

## China

China's central bank vowed to expand a special lending program if it's needed to ensure the delivery of delayed housing projects, and called on banks to provide financing support for this effort.

China will roll out city-specific property polices to support demand, implement special loans dedicated to ensuring property completion and increase its magnitude within reason, the People's Bank of China said in a statement Thursday. The statement summarized the decisions of the quarterly meeting of the monetary policy committee, which was chaired by Governor Yi Gang and met on Sept. 23. (Bloomberg).

## Metals

Gold and copper advanced after the Bank of England restarted its pandemic-era bond buying program, citing a risk to the UK's financial stability.

The intervention by the BOE saw the dollar and Treasury yields erase early gains and extend declines, providing a lift to metals which are priced in the greenback. Bullion and copper had earlier fallen as much as 0.9% and 1.8%, respectively, due to the stronger dollar and higher rates.

"The Bank of England's surprise announcement of 'QE or yield-curve-control lite' to support the Gilts market seems to have turned sentiment in the Treasury and USD markets, triggering short covering and bargain-hunting in gold," said Tai Wong, a senior trader at Heraeus Precious Metals in New York. (Bloomberg)

# Copper Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	7,415	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (45)
- Stochastic is overbought
- Price is above the daily pivot point USD 7,335
- A new low yesterday created a positive divergence with the RSI warning that we had the potential for a momentum slowdown, it also confirmed that the minimum requirement for phase/wave completion had been achieved. The futures moved higher with price trading above the USD 7,448.50 fractal resistance meaning this phase of the bear cycle has completed, the intraday technical is now bullish based on the higher. Price is below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 7,394 with the RSI at or below 37.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above the USD 7,310 will support a bull argument, below this level the technical will have a neutral bias. Below USD 7,220 would suggest we are potentially entering a new bearish intraday cycle.
- Technically bullish based on the higher high with the lower timeframe wave cycle now completed. The RSI is below 50 with the stochastic in overbought territory, momentum is suggesting that the futures are vulnerable to a test to the downside. Upside moves that fail at or below USD 7,835 will warn that the longer-term cycle remains bearish; likewise, a new low would suggest wave extension (I.E. a new lower timeframe bear cycle).

# Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,118	R1	2,135		RSI below 50
S2	2,080	R2			
S3	2,062	R3			

Source Bloomberg

## Synopsis - Intraday

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (40)
- Stochastic is above 50
- Price is above the daily pivot point USD 2,118
- Technically bearish yesterday with lower timeframe momentum indicators in divergence whilst the futures were trading around a 100% projection level, suggesting caution. The futures have moved USD 60 higher resulting in price trading up to the base of the Fibonacci resistance zone. Price is below the EMA Resistance band supported by the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,118 with the RSI at or below 31 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,187 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 look to be in a lower timeframe countertrend wave 4, making USD 2,187 the key resistance to follow.

# Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,872	R1	2,895		RSI below 50
S2	2,791	R2			
S3	2,751	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (38)
- Stochastic is above 50
- Price is below the daily pivot point USD 2,872
- Technically bearish yesterday with price in divergence as it approached the USD 2,783 – USD 2,751 support zone which we had as an area of interest. Lower timeframe wave analysis suggested that upside moves should be considered as countertrend at this point. The futures traded to a low of USD 2,791 before moving higher, the futures have now entered a lower timeframe countertrend wave 4. Price is below the EMA resistance band supported by the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,872 with the RSI at or below 30 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 3,060 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish the current upside move looks to be countertrend, suggesting we have another bear wave to follow.

# Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	20,940	R1	22,758		RSI below 50
S2	21,259	R2	23,320		
S3	20,050	R3	24,081		

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (39)
- Stochastic is below 50
- Price is above the daily pivot point USD 21,758
- Technically bearish with upside moves considered as countertrend at this point as we are yet to see a wave B, the futures moved higher alongside the rest of the base complex yesterday after the BOE announced they were prepared to buy longer-term gilts. Price is below the EMA resistance band (now crossed) with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 21,758 with the RSI at or above 41.5 will mean price and momentum are aligned to the buy side. Likewise a close below this level with the RSI at or below 37 will mean it is aligned to the sell side. Upside moves that fail at or below USD 24,081 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 trading in the shorter-term resistance band (Red averages) which are well spaced, warning we could see further move lower before entering a wave B.

# Lead Morning Technical (4-hour)



## Synopsis - Intraday

Source Bloomberg

- Price is between the EMA resistance band (Black EMA's)
- RSI is below 50 (48)
- Stochastic is overbought
- Price is below the daily pivot point USD 1,817
- The futures moved higher yesterday with price trading above the USD 1,846 resistance on the back of BOE intervention (higher than our expectations). The technical is still bearish but has a neutral bias, price is between the EMA resistance band with the RSI back below 50, intraday price and momentum are aligned to the buy side, but the pivot is coming under pressure.
- A close on the 4-hour candle below USD 1,817 with the RSI at or below 36 will mean price and momentum are aligned to the sell side. Downside moves that hold at to above USD 1,781 will support a near-term bull argument, below this level the futures will target the USD 1,746 low.
- Technically bearish with a neutral bias, the RSI has moved back below 50 with the stochastic overbought, momentum is warning that support levels could be tested.