

## Cu

The world's largest mining company, BHP Group Ltd., has made a takeover approach for rival Anglo American Plc, a move that could spark the biggest shakeup in the industry in over a decade.

Anglo American, which has a market value of £27 billion (\$34 billion), said late Wednesday that it had received an unsolicited all-share merger proposal, after Bloomberg reported that BHP was considering a potential offer. It added BHP's move was conditional on Anglo first splitting off its South African platinum and iron ore units.

If successful, the transaction would mark a return to large-scale dealmaking for BHP, which has revived its appetite for transformational acquisitions in the past couple of years under Chief Executive Officer Mike Henry. A tie-up with Anglo would create the world's biggest copper miner ahead of wave of demand from new-energy sectors, and BHP's move could flush out other suitors aiming to boost their output. (Bloomberg).

## Ni

More Chinese nickel is expected to flow overseas after the London Metal Exchange banned new Russian supplies, according to Mysteel Global.

China's production of refined nickel is outstripping demand, and a domestic glut of the metal, used in batteries and to make stainless steel, has led to a surge in exports. Overseas sales jumped more than 200% in March from the previous month to 7,496 tons (Bloomberg)

# Copper Morning Technical (4-hour)



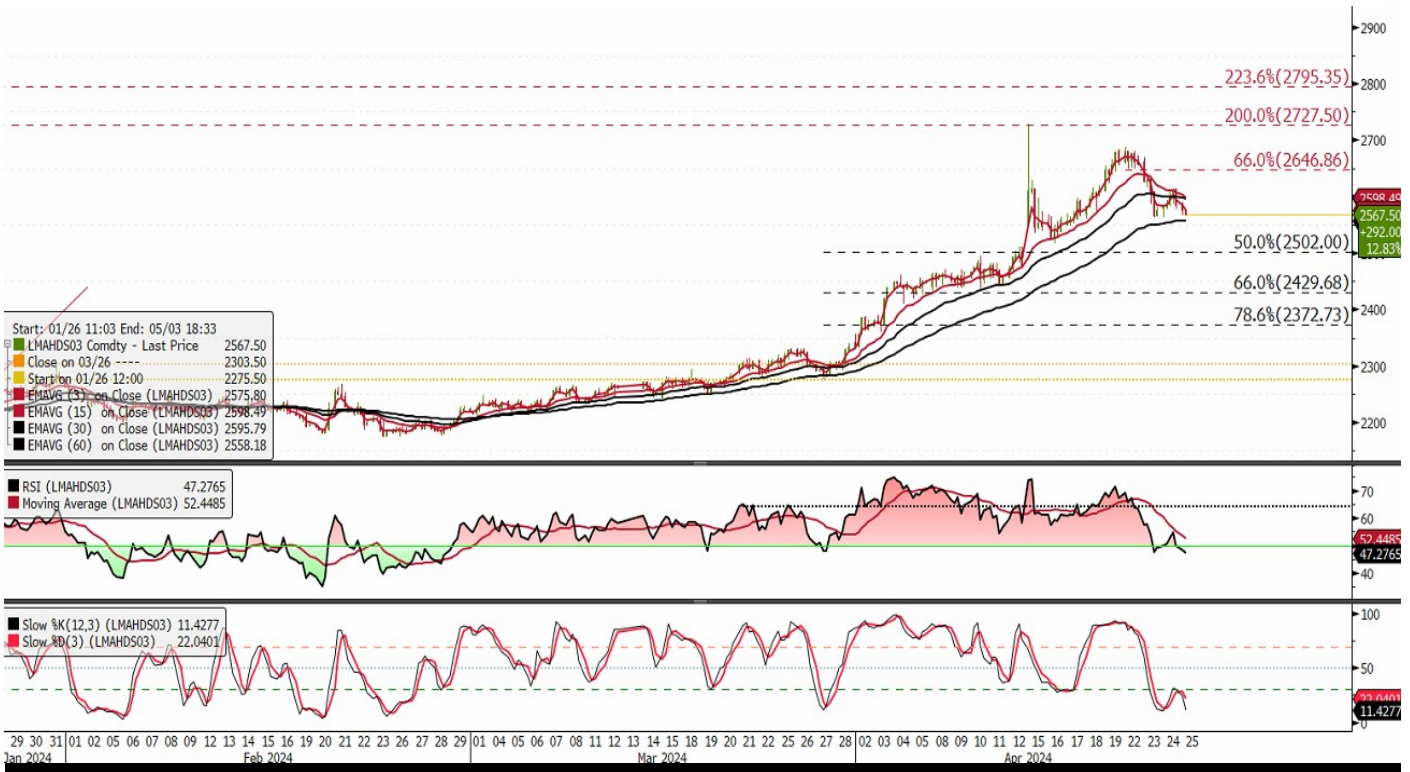
	Support	Resistance	Current Price	Bull	Bear
S1	9,733	R1	9,764	RSI above 50	
S2	9,650	R2			
S3	9,542	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI above 50 (56)
- Stochastic is above 50
- Price is below the daily pivot point USD 9,776
- Technically bullish yesterday, the futures were trading back above the weekly pivot level (USD 9,733); however, to signal buy pressure was increasing, the daily candle needed to close above this level. Momentum was conflicting, as the RSI was above 50 whilst the stochastic was oversold, warning we could move higher; countering this, the MA on the RSI implied that momentum remained weak. The downside move previously, resulted in the RSI making a new low, this also warned of near-term momentum weakness. The Elliott wave cycle was still bullish, if we traded above the USD 9,865 level, then it would warn that the USD 9,988 fractal high could be tested and broken. If resistance held, it would imply that we remained in a corrective phase. Momentum warned that we could still be in a corrective phase, rather than a bullish impulse move, meaning we need to see a bullish close above the weekly pivot level to convince that the market was supported. As noted on the close report last night, even with the close above the daily pivot point, we still had a note of caution on upside moves in the near-term, due to the momentum weakness. We have seen a close above the weekly pivot level; however, the futures are currently consolidating above the EMA support band. The RSI is above 50 but price and momentum are conflicting, as the previous candle closed above the daily pivot level.
- A close on the 4-hour candle above USD 9,776 with the RSI at or above 58.5 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 9,542 will support a bull argument, below this level the technical will have a neutral bias. Upside moves that fail at or below USD 9,865 will leave the futures vulnerable to further tests to the downside, implying the corrective phase could be more complex.
- Technically bullish with our intraday Elliott wave analysis suggesting that downside moves look like they could be countertrend. The futures have closed above the weekly pivot level, implying buy side pressure is increasing; however, the MA is rejecting its RSI, warning that momentum remains weak. If price and momentum become aligned to the buy side, and we trade above the USD 9,865 resistance, then the USD 9,988 fractal high will become vulnerable. Until it does, we maintain a cautious view on near-term upside moves, as momentum is warning that the technical remains vulnerable.

# Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,502	R1	2,567	Stochastic oversold	RSI below 50
S2	2,429	R2			
S3	2,372	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- RSI is below 50 (47)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,587
- Technically bullish but in a corrective phase yesterday, the futures were yet to confirm that we had entered a higher timeframe Elliott wave 4. The MA on the RSI warned that momentum was weak, implying resistance levels could hold if tested in the near-term, a close below the weekly pivot level (USD 2,635) would that sell side pressure was increasing. The longer-term Elliott wave cycle continued to suggest that downside moves looked like they could be countertrend. The EMA band was starting to flatten, the averages remained well space, but it confirmed (the flattening of the averages) that sell side pressure was increasing. We were cautious on upside moves in the near-term, as there looked to be further downside within this corrective phase. The futures moved higher yesterday but the move failed to hold, resulting in the USD 2,562 fractal low coming under pressure. We remain between 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 2,587 with the RSI at or above 54.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 2,429 will support a bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 2,646 will leave the futures vulnerable to further tests to the downside, above this level, the USD 2,688 fractal resistance could be tested.
- We remain bullish but in a corrective phase with the futures testing the low from the 23/4, we have now confirmed that the futures are in the corrective wave 4. The upside move yesterday rejected the weekly pivot level (USD 2,635); however, below USD 2,562 the futures will be in divergence with the RSI on the 1-hour chart. Not a buy signal, it is a warning that we could soon see a momentum slowdown, implying caution on downside below this level.

