

China

China has drafted a work plan to help shore up the balance sheets of “high-quality” property companies, Zou Lan, director of PBOC’s monetary policy department, says at a briefing.

The plan has no specific list of high-quality property firms and financial institutions will decide by their own

The plan will also improve debt rules that target 30 developers with adjustments in some parameters

Financing environment has improved significantly for builders (Bloomberg).

Al

The profit margins of China's aluminum smelters could narrow this year as selling prices drop faster than costs. Average production costs could fall 5% in 2023, BI calculates, on cheaper raw materials including alumina and prebaked anode which account for 34% and 18% of total costs, smaller than the 11% decline in aluminum prices, based on consensus. (Bloomberg)

Copper Morning Technical (4-hour)



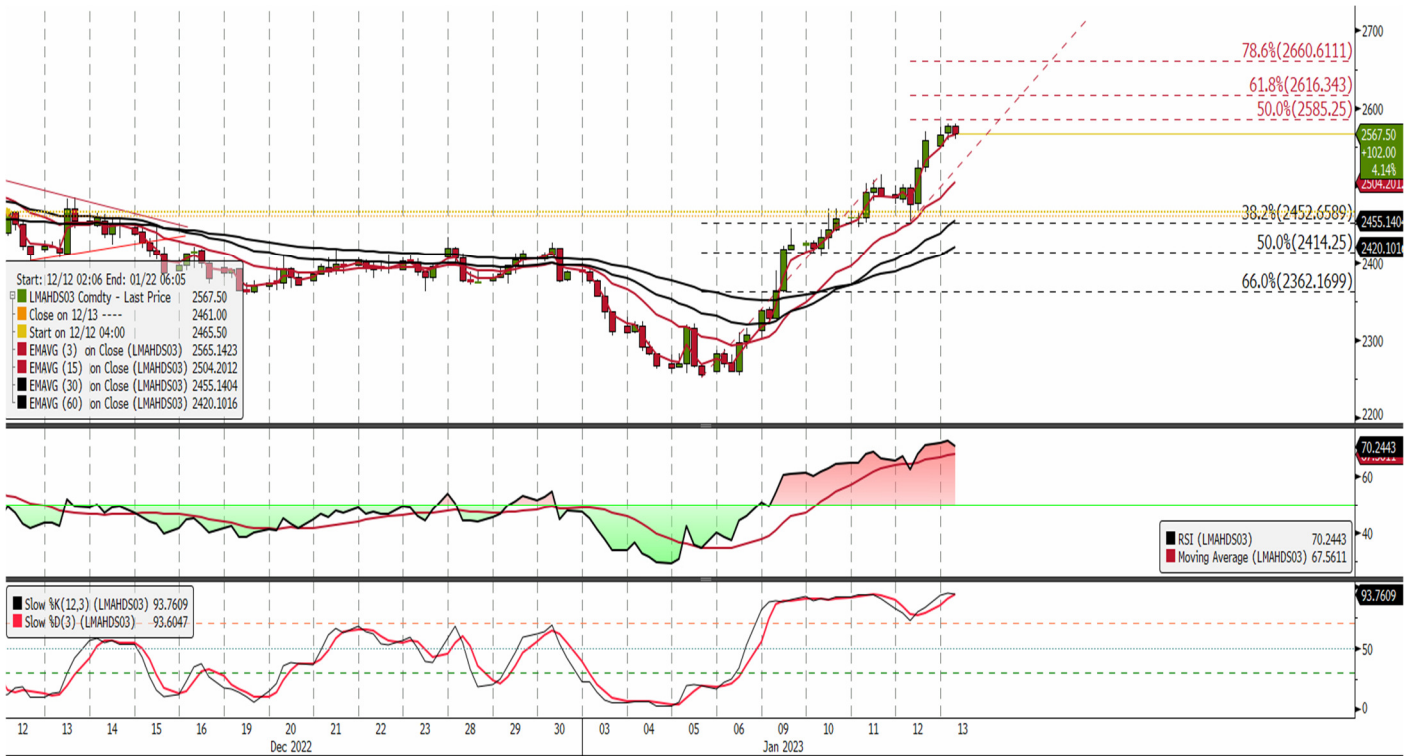
	Support	Resistance	Current Price	Bull	Bear
S1	9,158	R1	9,178	RSI above 50	Stochastic overbought
S2	9,055	R2	9,293		
S3	8,998	R3	9,439		

