weak at this point. Clearly I have missed some point of a larger Elliott wave cycle, as the downside move yesterday suggests that we could trade below the USD 2,015 fractal support, and potentially as low as USD 2,004 in the near-term (based on Fibonacci projection levels). However, if we do trade above USD 2,070, then the probability of price trading to a new low will start to decrease. I am **neutral**, as I need to find out where we are in the Elliott wave cycle, which I am struggling to piece together. Even with an expanded cycle, we broke key support on the move lower, and resistance on the move higher.

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