# Zinc Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,803	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 (51)
- Stochastic is above 50
- Price is below the daily pivot point USD 2,805
- Technically bullish yesterday, the downside move in the futures previously had breached the USD 2,763 support, warning that the corrective phase had the potential to become more complex. We had closed below the weekly pivot level (USD 2,818), warning that sell side pressure was increasing, if we closed on the daily candle back above this level, it would suggest that there was underlying support in the market. The MA on the RSI implied that momentum was weak; countering this, the RSI was above 50 whilst the stochastic was moving above 30. The longer-term Elliott wave cycle continued to suggest that downside moves look to be countertrend. There were conflicts in this technical; however, the breach in support previously warned that there could be further downside within this corrective phase. The futures had a small test to the upside, but the move has failed to hold, meaning we are trading just below yesterday morning's values. We are between the EMA support band with the RSI near neutral at 51, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,805 with the RSI at or above 54 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 2,606 will support a bull argument, below this level the technical will have a neutral bias.
- Unchanged on the technical this morning, the futures remain below the weekly pivot level (USD 2,818) with the MA on the RSI continuing to warn that momentum is still weak. The breach in the Fibonacci support previously (USD 2,763), continues to suggest that there could be further downside within this technical. Like yesterday, if we do close back above the weekly pivot level (USD 2,818), it will warn that there is underlying support in the market.



# Nickel Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	18,850	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 (52)
- Stochastic is oversold
- Price is below the daily pivot point USD 18,990
- Technically bullish yesterday, the futures remained in a corrective phase with price holding above the EMA support band. The MA on the RSI warned that momentum remained weak; countering this, the RSI was above 50 whilst the stochastic was oversold. We noted that a close on the daily candle below USD 18,843 would warn that sell side pressure was increasing, meaning support levels could be tested in the near-term. Our intraday Elliott wave analysis suggested that downside moves look to be countertrend; however, the pullback at that point did not look deep enough to be the corrective wave 4 that we are looking for, suggesting we could move lower in the near-term. The upside move in the futures failed to hold, resulting in price trading below the USD 18,825 fractal low. We are between 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 18,990 with the RSI at or above 58.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 18,336 will support a bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 19,412 will leave the futures vulnerable to further tests to the downside, above this level we target the USD 19,775 fractal high.
- Technically bullish but in a corrective phase, momentum continues to conflict, as the MA on the RSI is warning of weakness, whilst the RSI is above 50 with the stochastic in oversold territory. The pullback has now confirmed that we are in a corrective Elliott wave 4. We now have a note of caution on downside moves, as we have a 3-wave corrective pattern lower with price trading on the 50% Fibonacci retracement level (USD 18,685). Although it is not a buy signal, it is a bullish pattern set-up that needs to be monitored.

# Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,190	R1	2,198	RSI above 50	Stochastic overbought
S2	2,135	R2			
S3	2,108	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (55)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,191
- Technically bullish yesterday the futures had broken the USD 2,195 resistance. The RSI was above its average; however, the MA warned that momentum was still weak, despite the USD 60 move higher. A move above USD 2,222 would create further negative divergences with the RSI, suggesting caution on upside breakouts. I was neutral on this upside move, as this phase of the wave cycle looked to have completed. Despite the bullish price action, I remained cautious on upside moves. Having traded to a high of USD 2,209 the futures have seen a small pullback. We remain above the EMA support 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 2,191 with the RSI at or below 50.5 will mean price and momentum are aligned to the sell side.
- Technically bullish, the futures closed above the weekly pivot level yesterday (USD 2,190), implying buy side pressure is increasing. The MA on the RSI is now flat, indicating that momentum is now neutral. Upside moves above the USD 2,222 fractal high will create a negative divergence with the RSI, not a sell signal it is a warning that we could see a momentum slowdown, implying caution on upside breakouts. We maintain a neutral view on this technical and remain cautious on upside moves, as the intraday Elliott wave cycle continues to look like it has completed. Time is now going to be a factor here, if we remain elevated for long enough, we could see an Elliott wave extension.

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