

## China

More people in China want to buy houses again, according to a first quarter survey released Monday by the People's Bank of China.

The share of respondents planning to buy a home in the next three months rose to 17.5% in the first quarter. That's up from 16% in the fourth quarter survey and the highest since the first quarter of 2022, survey data showed.

Market expectations also improved. The survey found that 18.5% of respondents anticipated an increase in house prices, up sharply from 14% in the fourth quarter and the highest since the third quarter of 2021 (CNBC/Bloomberg)

## Metals

Zinc headed for a fourth daily decline as metals extended losses on worries that higher global oil prices will exacerbate an already fragile economic outlook.

Crude oil extended Monday's biggest gain in a year after OPEC and its allies agreed to a surprise production cut. The fear is that more expensive oil will make it harder for the world economy to avoid a slowdown that hampers demand for industrial commodities.

After a bullish start to 2023, metals from copper to aluminum and zinc have declined from their late-January peak on growing economic headwinds and an unimpressive recovery in China. Weak factory data from the US and China on Monday added to those concerns.

Zinc fell 0.6% to \$2,880.50 a ton by 11:12 a.m Shanghai time, while copper dropped 0.1% and aluminum by 0.3%. (Bloomberg)

# Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	8,897	R1	8,937	Stochastic oversold	RSI below 50
S2	8,844	R2	8,906		
S3	8,726.5	R3	9,170		

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (48)
- Price is below the daily pivot point USD 8,937
- Stochastic is oversold
- Technically bullish with a neutral bias yesterday, the EMA support band was flat whilst the RSI and stochastic were near neutral. However, the pivot point had dropped with the move lower on Friday suggesting the USD 8,844 support was vulnerable. A weakening MA on the RSI supported this. The futures held the EMA support for most of the day before coming under pressure into the close. Price is flat to slightly lower on the Asian open with the futures below the EMA support band whilst the RSI is below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 8,937 with the RSI at or above 53.5 will mean price and momentum are aligned to the buyside. Upside moves above USD 9,023 will warn the USD 9,092 – USD 9,095 fractal resistance zone could come under pressure.
- We remain bullish with a neutral bias with the MA on the RSI continuing to suggest that buyside momentum is weak. We maintain our view that support levels are vulnerable.

# Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,390.5	RSI above 50	
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (54)
- Stochastic is below 50
- Price is below the daily pivot point USD 2,402
- As previously noted, we have had ongoing concerns regarding the technical for the last couple of sessions due to the trend break, the potential divergence, and the upside rejection candle. Due to the rising USD and the rejection of the trend resistance line yesterday, we highlighted that although bullish but in a corrective phase that support levels were now vulnerable. The futures moved higher, traded above the high of the rejection candle, rejected the trend resistance, created another small rejection candle and another negative divergence, resulting in price trading to a new low going into the close. We remain above the EMA support band with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,402 with the RSI at or above 61 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 2,350 will support a bull argument, below this level the technical will have a neutral bias.
- Technically unchanged other than we now have another negative divergence in play, price is within USD 2.5 of yesterday values with the daily pivot point USD 1 higher. We maintain our view that support levels are vulnerable.

# Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,861	R1	2,883.5	Stochastic oversold	RSI below 50
S2	2,834	R2			
S3	2,818	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (45)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,896
- Technically bullish but with a neutral bias yesterday, the MA on the RSI was moving lower, indicating buy-side momentum was weakening, suggesting that resistance levels should in theory hold in the near-term if tested; meaning the USD 2,861 support was now vulnerable, if broken the intraday technical would be bearish. The futures moved higher, rejected the EMA resistance band to close near the day's lows. We have seen a small move lower on the open with price trading within USD 10 of the USD 2,866 support, the RSI is below 50 with price and momentum aligned to the sell side.
- A close on the 4-hour candle above USD 2,896 with the RSI at or above 50.5 will mean price and momentum are aligned to the buy-side. Upside moves that fail at or below USD 2,953 will leave the futures vulnerable to further tests to the downside, above this level we target the USD 2,989 – USD 2,999 fractal resistance zone.
- We remain bullish with a neutral bias, the MA on the RSI continues to suggest that the USD 2,866 support level is vulnerable, if broken the intraday technical is bearish.

# Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	22,860	R1	23,271		
S2	22,690	R2	23,876		RSI below 50
S3	22,100	R3	2,4070		

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (46)
- Stochastic is below 50
- Price is below the daily pivot point USD 23,271
- We had mixed signals yesterday as the upside move above USD 23,876 meant that the technical was bullish; however, the intraday rejection candle was suggesting caution whilst the MA on the RSI and the EMA resistance band were both flat, suggesting neutrality. For this reason, we had a neutral bias as we needed to see more from the technical. The futures initially traded higher, but the move failed to hold resulting in the futures selling off nearly USD 1,000 into the close. Price is 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 23,271 with the RSI at or above 51 will mean price and momentum are aligned to the buyside. Below USD 22,690 the technical is bearish.
- Due to the move lower the futures are now bullish but with a neutral bias, the MA on the RSI is moving lower indicating that buyside momentum is weak, suggesting the USD 22,690 support could potentially be tested and broken.

# Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,092	R1	2,125		
S2	2,076	R2	2,134		RSI below 50
S3	2,065	R3	2,141		

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (47)
- Stochastic is at oversold
- Price is below the daily pivot point USD 2,113
- Technically bullish but with a neutral bias due to the depth of the pullback yesterday, the MA on the RSI was turning lower, warning buyside momentum was weakening. This also suggested that resistance levels should in theory hold if tested, warning that the USD 2,092 and USD 2,076 support levels were vulnerable. The futures moved higher on the European open; however, price rejected the 50% Fibonacci retracement whilst the RSI rejected its MA resulting in price selling lower. We remain around USD 10.00 above yesterday values but below the EMA resistance band with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 2,113 will mean price and momentum are aligned to the sell side (we are below the daily pivot, but the candle is still open). Likewise, a close above this level with the RSI at or above 51.5 will mean it is aligned to the buyside. Upside moves that fail at or below USD 2,134 will leave the futures vulnerable to further tests to the downside, above this level we target the USD 2,154 resistance.
- Technically we remain bullish with a neutral bias, the upside rejection yesterday alongside the weakening MA on the RSI continues to suggest that support levels are vulnerable.