

## China

Citigroup Inc. raised its growth forecast for China to 5% this year, as promising data helps build consensus around the nation's ability to achieve its official government target.

Retail sales and industrial production may improve, the economists wrote Wednesday, adding that the nation's export contraction could also narrow after official manufacturing surveys expanded for the first time in six months.

"The cyclical bottom is here, with all eyes on whether organic demand will pick up amid gathering policy momentum," wrote economists led by Yu Xiangrong. The bank's previous forecast was 4.7%, making it among the more bearish investment banks on China. (Bloomberg).

## Cu

Copper held steady after three days of declines as weak US data prompted traders to wind back bets on tighter monetary policy from the Federal Reserve.

The metal, widely seen as an economic bellwether, has been pressured this week as hawkish signals from the Fed spurred a rally in the dollar. A survey Wednesday showed US companies in September added the fewest number of jobs since the start of 2021, while a separate report showed growth in the US services sector moderated last month. (Bloomberg)

## Al

Russia's growing aluminum trade with China will mitigate the impact of companies' self-sanctioning efforts on the growth of the Russian aluminum sector. Instead, the need to replace aluminum supply from Russia will drive other countries such as the US to look for alternatives, with recycling well-positioned to help plug the gap in the short to medium term.

### Aluminum alliance

The China Nonferrous Metals Industry Association signed a memorandum of understanding with the Russian Aluminum Association in Beijing on Sept. 25, Bloomberg News reported. The announcement comes as Russia's aluminum exports to China hit a record high of 131,000 metric tons in August 2023, according to official data from the General Administration of Customs of China. (Bloomberg)

# Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	7,942	R1	8,014	Stochastic oversold	RSI below 50
S2	7,867	R2	8,117		
S3	7,817	R3	8,167		

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (38)
- Price is above the daily pivot point USD 7,942
- Stochastic is oversold
- Technically bearish yesterday, we continued to have a minor divergence in play, meaning we remained cautious on downside breakouts. However, we had a long-term fractal support at USD 7,867 and a potential downside target at USD 7,817. If the divergence failed on the lower time frame charts (and 4-hour), then there is a chance that we could see wave extension to the downside, meaning upside moves would be considered as countertrend. The futures traded to a low of USD 7,888 before finding light bid support on the open. Price is 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 7,942 with the RSI at or below 33.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 8,208 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 moves yesterday has resulted in the divergence failing, this is warning that upside moves look like they will be countertrend as the Elliott wave cycle is extending, wave analysis suggests that we still have potential a near-term downside target at USD 7,817. However, on the lower timeframe Elliott wave cycle, the move lower that started on the 29/09/23 looks to have produced 5-waves with the futures now in divergence, warning we are vulnerable to an intraday move higher. This would suggest market sellers should be cautious on downside breakouts.

# Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,250	RSI above 50	
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- RSI is above 50 (50)
- Stochastic is oversold
- Price is below daily pivot point USD 2,259
- We remained bullish but in a corrective phase on the previous report, intraday Elliott wave analysis suggested that the move lower was potentially countertrend. Momentum was conflicting as the RSI was at 50 with the stochastic in oversold territory, providing the RSI could hold above 50 we would be vulnerable to a move higher, below 50 the stochastic was considered as less relevant. Countering this, the MA on the RSI suggested that momentum is weak, warning the RSI could move below 50. Key support was at USD 2,269, A level market bulls would need to defend, if broken, then the probability of the futures trading to a new high would start to decrease. With Zinc breaking key support alongside weak momentum yesterday, the USD 2,269 level was starting to look vulnerable. The futures did trade lower, resulting in support levels being broken, the technical now has a neutral bias. 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 2,259 with the RSI at or above 53.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below 2,322 will leave the futures vulnerable to further tests to the downside, above this level the USD 2,367 fractal high could come under pressure.
- Technically we are bullish, but we now have a neutral bias due to the depth of the pullback, the probability of the futures trading to a new high has decreased. The RSI is making now lows with the MA on the RSI suggesting that momentum remains weak, implying upside moves have the potential to be countertrend. Note: a move below USD 2,237.5 will create a positive divergence with the RSI on a lower timeframe, warning we have the potential to see a momentum slowdown in the near-term, implying caution on downside breakouts.

# Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,472	R1	2,495	Stochastic oversold	RSI below 50
S2	2,442	R2			
S3	2,419	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (41)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,501
- Based on price, we were technically bullish with a neutral bias yesterday, the MA on the RSI continued to suggest that momentum was weak. The depth of the pullback alongside the weak momentum suggested that the USD 2,472.5 fractal support was starting to look vulnerable. The futures traded lower but are yet to break the fractal support. 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 2,501 with the RSI at or above 46.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 2,608 will leave the futures vulnerable to further tests to the downside, above this level the technical will target the USD 2,675 fractal high.
- Technically bullish with a neutral bias still. A 5-wave pattern on the lower time frame would suggest that we have a potential downside target in the near-term at USD 2,419. However, the futures are in divergence with the RSI, warning that we have the potential to see a momentum slowdown. The RSI is making new lows, the MA on the RSI would suggest that momentum is weak, alongside the 5-wave pattern lower, this would suggest that upside moves should now be considered as countertrend. If the wave cycle does not fail today, there is a higher probability that it will in the near future, based on the lower timeframe wave cycle.

# Nickel Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	18,700	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (43)
- Stochastic is oversold
- Price is below the daily pivot point USD 18,743
- Unchanged again today, we noted yesterday that a new low would create a positive divergence with the RSI, suggesting caution on downside breakouts with upside moves considered as countertrend. Like the previous two days, a new low before a move higher would mean that upside moves still have the potential to be countertrend. Sideways price action again, we remain 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 18,743 with the RSI at or below 39.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Upside moves that fail at or below USD 19,888 will leave the longer-term technical vulnerable to further tests to the downside, above this level the Elliott wave cycle will have a neutral bias.
- Unchanged, I have copied and pasted the first paragraph! Technically bearish, a new low will create a positive divergence with the RSI, suggesting caution on downside breakouts with upside moves considered as countertrend. Like the previous two days, a new low before a move higher will mean that upside moves still have the potential to be countertrend.

# Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear	
S1	2,107	R1	2,115.5	Stochastic oversold	RSI below 50	
S2	2,081	R2				2,154
S3	2,048	R3				2,170

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (37)
- Stochastic is oversold
- Price is on the daily pivot point USD 2,216
- Technically bearish yesterday, the futures had found light bid support in the morning. However, our intraday Elliott wave analysis suggested that the move higher was potentially countertrend, making USD 2,172 the key resistance to follow. If broken, then the probability of the futures trading to a new low would start to decrease. The futures traded in a tight range with price still below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buyside, as the opening candle closed above the daily pivot point.
- A close on the 4-hour candle below USD 2,216 with the RSI at or below 32.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,170 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged on the technical, we remain bearish with upside moves considered as countertrend, making USD 2,170 the key resistance to follow.