

China

China's trade surplus hit a record high in June as exports surged after Shanghai emerged from its crippling Covid lockdown and outbreaks eased.

The trade balance climbed to about \$98 billion last month from \$79 billion in May, reaching the highest level in at least three decades. Exports in dollar terms grew 18% in June from a year earlier, beating economists' estimate of a gain of 12.5%, to reach \$331 billion, the second highest on record after December 2021. (Bloomberg).

Cu

Copper extended its slump to the lowest level since November 2020 as traders brace for US inflation data later Wednesday that could keep the Federal Reserve on track for another big rate hike later this month.

The metal has plunged by about a third from its March record, with sentiment on global economic growth wilting amid a European energy crisis and US monetary tightening. Goldman Sachs Group Inc., one of the metal's most prominent cheerleaders, just slashed its short-term price forecasts. (Bloomberg)

Ni

The London Metal Exchange hopes to announce the resumption of nickel trading during Asian market hours "very soon," Chief Executive Matthew Chamberlain said during an LME webinar. (Bloomberg)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	6,855	R1	7,406	Stochastic oversold	RSI below 50
S2	6,401	R2	7,485		
S3	6,212	R3	7,572		

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA Resistance band (Black EMA's)
- RSI is below 50 (30)
- Stochastic is oversold
- Price is below the daily pivot point USD 7,406
- Technically bearish yesterday with upside moves considered against the trend. The futures trading lower in the day session with price trading below the USD 7,291.50 fractal support on the Asian open. Price is 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 7,406 with the RSI at or above 37.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 7,691 will leave the near-term futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The futures are now in divergence with the RSI, not a buy signal it does warn we have the potential to see a momentum slowdown.
- Technically bearish, Elliott wave analysis suggests that we remain in an extended wave 3 for this phase of the cycle, meaning upside moves are still considered as countertrend. Fractal resistance is at USD ,7943, however based on our wave analysis the higher timeframe technical remains vulnerable below USD 8,933.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,315	R1	2,369	Stochastic oversold	RSI below 50
S2	2,247	R2	2,396		
S3	2,179	R3	2,412		

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (39)
- Stochastic is oversold
- Price is below the daily pivot point 2,395
- As noted yesterday the futures targeted the USD 2,355 low having traded below the USD 2,398 level. The futures sold lower yesterday with near-term support being broken. Price is 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 2,369 with the RSI at or above 44.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 2,435 will leave the futures vulnerable to a test to the downside, above this level the technical will have a neutral bias.
- Near-term support is at USD 2,315, below this level we have further support at USD 2,247.
- Technically bearish with price and momentum aligned to the sell side, the divergence will need to be monitored as it is warning we have the potential to see a momentum slowdown soon.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear	
S1	2,942	R1	2,993	Stochastic oversold	RSI below 50	
S2	2,734	R2				3,250
S3	2,609	R3				3,345

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (40)
- Stochastic is oversold
- Price below the daily pivot point USD 3,040
- Technically bearish with a near-term downside target at the USD 2,942 low yesterday, the futures did move lower but remain above the USD 2,942 level at this point. Price is 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 3,040 with the RSI at or above 43.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 3,474 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish we maintain our near-term downside target at the USD 2,942 low with further support at USD 2,734. Note: a new low will create a positive divergence with the RSI, not a buy signal it does warn of the potential to see a momentum slowdown and will need to be monitored.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	20,850	R1	21,473		RSI below 50
S2	20,056	R2	22,547		
S3	16,862	R3	23,072		

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (41)
- Stochastic is below 50
- Price is above the daily pivot point USD 21,473
- Technically bearish with price on an Elliott wave 5. The futures are below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 21,473 with the RSI at or below 40 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 44.5 will mean it is aligned to the buyside. Upside moves that fail at or below 23,783 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The futures have now achieved the minimum requirement for wave/phase completion, Using the Williams approach we have a potential downside target at USD 20,056, if we trade below this level we target the USD 18,651 support (**Unchanged**)

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	1,934	R1	1,957		
S2	1,885	R2	2,007.5		RSI below 50
S3	1,845	R3	2,017.5		

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA resistance band (Black EMA's)
- RSI is above 50 (52)
- Stochastic is below
- Price is above the daily pivot point USD 1,934
- As noted yesterday, the technical remained bearish with the EMA Resistance bands warning the trend was not stable. The futures did trade lower but found buying support into the U.S close before moving higher today. Price is between the EMA resistance band with the RSI now above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 1,934 with the RSI at or below 44 will mean price and momentum are aligned to the sell side. Upside moves above USD 2,017.5 will confirm that the bearish intraday Elliott wave cycle has completed.
- The technical is bearish with a neutral bias, we have seen the futures finding support between USD 1,918.5 and USD 1,911 on three occasions, warning that the technical is finding support at lower levels, suggesting the USD 2,017.50 resistance is starting to look vulnerable. If we trade below the support zone, then expect the USD 1,883 low to be tested.