

China

China's National Development and Reform Commission, the country's top economic-planning agency, did not hold the briefing that usually follows the monthly release of key economic data, likely due to to Covid infections are spiking in the capital.

Note: NDRC usually holds its monthly briefing within days of the National Bureau of Statistics publishing economic data for the previous month; the NBS released November figures on Thursday

The NDRC did not respond to questions about why the briefing didn't take place

More hard work is needed to promote a sustained economic recovery as the external environment is becoming more complex and grim and global growth momentum is weakening, the NDRC said in a statement regarding the current economic situation (Bloomberg).

Cu

Copper edged higher on Friday, paring a weekly decline, as investors weighed expectations of stimulus in China against a potential surge in Covid-19 cases.

Chinese Vice Premier Liu He said policy makers are "very confident" the economy will see an overall improvement next year, Xinhua reported. Liu said new measures are being considered to bolster the property market, which has been one of the biggest drags on growth and metals demand. (Bloomberg)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	8,234	R1	8,338	Stochastic oversold	RSI below 50
S2	8,111	R2			
S3	8,014	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (45)
- Stochastic is oversold
- Price is below the daily pivot point USD 8,358
- Bullish with a neutral bias yesterday with the RSI and stochastic both at 50, indicating we were not in a trending environment, the futures traded lower, the technical is now bearish. Price is 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 8,358 with the RSI at or above 53 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 8,508 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The upside move to a new high on the 13/12 created a conflicting technical, a divergence warned we had the potential to see a momentum slowdown; however, the new high indicated we could be starting another intraday Elliott wave bull cycle. The new low means there is not a bull cycle in play at this point, suggesting the new high was created by the wave B, which is part of a corrective phase. If I am honest, I have read about this, but it is so rare I can never recall seeing one.
- We are now technically bearish on the intraday with key support to follow at USD 8,111, if we hold at or above this level then we have the potential to see a larger bull cycle emerge. If we trade below this level, then we target the USD 8,014 and USD 7,850 support levels. Likewise, if we close on the 4-hour candle above USD 8,440 then the USD 8,508 resistance could come under pressure.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,377	R1	2,401	Stochastic oversold	RSI below 50
S2	2,362	R2			
S3	2,347	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA Resistance band (Black EMA's)
- RSI is below 50 (41)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,403
- Technically neutral yesterday with the futures trading within a symmetrical triangle, indicating the directional bias would come from a breakout and close outside of the pattern. The futures broke to the downside, resulting in price moving lower, we are now below the EMA resistance 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 2,403 with the RSI at or above 47.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 2,448 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish with the RSI making new lows, the downside breakout of the symmetrical triangle is warning that support levels have the potential to be tested and broken.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	3,088.5	R1	3,131	Stochastic oversold	RSI below 50
S2	3,025	R2			
S3	2,990.5	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (42)
- Stochastic is oversold
- Price is below the daily pivot point USD 3,189
- Technically bullish yesterday with the RSI above 50 whilst the stochastic was oversold, momentum was warning that the futures were vulnerable to a test to the upside. The futures failed to move higher, with the subsequent downside move taking the RSI below 50, price is now 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 3,189 with the RSI at or above 56 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 3,264 will leave the futures vulnerable to further tests to the downside, above this level the technical will target the USD 3,339 fractal high.
- The futures have produced a deep pullback, meaning the technical although bullish now has a neutral bias., this is also a warning that the probability of the futures trading to a new high have now decreased. Downside moves below USD 3,088.5 will create a lower low, at this point the technical becomes bearish. With price below the EMA support band, the RSI below 50, alongside a deep pullback, the USD 3,088 support is now starting to look very vulnerable.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	27,988	R1	28,587	Stochastic oversold	RSI below 50
S2	26,921	R2	31,748		
S3	25,110	R3	33,105		

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- RSI is below 50 (47)
- Stochastic is oversold
- Price is below the daily pivot point USD 28,587
- Another day of consolidation yesterday with the futures remaining between the EMA support band. The RSI is below 50 with price and momentum aligned to the sell side.
- A close on the 4-hour candle above USD 28,587 with the RSI at or above 52.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 31,748 will leave the futures vulnerable to further tests to the downside, above this level we target the USD 33,575 high. Likewise, downside moves that hold at or above USD 27,988 will support a bull argument, below this level the technical will have a neutral bias. Note: support is holding but remains vulnerable at this point. (Unchanged other than the pivot point and RSI calc)
- Technically bullish, we remain in a corrective phase with key support unchanged at USD 27,988, downside moves that hold above this level will support a bull argument, if broken the technical will have a neutral bias, warning the USD 26,921 and USD 25,110 support levels could be vulnerable (unchanged).

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,143	R1	2,155	Stochastic oversold	RSI below 50
S2	2,122	R2			
S3	2,097	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (43)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,162
- Technically bearish yesterday, downside moves below USD 2,151 warned the USD 2,143 and USD 2,122 support levels could be tested and broken. The futures continued to move lower with price trading down to USD 2,140. We remain 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 2,162 with the RSI at or above 47 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 2,202 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the downside move did not create a positive divergence as the RSI made a new low. Downside moves below USD 2,140 will target the USD 2,122 support level.