

China

China's central bank will keep monetary policy targeted and ensure credit growth is stable, Governor Yi Gang said, keeping the policy stance largely unchanged despite rising calls for more stimulus. China's top financial regulator reiterated at a forum in Shanghai that the nation will "unswervingly" open up its financial sector, while sticking to the bottom line of preventing systemic risks. (Bloomberg).

Copper

Copper fell from the highest close in a month, declining with other base metals, amid investor caution before the Federal Reserve interest-rate decision this week.

Positioning in rates markets suggests one more hike from the Fed, with the likelihood that the move comes next month rather than this Wednesday. The drop in copper follows two weeks of gains after exchange inventories fell sharply in Asia, pointing to tightening supply even as concerns about the demand outlook swirl. (Bloomberg).

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	8,246	R1	8,370	RSI above 50	
S2	8,236	R2	8,426		
S3	8,169	R3	8,486		

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- RSI is above 50 (50)
- Price is below the daily pivot point USD 8,370
- Stochastic is above 50
- Technically bullish on Friday, the downside move on Thursday below USD 8,253 meant that the futures had a neutral bias. Intraday Elliott wave analysis continued to suggest (based on the William's method) that we had a potential upside target at USD 8,426. However, as the futures had moved lower on the back of a negative divergence with the RSI, we maintained a cautious view. We also noted that the daily technical was testing its EMA resistance band. The futures did trade to a new high, but the upside move failed to hold, resulting in a daily rejection candle forming in its EMA resistance band. Price is now trading in the intraday EMA support band with the RSI neutral at 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 8,370 with the RSI at or above 57 will mean price and momentum are aligned to the buyside.
- Technically bullish but with a neutral bias due to the depth of the pullback, the futures are moving lower on the back of a negative divergence with the RSI. The rejection candle on Friday is warning that support levels are vulnerable. We remain cautious on upside moves as we now have warning signals that we have the potential to see a technical pullback, below USD 8,246 the intraday technical is bearish.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,233	R1	2,277	RSI above 50	
S2	2,206	R2	2,291		
S3	2,197.5	R3	2,314		

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA resistance band (Black EMA's)
- RSI is above 50 (50)
- Stochastic is above 50
- Price is below the daily pivot point USD 2,260
- We remained technically bearish with the futures below key resistance on the last report; however, as previously highlighted, we remained cautious on downside moves as the intraday Elliott wave cycle had potentially completed. We also noted that the futures were testing the daily intraday resistance band, a natural area of resistance on the higher timeframe that could be respected. For this reason, from a technical perspective the futures had more of a neutral bias. The futures traded above the USD 2,277 resistance but the move failed to hold, resulting in a downside move on the open. Price is between the EMA resistance band with the RSI neutral at 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 2,265 with the RSI at or below 49 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 53.5 will mean price and momentum are aligned to the sell side.
- Technically bearish but with a neutral bias, the futures have rejected the EMA resistance band on the daily technical with the futures now approaching the USD 2,233 level. If we hold, it supports a near-term bull argument; likewise, if broken it will warn that the USD 2,205 support could come under pressure. A Doji on the daily technical at the EMA resistance band is warning that we have indecision in the market, we maintain a neutral view as the intraday Elliott wave cycle looks to be conflicting the daily price action.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear	
S1	2,356	R1	2,369.5	RSI above 50		
S2	2,333	R2				2,413
S3	2,301	R3				2,451

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (53)
- Stochastic is below 50
- Price is below the daily pivot point USD 2,392
- Technically bearish with a neutral bias last week due to the move above the USD 2,413 level; however, the intraday wave cycle remained bearish as the peak of the wave 3 was at USD 2,696.5. The 1-hour technical was in divergence, suggesting caution on upside moves. Not a sell signal it warned that we had the potential to see a momentum slowdown and needed to be monitored. The futures traded to a new high, but we failed to hold, resulting in price closing the day near their low. Price is 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 2,392 with the RSI at or above 59.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 2,301 will support a near-term bull argument, below this level will warn that the USD 2,234.5 support is vulnerable.
- Technically bearish with a neutral bias, the futures have started to reject the daily resistance band, warning support levels are now vulnerable, we remain cautious on upside moves at this point.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	20,650	R1	21,280		RSI below 50
S2	20,310	R2	21,840		
S3	19,910	R3	22,313		

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is above 50 (50)
- Stochastic is below 50
- Price is below the daily pivot point USD 21,280
- Technically neutral supported by flat moving averages and a neutral RSI on Friday. With the market being neutral there was less emphasis on price and momentum, as the averages were unlikely to be respected, leaving the futures vulnerable to random price movement due to the lack of trend. We moved higher but failed to hold, resulting in the futures closing near the opening values in the lower half of the days range. The futures are below the EMA resistance band with the RSI neutral at 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 21,280 with the RSI at or above 54 will mean price and momentum are aligned to the buyside. Upside moves above USD 21,840 will mean the technical is bullish.
- The technical remains neutral alongside the RSI. The EMA's remain flat suggesting they are unlikely to be respected at this point.

Lead Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,058.5	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 above 50 (55)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,052
- Technically bearish on Friday based on our Elliott wave analysis, if we did trade above USD 2,057 then the deep pullback would suggest caution, as it would imply that the market remained supported. Price is above the EMA resistance band with the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 2,052 with the RSI at or below 49.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,004 will support a near-term bull argument, below this level the USD 1,976 support is vulnerable.
- Technically bearish, we now have a neutral bias due to the strength of the upside move. Price is now trading just above the USD 2,057 resistance; however, intraday Elliott wave analysis would suggest upside moves should be considered as countertrend at this point.