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(Bloomberg) -- China needs to deploy more economic stimulus if copper demand is to revive, according to a major importer of the metal.

The government has issued a slew of measures since late September to shore up confidence in the world's biggest buyer of metals, where a prolonged slowdown in the property market is dragging on growth. Despite the huge sums offered, copper prices have dropped in recent days, in part due to concerns over a lack of fiscal support from Beijing.

The finance ministry's most recent pledges included \$1.4 trillion to bail out heavily indebted local governments, but stopped short of the direct steps to unlock consumer spending that the market craves.

"The latest stimulus is to refinance local government debts, so that's not going to boost physical demand much," Ni Hongyan, vice general manager of Singapore-registered Eagle Metal International Pte, said in an interview on Tuesday at the company's office in downtown Shanghai.

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	9,059	R1	9,202	Stochastic oversold	RSI below 50
S2	8,864	R2	9,363		
S3	8,783	R3	9,443		

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- The RSI below 50 (33)
- Stochastic is oversold
- Price is below the daily pivot point USD 9,202
- Technically bearish yesterday, the MA on the RSI indicated that momentum was weak. However, we were in divergence with the RSI on the 4-hour and lower timeframes, warning we could see a momentum slowdown, suggesting caution on downside moves. A close on the 4-hour candle above USD 9,326 would imply that momentum based on price was starting to increase, warning resistance levels could come under pressure. We were below the daily 200-period MA; however, we noted that we needed to stay below it as the intraday technical suggested caution at these levels.
- The futures continued to sell lower resulting in the divergences failing. 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 9,202 with the RSI at or above 41 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 9,551 will leave the futures vulnerable to further tests to the downside.
- Technically bearish, the MA on the RSI is implying momentum remains weak, whilst the daily close has moved further below the 200-period MA (USD 9,395). The divergence failure is signalling that we are looking at a bearish Elliott wave extension to the downside on the higher timeframe, suggesting intraday upside moves should in theory be counter-trend. The higher timeframe wave cycle means resistance levels have been revised higher whilst projection levels have moved lower; if our analysis is correct, we should trade below the 100% Fibonacci projection at USD 9,059.

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 (38)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,590
- Technically bearish yesterday, the MA on the RSI continued to suggest that momentum was weak. Near-term price action based on faster moving oscillators was starting to look oversold; however, we maintain a cautious view on upside moves, as they looked like they could be countertrend. A close on the 4-hour candle above USD 2,579 would warn that momentum based on price was increasing, meaning we could see resistance levels come under pressure in the very near-term. We noted that market sellers would now be targeting the daily 200-period MA at USD 2,459.
- Little price movement yesterday, the futures did find light bid support with price trading to a high of USD 2,576; however, we have sold lower on the open again 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 2,590 with the RSI at or above 43.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 2,666 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 starting to flatten, whilst the RSI has a minor divergence in play, suggesting sell side momentum is slowing down. A close on the 4-hour candle above USD 2,563 will warn that momentum based on price starting to strengthen, leaving the futures vulnerable to an intraday move higher. However, key resistance is at USD 2,666, upside moves that fail below this level will warn that there is a larger, bearish Elliott wave cycle in play. Conversely, if broken, then the probability of the futures trading to a new low will start to decrease.

Zinc Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,916	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (36)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,948
- Technically bearish yesterday, the MA on the RSI implied that we had light momentum weakness. However, the RSI was in divergence with price, not a buy signal, it warned that we could see a momentum slowdown. We were cautious on downside moves; if we closed on the 4-hour candle above USD 2,980, it would warn that momentum based on price was increasing, meaning resistance levels could come under pressure.
- The futures continued to sell lower resulting in the 4-hour divergence failing. 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 2,948 with the RSI at or above 43 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below 3,028 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 now flat, warning momentum is turning neutral. Although the 4-hour divergence has failed, the new low on the open has created a divergence on the 1-hour chart, meaning we remain cautious on downside moves at this point. If the 4-hour candle closes above USD 2,943 it will warn that momentum based on price is starting to strengthen, warning we could see an intraday move higher.

Nickel Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	15,875	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 (40)
- Stochastic is oversold
- Price is below the daily pivot point USD 15,974
- Unchanged on the technical yesterday, we remained bearish with price moving lower. The MA on the RSI indicated that momentum remained weak, whilst our intraday Elliott wave analysis suggested that upside moves look like they could be countertrend. We maintained our view based on the wave analysis that support levels were 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.
- The futures sold to a low of USD 15,815 before consolidating a little in the Asian day session. We are below all key moving average 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 15,974 with the RSI at or above 47 will mean price and momentum are aligned to the buy side. 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.
- Technically bearish, the MA on the RSI is implying that momentum remains weak. Countering this, the 1-hour RSI now has a minor positive divergence in play, meaning we are vulnerable to an intraday move higher in the near-term. Our Elliott wave analysis continues to suggest that upside moves look like they could be countertrend.

Lead Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,012.5		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 below 50
- Price is above the daily point USD 2,026
- Unchanged yesterday, price action was neutral with the futures remaining in the symmetrical triangle, meaning directional bias would come from a breakout that holds outside of the triangle. Trend support is at USD 2,020 with resistance at USD 2,043.
- The futures have broken the symmetrical to the downside, 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 2,026 with the RSI at or above 49 will mean price and momentum are aligned to the buyside. 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.
- Technically bearish, the triangle break to the downside is warning that support levels are vulnerable, providing we remain below the pattern. There is a minor divergence in play, warning sell side momentum could slow down, which will need to be monitored.