

China

China's top leaders said they will focus on boosting the economy next year, hinting at business-friendly policies, further support for the property market while likely scaling back fiscal stimulus.

After three years of strict Covid Zero restrictions, a crackdown on financial risk in the property market and targeting excessive growth of internet platform companies, President Xi Jinping now appears to be loosening the reins.

At a two-day Central Economic Work Conference that wrapped up on Friday, Xi and other senior officials pledged to revive consumption and support the private sector, a marked shift from recent years. (Bloomberg).

Cu

Copper rose after China signaled a pro-growth stance for 2023, hinting at business-friendly policies and more support for the property market.

At China's Central Economic Work Conference that wrapped up Friday, top leaders pledged to revive consumption and support the private sector, a marked shift from recent years. Officials said they will implement favorable policies to encourage private enterprises to grow, while economists said the signals are clear that the focus next year is on boosting the economy. (Bloomberg)

Ni

The tycoon at the center of this year's nickel crisis is building a new plant for metal that can be delivered on the London Metal Exchange — a move that signals his intention to keep trading on the embattled LME while seeking to avoid being caught out by short squeezes in the future.

Tsingshan Holding Group Co., the giant metals company owned by billionaire Xiang Guangda, is the world's largest nickel producer. However, the intermediate forms of nickel it produces for the stainless-steel and battery industries can't be delivered against contracts on the LME, which only accepts refined metal.

Now Tsingshan is building a plant in Sulawesi, Indonesia, to produce 50,000 tons of refined nickel a year that is due to go into operation by next July, according to people familiar with the situation. The company may decide to double the size of the plant, added one of the people, who asked not to be named as they weren't authorized to speak publicly. Two other Chinese producers, Zhejiang Huayou Cobalt Co. and CNGR Advanced Material Co., are planning similar facilities in China and Indonesia, respectively (Bloomberg)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	8,287	R1	8,305	Stochastic oversold	RSI below 50
S2	8,239	R2			
S3	8,114	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 above the daily pivot point USD 8,287
- Technically bearish on Friday, the futures traded down to the USD 8,234 support before moving higher on the Asian open. Price is 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 8,287 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 49 will mean price and momentum are aligned to the sell side. 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 intraday technical remains bearish with price rejecting the Fibonacci resistance zone on the open. Key support to follow is at USD 8,114, 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 8,016 and USD 7,850 support levels.

Aluminium Morning Technical (4-hour)



