



Base Morning Technical Report

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China

(Bloomberg) -- China's consumer prices fell 0.1% from a year ago in May, National Bureau of Statistics says on website. That compares economists' median estimate of -0.2% in a Bloomberg survey.

CPI est. -0.2% y/y, range -0.4% to +0.1% from 25 economists; April -0.1%

May PPI -3.3% y/y; est. -3.2% (range -3.3% to -2.4%, 23 economists); April -2.7%

Copper Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	9,707	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI above 50 (56)
- Stochastic is above 50
- Price is on/above the daily pivot point USD 9,705
- Near-term price action was bullish on Friday with the MA on the RSI implying that momentum was supported. The upside move previously resulted in the RSI making a new high, meaning the divergence had failed, the move had been supported by expanding intraday volume and open interest. The RSI high warned that support levels should hold in the near-term; however, we noted that if we started closing below and holding below the top of the ascending triangle (USD 9,664), market longs would need to be cautious, as it would suggest that the pattern breakout could fail. USD 9,664 would be key going forward, a breach would be considered as acceptable, but if we closed and held below this level, market longs could look to exit.
- The futures have breached but remain above the USD 9,664, with price finding light bid support on the open this morning. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the sell side, as the previous candle closed on, not above the daily pivot level.
- A close on the 4-hour candle above USD 9,705 with the RSI at or above 61 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 9,595 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, we have reverted but remain above the ascending candle breakout level (USD 9,664), meaning this remains the key support on the technical. If we hold above it, then the USD 9,809.5 fractal high will continue to look vulnerable. However, as noted previously, if we close below and held below it, then it will indicate that the pattern breakout has failed, warning market longs could look to exit. Price action is supported on the open, if price and momentum become aligned to the buy side, it will further strengthen the near-term bull argument.

Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,458.5	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (48)
- Stochastic is oversold
- Price is above the daily pivot point USD 2,456
- The Elliott wave cycle remained bearish with price rejecting the linear regression line (USD 2,491). We noted that the current intraday candle was trading below the EMA support band, warning the 200-period MA (USD 2,434) was starting to look vulnerable. This was a benchmark average, if it held, it would warn that there was an underlying support in the market. Conversely, a close below that held below the average would warn that there was further downside to come in the move lower. As noted previously, we are cautious on moves higher due to the upside rejection and the breach in the USD 2,433 support; the technical was weakening, but we needed to see a close below the longer-term average.
- We traded down to but held above the 200-period MA (USD 2,436), resulting in price seeing light bid support on the open. We remain below the EMA support band with the RSI below 50, intraday price and momentum are aligned to the sell side, as the previous candle closed below the daily pivot level.
- A close on the 4-hour candle at or above USD 2,456 with the RSI at or above 52.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 2,557 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures are holding above trend support (USD 2,445) and the 200-period MA (USD 2,436), implying we continue to see buy side support in the market at this point. the Elliott wave cycle remains bearish, supported by the breach in the USD 2,433 support. However, for downside continuation, we will need to see a close below that holds the longer period MA. Whilst holding above the average and trend support near-term resistance levels will remain vulnerable.

Zinc Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,654.5	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (42)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,676
- Technically bearish on Friday, the futures were seeing a weakening in price action whilst the MA on the RSI implied we had light momentum weakness. A close that held below the intraday 200-period MA at USD 2,658 would warn that the USD 2,627 low of the daily bull candle could be tested and broken. If it was, and we saw a daily close below the high volume support candle, then it would warn that there should be further downside within the corrective phase. Conversely, market sellers should be cautious if we held above the longer-term average, as it would indicate there was an underlying support in the market. Price action was weakening, support was looking vulnerable, but we needed to see the daily close below USD 2,627 for downside continuation.
- The futures have seen another small move lower meaning price is below the 200-period MA (USD 2,659). The RSI is below 50 with price and momentum aligned to the sell side.
- A close on the 4-hour candle above USD 2,676 with the RSI at or above 50.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 2,752 will leave the futures vulnerable to further tests to the downside.
- Technically bearish, the futures are just below the 200-period MA; however, we are finding support 2 standard deviations above the linear regression line (USD 2,639), whilst the daily linear regression line (support) is at USD 2,629. We have support below, whilst just below the 200-period MA, meaning we are at an inflection point. For downside continuation, we still need to see a close below the daily support candle (USD 2,627), if we do, then we will be below daily regression support, meaning we will start to run the intraday regression from the USD 2,786 high from the 14/05/25. Market sellers need to be cautious of the linear support, as we still need to see a close below the USD 2,627 level to confirm that the move lower is more than intraday corrective.

Nickel Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	15,479	R1	15,565	15,510	RSI above 50	Stochastic overbought
S2	15,172	R2	15,640			
S3	15,000	R3	15,923			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (52)
- Stochastic is overbought
- Price is above the daily pivot point USD 15,479
- Unchanged on the technical again on Friday, the EMA resistance band was flat, implying we lacked directional bias. Price was in a resistance zone, having seen the head and shoulders continuation pattern fail, meaning we remained cautious on moves higher at that point. We remained at an inflection point as the futures were trading around the 200-period MA (USD 15,412).
- Sideways action on Friday, the futures are seeing light bid support this morning. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 15,479 with the RSI at or below 50 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 14,584 will support a bull argument, below this level the technical will be back in bearish territory.
- Unchanged again today, we continue to trade around the 200-period MA (USD 15,462), meaning the futures remain at an inflection point. As noted previously, we maintain a cautious view on upside moves at this point, as price is in a resistance zone having seen the inverse head and shoulders pattern fail.

Lead Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	1,981	R1	1,994.5	1,986	RSI above 50	
S2	1,957	R2	2,006			
S3	1,946	R3	2,039			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (52)
- Stochastic oversold
- Price is above the daily point USD 1,981
- The future remained in the consolidation area yesterday within the dominant bear candle highlighted previously (USD 1,957—USD 2,009). Technically we were neutral until we saw a close outside of this candle; however, the Elliott wave cycle was considered as bearish due to the breach in the USD 1,946 support previously. We also noted that there was a chance that we could see a minor negative divergence above USD 1,994.5.
- The futures have seen little price movement since Friday, we remain above the EMA support band with the RSI above 50, intraday price and momentum are aligned to the sell side, as the previous candle closed on but not above the daily pivot whilst the RSI was below its average.
- A close on the 4-hour candle above USD 1,981 with the RSI at or above 54 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 2,006 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically neutral, as the futures remain within the dominant bear candle on the daily chart (USD 1,957—USD 2,009). Directional bias is likely to come from a close outside of this candle.

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