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(Bloomberg) -- Aluminum extended its slide from a five-month high, as a strong dollar and China's sputtering economy kept pressure on industrial commodities.

Base metals have mostly retreated this month against the backdrop of tepid Chinese growth and uncertainty over what Donald Trump's return to the White House will mean for the global economy. The dollar's ascent has made metals more expensive for buyers in other currencies.

In its latest move to support the economy, China plans to cut taxes for home purchases, according to people familiar with the matter. While that signals more willingness to use fiscal tools, the government's earlier steps have broadly disappointed investors looking for more sweeping stimulus.

Aluminum had stood out from other metals in recent weeks, rising to its highest since late-May on Nov. 7 as a series of supply disruptions for its main input, alumina, threatened to ratchet up costs and hit smelter output.

"Global aluminum demand is good, we've seen some real tightness in supply across the global system," Bill Oplinger, the chief executive officer at aluminum giant Alcoa Corp., said in a Bloomberg TV interview on Tuesday.

Aluminum was down 1% to \$2,561 a ton on the London Metal Exchange as at 12:03 p.m. in Shanghai, about 5% lower from its recent peak. Copper, zinc and nickel also dropped, while iron ore futures in Singapore slipped 0.2% to \$100.45 a ton.

Copper Morning Technical (4-hour)



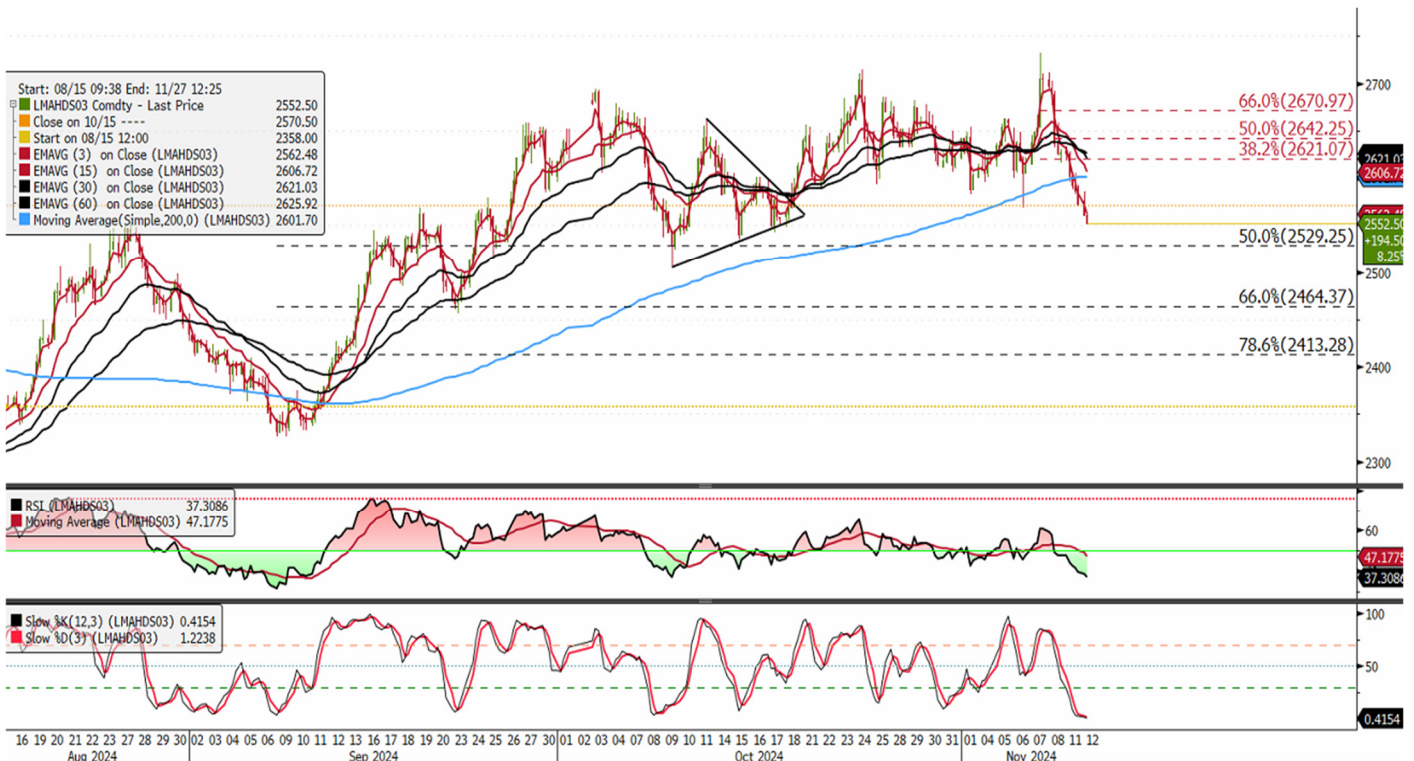
	Support	Resistance	Current Price	Bull	Bear
S1	9,208	R1	9,264	Stochastic oversold	RSI below 50
S2	9,078	R2			
S3	8,968	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- The RSI below 50 (37)
- Stochastic is oversold
- Price is below the daily pivot point USD 9,368
- The longer-term Elliott wave cycle was bullish but with a neutral bias yesterday, the probability of the futures trading to a new high had started to decrease. Having initially sold lower on the USD bounce, the upside move broke the USD 9,618 resistance; However, Friday's sell off broke key support, implying price action was neutral. We noted that focus should be on the daily technical in the near-term, as we were trading just above the daily 200-period MA (USD 9,390), meaning the higher timeframe technical was at an inflection point. If the average held, resistance levels would remain vulnerable; likewise, a close below that held below the average would warn of downside continuation.
- The futures closed below the longer-term MA (USD 9,393), resulting in price selling lower this morning. We are 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 9,368 with the RSI at or above 47 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 9,539 will leave the futures vulnerable to further tests to the downside.
- Technically bearish, the MA on the RSI indicates that momentum is weak. However, we are in divergence with the RSI on the 4-hour and lower timeframes, warning we could see a momentum slowdown, suggesting caution on downside moves at these levels. A close on the 4-hour candle above USD 9,326 will imply that momentum based on price is starting to increase, warning resistance levels could come under pressure. We are below the daily 200-period MA; however, we need to stay below it as the intraday technical is suggesting caution at these levels.

Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,552	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (37)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,597
- Technically bullish but with a neutral bias yesterday, the probability of the futures trading to a new high had started to decrease. The futures had mean reverted back to the 200-period MA (USD 2,603), we noted that if we held above this level, it would warn that there remained an underlying support in the market; likewise, a close below that held below the average would warn that the USD 2,568.5 fractal support could be tested and broken. As noted previously, we remained cautious on upside moves due to the higher timeframe divergence, as it warns that upside breakouts could struggle to hold.
- The futures closed below the 200-period MA (USD 2,601) and continued to sell lower. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,597 with the RSI at or above 49.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 2,670 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI continues to suggest that momentum is weak. Near-term price action based on faster moving oscillators is starting to look oversold; however, we maintain a cautious view on upside moves at this point, as they look like they could be countertrend. A close on the 4-hour candle above USD 2,579 will warn that momentum based on price is increasing, meaning we could see resistance levels come under pressure in the very near-term. Market sellers will now be targeting the daily 200-period MA at USD 2,459.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,954	R1	2,991	2,959.5	Stochastic oversold
S2	2,917	R2	3,006		
S3	2,870	R3	3,044		

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (40)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,991
- Technically bearish yesterday, the MA on the RSI was flat, implying momentum was neutral. The rejection of the 200-period MA warned that the USD 2,960 fractal low could be tested and broken. However, we had a note of caution on downside breakouts below this level, as the futures could be in divergence with the RSI. If we were, then it would warn that we could see a momentum slowdown which would need to be monitored.
- The futures have sold below the USD 2,960 fractal low, meaning price is now in divergence with the RSI. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,991 with the RSI at or above 46 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below 3,044 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI is implying that we have light momentum weakness. However, the RSI is now in divergence with the RSI, not a buy signal, it is a warning that we could see a momentum slowdown. We are now cautious on downside moves at these levels; if we close on the 4-hour candle above USD 2,980, it will warn that momentum based on price is increasing, meaning resistance levels could come under pressure.

Nickel Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	16,010	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 above 50 (43)
- Stochastic is oversold
- Price is below the daily pivot point USD 16,186
- Technically bearish yesterday, our intraday Elliott wave analysis continued to suggest that upside moves look like they could be countertrend. The Rejection of the Fibonacci resistance zone (and the 200-period MA at USD 16,794) suggested that the USD 15,705 fractal low was starting to look vulnerable.
- We have seen another small move lower with price now below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 16,186 with the RSI at or above 54 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below 17,186 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 today, we remain bearish with price moving lower. The MA on the RSI is indicating that momentum remains weak, whilst our intraday Elliott wave analysis suggests that upside moves look like they could be countertrend. We maintain our view based on the wave analysis that support levels are vulnerable; however, a close on the 4-hour candle above USD 16,095 will warn that intraday momentum based on price is increasing in the near-term.

Lead Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,027.5	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 (46)
- Stochastic is oversold
- Price is above the daily point USD 2,025
- Technically bearish yesterday, the futures had broken key support and rejected upside resistance, warning support levels were vulnerable. However, we had a note of caution, as price had formed a second symmetrical triangle pattern, implying price action was turning neutral. Directional bias would come from a breakout that held outside of the triangle. Trend support was at USD 2,017 with resistance at USD 2,047.
- The futures remain in the symmetrical triangle, we are below the EMA resistance band with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 2,025 with the RSI at or above 50 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 2,070 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged today, price action is neutral with the futures remaining in the symmetrical triangle, meaning directional bias will come from a breakout that holds outside of the triangle. Trend support is at USD 2,020 with resistance at USD 2,043.

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