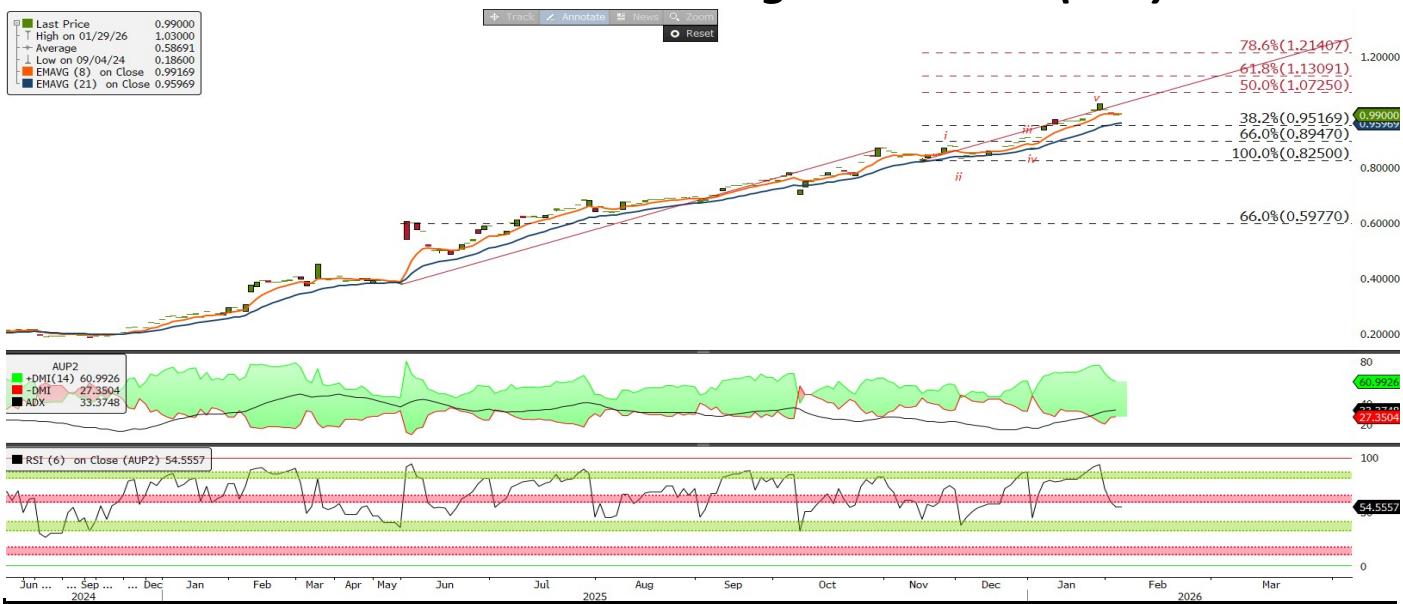




# Aluminium Premium

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## Aluminium Premium Rolling 2nd Month (Feb) 26



Support		Resistance		Close Price	Bull	Bear
S1	0.0951	R1	1.030	0.990	RSI above 50	
S2	0.894	R2	1.072			
S3	0.825	R3	1.130			

### Synopsis - Intraday

Source Bloomberg

- Price is between the 8 - 21 period EMA's
- 6-period RSI is above 50 (54)
- DMI positive
- Technical outlook on Last report: Cautious bull. The Futures continued to trade near their highs last week with the 6-period RSI holding in the upper resistance zone. The ADX reading of 26 indicated that the market has re-entered a trending environment, suggesting that any downside moves should, in theory, be corrective and countertrend in nature. USD 0.8768 was identified as the key support level to monitor. Corrective throwbacks that held at or above this level would signal the potential for a bullish Elliott Wave extension, in which case Fibonacci resistance levels would become increasingly vulnerable. Conversely, a decisive break below USD 0.8768 would weaken the near-term bullish structure and imply that price may struggle to achieve new highs. Momentum is consolidating near its highs, and an RSI pullback that holds above the 41-34 support zone would further warn of potential upside continuation.
- The Feb futures traded to a high of USD 1.030 before seeing a light pullback. Price is between the 8-21 period EMA's supported by the RSI above 50.
- Downside moves that hold at or above USD 0.894 will support a bull argument, below this level the technical will have a neutral bias.
- Technical Outlook: bullish throwback
- Futures have entered a corrective phase resulting in price trading between its moving average. However, the ADX has risen to 33 indicating price is in a trending environment, warning downside moves have the potential to be countertrend. We identify USD 0.894 as a key support on the technical, corrective moves that hold at or above this level would signal that we could see a bullish wave extension, leaving resistance levels vulnerable. Conversely, a pullback below 0.894 would be considered as deep into the last bull wave and weaken the bull structure. As highlighted previously, an RSI pullback that holds above the 41-34 support zone would further warn of potential upside continuation. Near-term price has weakened; however, while above USD 0.894 with the ADX at 33 we are cautious on downside moves at this point.