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (71)
- Stochastic is overbought
- Price is above the daily pivot point USD 9,158
- Technically bullish but not considered a technical buy yesterday as the upside target had been achieved. We had a small upside spike on the inflation figures, but the move failed to hold, price is now moving sideways alongside the USD 9,178 resistance. The futures are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 9,158 with the RSI at or below 69.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level with the RSI at or above 74 will mean it is aligned to the buyside. Downside moves that hold at or above USD 9,155 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 8,757 is the intraday technical bearish.
- Technically bullish, the new high in the afternoon session created a negative divergence with the RSI. With price achieving its upside target whilst on a bullish Elliot wave 5 alongside the divergence, the futures are not considered a technical buy at this point as we are now vulnerable to a pullback.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,527	R1	2,585	RSI above 50	Stochastic overbought
S2	2,414	R2	2,616		
S3	2,362	R3	2,660		

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (69)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,527
- Technically bullish yesterday, we maintained our view that support levels should hold if tested, We noted earlier in the week that the daily technical had held key support with the futures producing a bullish 3-wave corrective pattern, warning that resistance levels were vulnerable. the futures have now traded to new highs with price above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,527 with the RSI at or below 65 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,362 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the daily RSI is showing a marginal divergence, not a sell signal it will need to be monitored, as it is warning we have the potential to see a momentum slowdown, suggesting caution at this point.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	3,247	R1	3,296.5	RSI above 50	Stochastic overbought
S2	3,227	R2			
S3	3,200	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (67)
- Stochastic is overbought
- Price is above the daily pivot point USD 3,229
- Technically bearish with a neutral bias yesterday, upside moves above USD 3,244 have the potential to create a negative divergence with the RSI, the futures continued to move higher with the divergence failing. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 3,229 with the RSI at or below 61.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 3,200 will support a near-term bull argument, below this level we target the USD 3,143 fractal support.
- We remain technically bearish with a neutral bias. The upside move is considered as deep, suggesting the USD 3,339 fractal resistance will be tested and broken.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	25,664	R1	28,195		RSI below 50
S2	24,655	R2	28,630		
S3	23,381	R3	29,370		

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (45)
- Stochastic is below 50
- Price is above the daily pivot point USD 27,226
- The intraday technical was bearish yesterday whilst the daily technical was neutral, the downside move in the previous session had warned that support levels had the potential to come under pressure. The futures held support resulting in a move to the upside; however, the futures remain below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4 hour candle below USD 27,226 with the RSI below 41 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 28,195 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Only above USD 29,370 is the intraday technical considered bullish.
- Technically bearish with price below key resistance, the futures continue to remain vulnerable at this point, making the USD 28,195 resistance the key level to follow.

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,173	R1	2,179		RSI below 50
S2	2,140	R2			
S3	2,122	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 2,173
- Technically bearish yesterday, the futures were nearing the USD 2,140 support, a close below this level would further weaken technical, warning the USD 2,122 and USD 2,103 support levels could come under pressure. The futures traded below the USD 2,140 level to a low of USD 2,120, but failed to close below USD 2,140, resulting in a move to the upside, taking the technical into bullish territory. Price is below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 2,173 with the RSI at or below 41.5 will mean price and momentum are aligned to the sell side.
- Technically bullish, the RSI is below 50 with the stochastic in overbought territory, suggesting momentum is vulnerable to a test to the downside, providing the RSI remains below 50.