FIS
Aluminium Premium

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Aluminium Premium Q2

	Support		Resistance	Close Price	Bull	Bear
S1	0.3475	R1	0.4017			
S2	0.3312	R2	0.4346	0.3877	RSI above 50	Stochastic overbought
S3	0.3091	R3	0.4675			

Synopsis - Intraday
Source Bloomberg

- Price is between the 34 - 55 period EMA's

- RSI is above 50 (58)

- Stochastic overbought

- Technically bullish on the last report, the consolidation indicated a neutral period due to the sideways price action, highlighting the underlying support in the market. The sharp break to the upside in Feb warned that downside moves should be considered as countertrend. Key support on the technical was at USD 0.3081, corrective moves lower that held above this level would support a longer-term bull argument. If broken, the pullback would be considered as deep, warning that the probability of the futures trading to a new high would start to decrease. Likewise, upside moves above USD 0.3972 would create further negative divergences with the RSI, this would need to be monitored going forward. In theory, the divergence suggests we should move lower; however, we had a treble bottom forming on the chart, warning resistance levels were looking vulnerable, due to the evidence of buyside support around the USD 0.3738 area.

- The futures moved higher on the back of the treble bottom support; however, the upside moves failed to hold due to the negative divergence with the RSI. We closed between the 8-21 period EMA's with the RSI above 50 on the 09/04. However, price is higher today (close price only on the chart), due to the risk on mode after the suspension of tariffs yesterday.

- Downside moves that hold at or above USD 0.3091 will support a longer-term bull argument, below this level the probability of the futures trading to a new high will start to decrease.

- Technically bullish but in a corrective phase, having sold lower on the negative divergence, intraday price is higher today (currently USD 0.39) . However, we are cautious on upside moves, as above USD 0.4001 we will create further negative divergences with the RSI. Downside moves below USD 0.3738 will mean the technical is bearish, warning the Fibonacci support zone could come under pressure. A cautious bull, the divergence suggests we could struggle to hold an upside breakout.