

China

Chinese President Xi Jinping called on government officials at all levels to achieve the country's annual growth target of around 5%, but couched it in less forceful terms than usual.

The subtle change sparked speculation over Beijing's resolve to pursue a goal that many economists see as increasingly out of reach.

Officials need to "strive to achieve the full-year economic and social development goals," Xi told a meeting he chaired in Lanzhou in the country's northwestern province of Gansu. By contrast, the language used in July by the Politburo — consisting of the Communist Party's most senior officials including Xi — repeated a vow to "resolutely" meet the objectives. (Bloomberg).

Cu

Copper rose to the highest intraday level in about two weeks thanks to an uptick in demand from top buyer China following the metal's retreat from the May record.

The Yangshan copper premium for imported cargoes rebounded to the highest since January as the world's largest metal-consuming country saw notable inventory draw-downs in major markets in Shanghai, Guangdong and in warehouses tracked by the Shanghai Futures Exchange.

Many Chinese fabricator clients of Shanghai Wooray Metals Group Co. are "maximizing production" after they bought the material at around 71,000 yuan (\$10,130) a ton, said Wang Wei, general manager at major trader Wooray. Fabricators process refined copper into rods and wires.

"Demand is good when prices fell below 72,000 yuan." (Bloomberg)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	9,210	R1	9,262	RSI above 50	Stochastic overbought
S2	9,140	R2			
S3	9,093	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI above 50 (57)
- Stochastic is overbought
- Price is above the daily pivot point USD 9,210
- Unchanged on the technical on Wednesday, the MA on the RSI was flat, implying momentum is neutral. The futures were consolidating between the support and resistance zone highlighted previously, whilst intraday Elliott wave analysis suggests that upside moves should be considered as countertrend. The technical was bearish, but price action was neutral.
- The futures have broken the consolidation zone to the upside, meaning we have traded above key resistance. We are 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 9,210 with the RSI at or below 51 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 9,028 will support a near-term bull argument, below this level the technical will be back in bearish territory.
- Technically bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease. The MA on the RSI indicates that momentum is supported; however, the new high on the open means that the 1-hour RSI is in divergence, warning we are vulnerable to an intraday pullback, making USD 9,028 the key support to follow. The upside moves means that the daily technical is back above the 200-period MA (USD 9,147), if an intraday pullback fails to close below this level (on the daily candle), it will warn that resistance levels are vulnerable.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,405	R1	2,426.5	RSI above 50	Stochastic overbought
S2	2,392	R2			
S3	2,363	R3			

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,405
- Unchanged on Wednesday, we remained bullish with a neutral bias. The MA on the RSI was flat, implying momentum was neutral, whilst the move below USD 2,338 suggested that the probability of the futures trading to a new high had started to decrease. Intraday Elliott wave analysis continued to suggest that intraday upside moves look like they could be countertrend. The futures remained below the daily 200-period MA (USD 2,378), as noted previously, if we closed above and held above it on the higher timeframe, it would warn that resistance levels could come under pressure in the near-term.
- The futures closed above the daily 200-period MA (USD 2,380) resulting in the futures trading into the Fibonacci resistance zone, this is warning that there is an underlying support in the market on the higher timeframe. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,405 with the RSI at or below 50 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,476 will warn that there is a larger bearish Elliott wave correction in play.
- Technically bearish, the MA on the RSI is indicating that we have momentum support, whilst price is above the daily long-term average. This is warning that resistance levels remain vulnerable; however, this is countered by a negative divergence on the 1-hour chart, meaning we could see an intraday pullback. We have key support between USD 2,380 (daily average) and USD 2,363, corrective moves lower that hold above this area will warn that the USD 2,476 level could be broken, if it is then the probability of the futures trading to new lows will start to decrease. If we break the support zone, we target the USD 2,326.5 fractal low. Due to the lower timeframe divergence, we are cautious on upside moves at these levels today.

Zinc Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,858.5	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (60)
- Stochastic is overbought
- Price is above the pivot point USD 2,839
- We remained bullish with a neutral bias on the previous report; the MA on the RSI continued to suggest that we had light momentum support. The futures were finding bid support on the positive divergence with the RSI, meaning we remained cautious on downside moves at this point. Intraday Elliott wave analysis suggested that we had the potential to trade as low as USD 2,646 within this phase of the cycle. Due to the divergence, the futures were not considered a technical sell.
- The futures have seen a strong move higher on the back of the divergence, meaning the technical is back in bullish territory. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 2,839 with the RSI at or below 52.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,749 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI is indicating that momentum is supported. The upside move on the back of the divergence is being replicated by the RSI, implying downside moves now look like they will be countertrend. However, we do have a negative divergence with the RSI on the 1-hour chart, meaning we are seeing a momentum slowdown, warning we could be about to see a technical pullback in the near-term.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	15,967	R1	16,120		RSI below 50
S2	15,870	R2	16,238	15,980	
S3	15,794	R3	16,415		

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (44)
- Stochastic is below 50
- Price is below the daily pivot point USD 16,120
- Technically bearish on the last report, the MA on the RSI indicated that momentum was supported. We also had a positive divergence in play, for this reason the futures are not considered a technical sell at these levels.
- The futures traded to a high of USD 16,270, meaning price is in bullish territory; however, we have since entered a corrective phase. We are 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 16,120 with the RSI at or above 48.5 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 15,870 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI is implying momentum is supported; however, the RSI is below the average, warning buy side momentum is slowing. Key support is at USD 15,870, a move below this level will warn that the probability of the futures trading to a new high has started to decrease, meaning there is potentially a larger bear cycle in play.

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,019	R1	2,020.5	RSI above 50	Stochastic overbought
S2	2,009	R2			
S3	1,997	R3			

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 above the daily pivot point USD 2,019
- Unchanged on the technical on Wednesday, the MA on the RSI remained flat, implying momentum was neutral; however, the divergence was still in play, suggesting caution on downside moves in the near-term. Intraday Elliott wave analysis continued to suggest that upside moves look like they could be countertrend, making USD 2,025 the key resistance to follow. Above this level, the probability of the futures trading to a new low would start to decrease.
- The futures have moved higher on the positive divergence, resulting in price trading above the USD 2,025 resistance. We are correcting this morning, but 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 2,019 with the RSI at or below 51.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 1,980 will support a near-term bull argument, if broken the futures will be back in bearish territory.
- Technically bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease. The MA on the RSI is implying momentum is supported; however, like the rest of the base complex, we are moving lower due to a negative divergence on the 1-hour chart. We are now neutral, as there are some conflicts, the strength of the upside moves is countered by the divergence, meaning focus should be on the USD 1,980 support.

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