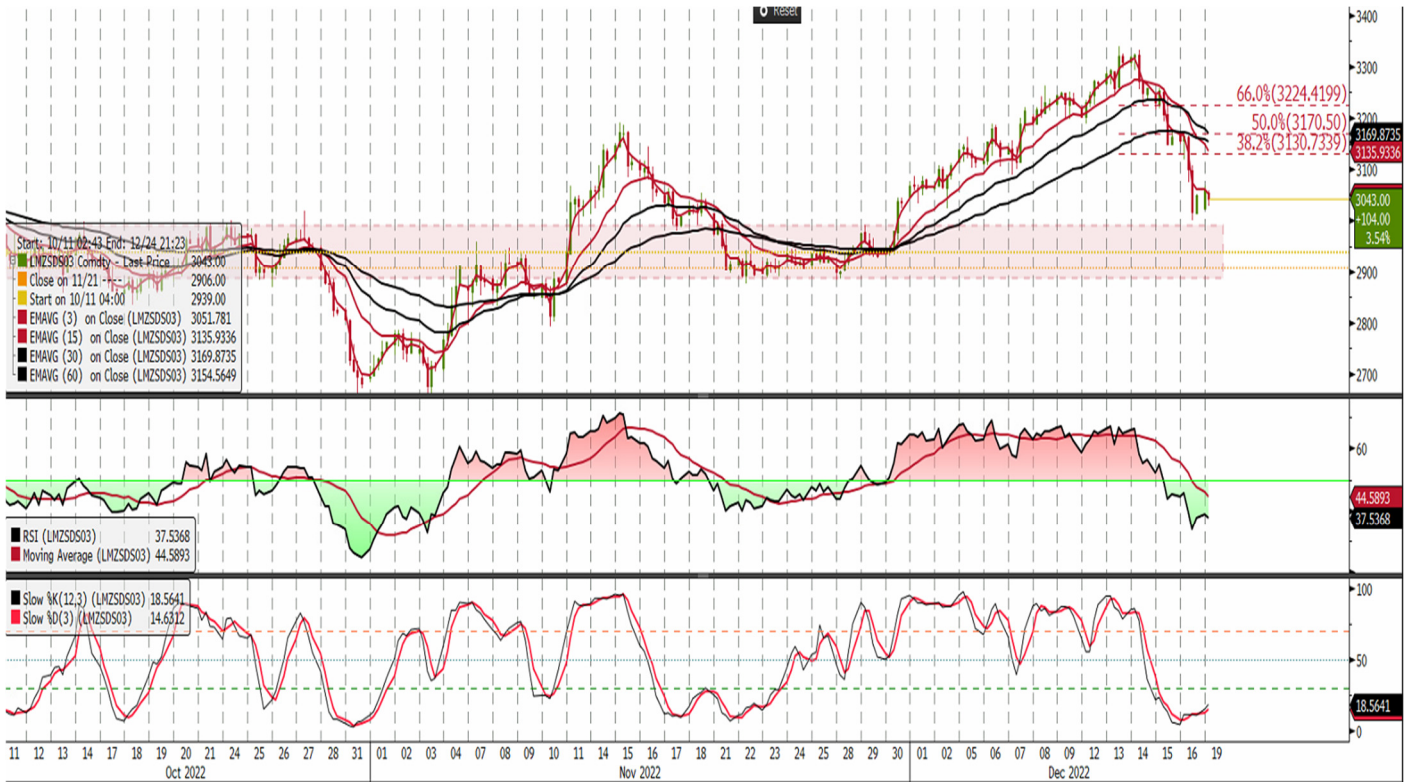
	Support	Resistance	Current Price	Bull	Bear
S1	2,377	R1	2,381	Stochastic oversold	RSI below 50
S2	2,362	R2			
S3	2,347	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA Resistance band (Black EMA's)
- RSI is below 50 (40)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,389
- Technically bearish last week, the symmetrical breakout to the downside warned that support levels could be vulnerable. The futures moved higher on the open with price testing the Fibonacci resistance zone before moving lower into the close. 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 2,389 with the RSI at or above 45 will mean price and momentum are aligned to the buyside. 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.
- The futures have rejected upside resistance levels with price testing the USD 2,377 support for the third time on the intraday, if we move below and close below this level, we target the USD 2,362 and USD 2,347 support levels. Likewise, if we hold support we could see the resistance zone could come back under pressure again.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	3,002	R1	3,063	Stochastic oversold	RSI below 50
S2	2,990.5	R2	3,130		
S3	2,876	R3	3,170		

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (36)
- Stochastic is oversold
- Price is below the daily pivot point USD 3,063
- Technically bullish with a neutral bias on Friday, the deep pullback warned that the probability of the futures trading to a new high had now decreased. The futures continued to move lower with the futures trading below the USD 3,008.5 support, the intraday technical is now bearish. Price is below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 3,063 with the RSI at or above 47 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 3,224 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- We are technically bearish but have a note of caution here as we are approaching the support zone that formed between October and November. This is a heavily traded area with support starting around the USD 2,990.5 level, if we close below the USD 2,876 level then we could see the USD 2,793 – USD 2,653.5 support levels being tested.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	27,988	R1	28,273	Stochastic oversold	RSI below 50
S2	26,921	R2			
S3	25,110	R3			

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 28,692
- 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. (Unchanged)
- A close on the 4-hour candle above USD 28,692 with the RSI at or above 51.5 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	2,153.5	Stochastic oversold	RSI below 50
S2	2,122	R2			
S3	2,097	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (44)
- Stochastic is oversold
- Price is on the daily pivot point USD 2,154
- Technically bearish the futures are now consolidating on the USD 2,143 support. Price is below the EMA resistance band with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 2,154 will mean price and momentum are aligned to the buyside. Likewise, a close below this level with the RSI at or below 41.5 will mean price and momentum are aligned to the sell 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 futures are in a consolidation phase, downside moves below USD 2,140 have the potential to create a positive divergence with the RSI, not a buy signal it does warn that we have the potential to see a momentum slowdown. Note: the last intraday divergence did fail; however, we have seen no further downside moves in the technical, suggesting caution below this level.

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