

China

China's surprisingly strong export growth in July lifted its trade surplus to another record and provided some much-needed economic support, but the country will still have to find ways to keep its fragile recovery on track as the global economy slows this year.

The nation's trade balance climbed to about \$101 billion last month, while exports in dollar terms grew 18% from a year earlier -- far higher than economists' estimates of a 14.1% gain.

That's good news for the world's second-largest economy, given concerns that waning global demand would hurt one of the country's strongest contributors to economic growth during the pandemic era. Economists, though, warn the export surge likely won't last forever. (Bloomberg).

Zn

Zinc fell from its highest close in more than six weeks as inventories in London rebounded amid a weakening demand outlook, mitigating concerns over supply stress.

Inventories on the London Metal Exchange rose about 10% in the last two sessions as demand wanes in Western countries on soaring energy costs and slowing manufacturing in the wake of Russia's invasion of Ukraine.

Prices of zinc, used mainly to galvanize steel, had rebounded from a July low after depleting inventories and spiking spreads fueled concerns about a possible supply squeeze, with top producer Glencore Plc warning that Europe's energy crisis posed a substantial threat to supply. (Bloomberg)

Ni

tesla Inc. has struck a deal worth about \$5 billion to secure nickel supplies from Indonesia over the next five years, a government minister said in an interview on CNBC, the latest effort by the electric-vehicle maker to secure its own supplies of critical raw materials for batteries.

The contract involves companies including Zhejiang Huayou Cobalt Co. and will let Tesla get raw material for lithium-ion batteries from Indonesia's nickel-focused Morowali Industrial Park, Luhut Panjaitan, coordinating minister for maritime affairs and investment, told CNBC Indonesia in an interview on Monday. (Bloomberg)

Copper Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	7,876	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (56)
- Stochastic is overbought
- Price is above the daily pivot point USD 7,850
- A flat start to the week with price opening unchanged to slightly lower. The futures are trading above the EMA support band with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 7,850 with the RSI at or below 51.5 will mean price and momentum are aligned to the sell side.
- Upside moves above the USD 7,970 fractal resistance will create a negative divergence with the RSI, not a sell signal it does warn we have the potential for a momentum slowdown.
- Upside moves that fail at or below USD 8,836 will leave the longer-term trend vulnerable to further tests to the downside, above this level we target the USD 9,062 fractal resistance. The intraday EMA band is bullish, but the trend is not yet considered as stable, whilst the daily technical is testing its EMA resistance band. Downside moves below USD 7,602 will leave the USD 7,302 Fibonacci support vulnerable.
- The intraday technical is bullish; however, a potential divergence above USD 7,970 with price testing the daily resistance band would suggest the futures could be vulnerable to a technical pullback.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,358	R1	2,454	RSI above 50	Stochastic overbought
S2	2,349	R2	2,496		
S3	2,310	R3	2,536		

Source Bloomberg

Synopsis - Intraday

- Price is on the EMA resistance band (Black EMA's)
- RSI is at 50 (50)
- Stochastic is overbought
- Price is on the daily pivot point 2,424
- The futures have entered a consolidation phase with price trading on the EMA resistance band. The RSI is at 50 with intraday price and momentum now conflicting.
- A close on the 4-hour candle below USD 2,424 with the RSI at or below 44.5 will mean price and momentum are aligned to the sell side. Likewise, a close above this level will mean it is aligned to the buyside.
- The EMA's are now flat with the RSI at 50 indicating a lack of trend in the market, suggesting the futures could continue to respect the Bollinger band in the near-term.
- Technically neutral

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	3,359	R1	3,460	RSI above 50	
S2	3,322	R2			
S3	3,255	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is below 50 (64)
- Stochastic is above 50
- Price on the daily pivot point USD 3,464
- Technically bearish with a neutral bias on the last report with the futures in a consolidation phase, price has now broken to the upside. The futures are above the EMA support band with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 3,464 with the RSI at or above 68.5 will mean price and momentum are aligned to the buy side. Likewise, a close below this level will mean it is aligned to the sell side.
- The upside moves above USD 3,367.5 has created a negative divergence with the RSI, not a sell signal it does warn that we have the potential to see a momentum slowdown. We can also see on the intraday chart a 5-wave pattern (highlighted with the red dashed line), supporting the negative divergence that is in play.
- Downside moves that hold at or above USD 3,359 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 3,255 is the intraday technical bearish.
- Technically bullish, we are seeing warning signs that the futures could enter a corrective phase soon.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	21,600	R1	21,800	Stochastic oversold	RSI below 50
S2	20,500	R2			
S3	20,005	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (46)
- Stochastic is oversold
- Price is below the daily pivot point USD 22,588
- The USD 21,600 level proved to be key, when broken the futures consolidated before trading to a high of USD 25,200. Price is back below the EMA support band with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 22,588 with the RSI at or above 52.5 will mean price and momentum are aligned to the buy side.
- The upside moves has failed to trade above the USD 25,295 fractal resistance meaning the futures remain bearish but with a neutral bias, above this level the technical is considered to be bullish. Price is now nearing the USD 21,600 support area (previous resistance). If broken the USD 20,005 and USD 18,230 fractal low could be vulnerable.
- The technical has a neutral bias with the EMA bands remaining flat, price now needs to hold the USD 21,600 area, otherwise the technical will be vulnerable to further tests to the downside.

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,062	R1	2,094	RSI above 50	Stochastic overbought
S2	2,001	R2			
S3	1,975	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (65)
- Stochastic is overbought
- Price is below the daily pivot point USD 2,062
- The intraday technical remains bullish with price trading in the resistance zone previously highlighted. The futures are above the EMA support band with the RSI above 50, intraday price and momentum are aligned to the buy side
- A close on the 4-hour candle below USD 2,062 with the RSI at or below 54 will mean price and momentum are aligned to the sell side. A close above USD 2,128.5 will further support a bull argument. Likewise, downside moves that trade below USD 2,001 will mean the intraday technical is bearish.
- Technically bullish with price above the EMA support band, the band is starting to widen but the trajectory of the averages would suggest that the futures are not yet in a trending environment.