

China

China's economic growth target of 5% is "real," judging from an increase in trucking activity in recent months, according to the chief executive officer of logistics company GLP Pte.

The amount of goods moved by trucking operators has exceeded 2022 levels since August, GLP CEO and co-founder Ming Mei said at the Hong Kong financial summit on Wednesday. While the data has yet to return to its 2021 peak, it has surpassed the 2019 pre-Covid level, he said. (Bloomberg)

Ni

Nickel cemented its status as this year's weakest base metal, falling to the lowest in more than two years as new supplies from Indonesia overwhelm demand.

Metals from copper to zinc and aluminum are all facing pressure as global economic uncertainties leave markets amply supplied. But nickel has been worst hit, and the metal used in electric-vehicle batteries and stainless steel is now down about 40% this year.

Nickel has drifted lower as a flood of new low-cost production from Indonesia arrives at a moment of slowing consumption. The expansion of the world's EV fleet is proving less rapid than expected, and nickel has declined along with battery materials like lithium and cobalt.

Nickel was little changed at \$17,870 a ton by 12:01 p.m. Shanghai time, after Tuesday's lowest close on the London Metal Exchange since June 2021. Still, banks including Citigroup Inc. have warned of the potential for price spikes given a relatively large build-up of short positions. (Bloomberg)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	8,186	R1	8,216	RSI above 50	
S2	8,138	R2	8,265		
S3	8,115	R3	8,377		

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (54)
- Price is above the daily pivot point USD 8,186
- Stochastic is below 50
- Technically bullish yesterday, the new high had created a negative divergence with the RSI, resulting in price selling lower on the Asian open. We had seen a close above the daily resistance band previously with intraday Elliott wave analysis suggesting we had a potential upside target as high as USD 8,313 for this phase of the cycle. However, due to the divergence in play, we remained cautious on upside moves. The futures moved lower due to the divergence with price trading below the USD 8,138 level, before finding bid support into the close. We remain above the EMA support band with the RSI above 50, intraday price and momentum are conflicting, as the opening candle closed above the daily pivot level.
- A close on the 4-hour candle above USD 8,186 with the RSI at or above 58 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side. Upside moves that fail at or below USD 8,216 will leave the futures vulnerable to further tests to the downside, above this level the futures could look to test the USD 8,260 fractal high.
- Technically bullish, we now have a neutral bias. The breach in the USD 8,138 support yesterday is warning that the probability of the futures trading to a new high has started to decrease. The upside move on the Asian open has tested but failed to trade above the USD 8,216 resistance, warning support levels are starting to look vulnerable.

Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,273	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 (58)
- Stochastic is above 50
- Price is above the daily pivot point USD 2,272
- Technically bullish yesterday, the MA on the RSI implied we had momentum support, whilst the 4-hour RSI had made a new high, supporting a bull argument. However, the current Elliott wave cycle was on a 145 min candle chart, and this was divergence, we also noted that price was currently rejecting the 66% retracement on the daily chart at 2,296, suggesting caution on upside moves. The futures sold lower before finding buy-side support into the close, we remain above the EMA support band with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 2,272 with the RSI at or above 63.5 will mean price and momentum are aligned to the buy-side; likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 2,248 will support a bull argument, below this level the technical will have a neutral bias. Upside moves that fail at or below USD 2,280 will leave the futures vulnerable to further tests to the downside.
- Technically bullish, the futures have held key support but are currently below a key resistance level at USD 2,280. If broken, then we target the USD 2,295 fractal high. However, a move below USD 2,259 will warn that the probability of the futures trading to a new high has started to decrease. Although bullish, with the futures holding key support and resistance, we have a neutral bias at this point.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,564	R1	2,598.5	RSI above 50	Stochastic overbought
S2	2,511	R2	2,608		
S3	2,467	R3	2,648		

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (62)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,564
- Technically bullish yesterday, we had seen a significant move above the USD 2,538 high, resulting in the near-term divergence failing; however, the MA on the RSI was relatively flat, warning that momentum was showing signs of weakness. We remained within the candle from the 01/11, which has created a range between 2,400.50 and USD 2,598.50. Admittedly it is a very large range, but it is still a range. Key support area is the USD 2,511 – USD 2,467, as we have the daily 50 and 60 period EMA's around the USD 2,578 area as well. If tested, market buyers would want to support this zone. Having initially sold lower the futures found bid support into the close, price remains above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 2,564 with the RSI at or below 60 will mean price and momentum are aligned to the sell side. Downside moves that hold at to above USD 2,511 will support a near term bull argument, below this level we target the USD 2,471.5 fractal support. However, key support is at USD 2,467, only below this level does the technical have a neutral bias.
- Technically bullish, a move above USD 2,589.5 has the potential to create a negative divergence with the RSI, implying caution on upside breakouts. Downside moves below USD 2,541.5 will warn that support levels could come under pressure; however, key support remains unchanged between USD 2,511 – USD 2,467.

Nickel Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	17,580	17,905	Stochastic oversold	RSI below 50
S2	17,291			
S3	17,045			
R1	17,978			
R2	18,077			
R3	18,211			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (44)
- Stochastic is overbought
- Price is below the daily pivot point USD 18,003
- The upside move took the technical into neutral territory previously; however, the move lower this yesterday meant we were bearish again, warning the USD 17,885 support was vulnerable. If broken, the futures would be back in divergence with the RSI, not a buy signal it warned that we could see a momentum slow-down, implying caution on downside breakouts. The futures traded to a low of USD 17,660 before finding buy-side support into the close. Price remains 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 18,003 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 18,211 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically we are bearish. The futures keep creating divergences on new lows before moving lower again. This has resulted in a higher timeframe Elliott wave extension, and multiple divergence failures, meaning upside moves should be considered as countertrend on the daily chart. The 4-hour RSI has just broken the near-term divergence (again) but the longer-term divergence remains in play. We are a cautious bear at this point with key near-term resistance to follow at USD 18,211.

Lead Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,177.5	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (59)
- Stochastic is overbought
- Price is below the daily pivot point USD 2,183
- Unchanged on the technical yesterday, the new high in the RSI previously warned that intraday downside moves should be considered as countertrend in the near-term. We had a very small move higher yesterday followed by a small move lower in the Asian day session. 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 2,183 with the RSI at or above 65 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 2,116 will support a bull argument, below this level the technical will have a neutral bias.
- Unchanged again. Technically bullish with the intraday Elliott wave cycle suggesting that downside moves look to be countertrend at this point.