

China

China will push banks to lend more to some sectors and also speed up the rollout of existing economic support policies, the country's central bank governor and finance minister said.

People's Bank of China Governor Yi Gang on Thursday reaffirmed a pledge to "step up the implementation of a prudent monetary policy and provide stronger help to the economy," in a video speech at a meeting of the central bank governors of the Group of 20 countries. Yi also said the PBOC will press banks to increase loans related to infrastructure, manufacturing and property. (Bloomberg).

U.S.

The dollar edges lower as risk appetite picks up and equities gain, but the trend remains for a stronger U.S. currency due to prospects of further aggressive interest-rate increases by the Federal Reserve, ING analyst Chris Turner says in a note. "The dollar should continue to find good support on dips," he says. Falls to 112.00 and 111.50 in the DXY dollar index "may be enough of a correction" and "some decent U.S. data later today may be enough to give the dollar a lift," with retail sales and consumer confidence figures due later. The DXY index last trades at 112.38, while EUR/USD rises 0.1% to 0.9784. (Bloomberg)

Metals

Base metals are poised for a third weekly advance amid signs of stretched copper supplies in China, and renewed fears over the flow of metals from major producer Russia.

Copper has had a strong week as buyers in China run up against extremely low inventories, a development that could spur more imports. Meanwhile, aluminum is trading near its highest levels since August on reports that the US is mulling measures -- including sanctions -- against Russian supplies.

Industrial commodities had a brutal third quarter as investors focused on multiple risks to demand, from the global threat of recessions to Europe's energy crisis and China's chronic property slump. But global stockpiles remain relatively low, especially in China, offering some support to prices. The LME Index of six metals was up 1.1% this week by Thursday, and all major metals are rallying on Friday.(Bloomberg).

Copper Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	7,666.5	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is below 50 (54)
- Stochastic is overbought
- Price is above the daily pivot point USD 7,562
- Technically neutral yesterday as the market waited on the CPI figures, the futures initially moved lower; however, dollar strength failed to hold resulting in a bullish rejection candle on the daily chart in the copper. Price has moved higher on the Asian open with the futures above the EMA resistance band supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 7,562 with the RSI at or below 48 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 7,728 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Likewise, downside moves that hold at or above USD 7,501 will support a near-term bull argument, below this level we target the USD 7,402 support.
- Technically we remain bearish below key resistance on the intraday technical, whilst the daily technical is bearish with a neutral bias. Upside moves that trade above USD 7,879 will warn the USD 8,153 fractal resistance on the daily chart could be vulnerable, above this level the daily technical is considered as bullish.

Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,386.5	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,340
- Technically bearish with a neutral bias yesterday, the downside move after the CPI figure held the USD 2,262 level, resulting in another move to the upside. Price is 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 2,340 with the RSI at or below 49.5 will mean price and momentum are aligned to the sell side. Key support remains unchanged at USD 2,262; downside moves below this level will target the USD 2,191 level.
- Technically we remain bearish with a neutral bias on the intraday, whilst the daily technical is bullish with a neutral bias. Above USD 2,420 the intraday technical is bullish but will produce a negative divergence with the RSI, not a sell signal it does warn that we have the potential to see a momentum slowdown and will need to be monitored.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,916	R1	2,975		RSI below 50
S2	2,858	R2	3,011.5		
S3	2,812	R3	3,056		

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA resistance band (Black EMA's)
- RSI is below 50 (49)
- Stochastic is above 50
- Price is above the daily pivot point USD 2,916
- Technically bearish yesterday with the futures starting to consolidate, buying support was evident at lower levels due to the positive divergence. We did see a move to the downside on the back of the CPI, but the market again found buying support with the futures now trading between the EMA resistance band. The RSI is neutral at 49 with price and momentum aligned to the buyside.
- A close on the 4-hour candle below USD 2,916 with the RSI at or below 42.5 will mean price and momentum are aligned to the side. Upside moves that fail at or below USD 2,975 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Only above USD 3,011.5 is the intraday technical bullish.
- Bearish with a neutral bias, buying support remains evident at lower levels warning that resistance levels look vulnerable.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	22,223	R1 22,870	22,427	RSI above 50	
S2	21,757	R2 23,200			
S3	21,482	R3 23,320			

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA resistance band (Black EMA's)
- RSI is above 50 (50)
- Stochastic is at 50
- Price is above the daily pivot point USD 22,223
- Having followed AI higher the previous day, the futures initially came under pressure before finding buying support alongside the rest of the sector. The futures are now trading between the EMA resistance band with both the RSI and stochastic neutral at 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 22,223 with the RSI at or below 45.5 will mean price and momentum are 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 the longer-term trend remains bearish having failed to trade below USD 20,940 on the 03/10. As previously noted we were cautious due to the 3-wave pattern lower; however, the previous rejection of the USD 23,320 resistance supported our bear argument. The technical is now getting complex due to the upside move yesterday, making USD 24,081 a key level to follow. For now, we will hold a neutral bias, as EMA's are flat indicating a lack of trend, we will need to see more upside to be convinced it is bullish (**unchanged**).

Lead Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	2,028	R1	2,065	RSI above 50 Stochastic overbought
S2	1,970	R2	2,093.5	
S3	1,932	R3	2,137	

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (56)
- Stochastic is overbought
- Price is on the daily pivot point USD 2,028
- The downside move held the EMA support band yesterday resulting in the futures closing marginally higher on the day. Price is 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 2,028 with the RSI at or below 54 will mean price and momentum are aligned to the sell side. Upside moves above USD 2,065 will break fractal resistance, indicating the intraday technical is bullish. Downside moves that hold at or above USD 1,932 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, we are potentially in the early stages of a bullish wave-5, downside moves below USD 1,965 would suggest we remain in a complex corrective wave 4. **(unchanged)**