EMISSIONS | OIL | FERROUS | FREIGHT | AGRI | METALS | ENERGY | PHYSICAL FREIGHT

## FIS

## **Lithium Technical Report**

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120



Support		Resistance		Close Price	Bull	Bear
S1	10.21	R1	10.60			
S2	9.99	R2	10.90	10.51	RSI above 50	Stochastic overbought
S3	9.73	R3	11.20			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 34 period EMA and 50-period SMA
- RSI is above 50 (64)
- ADX at 17 implies a lack of trend
- We have rolled to the q1 26 technical. The futures have broken the consolidation phase to the upside, resulting in price moving above all key moving averages supported by the RSI above 50.
- The futures are making higher high and higher lows, indicating price action is bullish, the MA on the RSI implies that momentum is supported. The DMI + is above the DMI—, implying buyside pressure is increasing, whilst the ADX is at 17 suggests that we are not yet in a 'trending' environment. However, the ADX is rising, indicating that we are seeing a volatility expansion, supporting the buyside momentum via the rising MA on the 21-period RSI.
- On the negative side, the 6-period RSI is at 90 (bottom window, a faster moving momentum indicator), warning that momentum is starting to look overextended in the near-term, meaning we are vulnerable to a technical throwback (downside move).
- Downisde moves that hold at or above the 200-period MA (USD 10.13) will imply there is an underlying support in the market; conversely, a close that holds below the average will warn that the USD 9.99 Fibonacci support could come under pressure. This is the key support on the technical, if we hold above it, then the futures should in theory close and hold back above the 200-period MA. If broken, then the probability of price trading to a new high will start to decrease, whilst below USD 9.73 the technical becomes bearish.
- Technically bullish, the 6-period RSI is warning that price is vulnerable to a move lower in the near-term. However, the 21-period RSI is making new highs with price, whilst the rising MA on the 21 period RSI implies momentum support, alongside a volatility expansion via the ADX. These indicators suggest that downisde moves should be considered as countertrend. Market pullbacks where the 6-period RSI hold above/between the 41—34 area, will warn that the futures could trade to new highs.

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 <u>freightinvestorservices.com</u>