

China

The total of new home sales in China's four first-tier cities reached 578,713 square meters of floor space last week, according to Bloomberg calculations based on data from China Real Estate Information Corp. on Oct. 17. Beijing had the biggest increase, while Shanghai had the smallest increase. (Bloomberg).

President Xi Jinping's renewed pledge to grow China into a "medium-developed country" by 2035 implies a doubling in the size of the economy from 2020 levels, economists said, a challenging goal given the nation's slower growth path.

Xi said in his report to the Communist Party congress on Sunday that per-capita gross domestic product will take a "new, giant leap" to reach the level of a medium-developed country by 2035 (Bloomberg).

U.S.

(Wall Street Journal) -- WASHINGTON -- Risks of the worldwide economic slowdown turning into a steeper slump are rising, finance officials around the globe are warning, as strong inflation, high energy costs and climbing interest rates take hold.

Another bad U.S. inflation report last week is likely to keep the Federal Reserve lifting interest rates at a rapid clip. That could help spur the U.S. dollar higher, further elevating the cost of imports and debt service for many countries. Key energy producers are crimping supply, feeding price pressures and slowing economic activity, particularly in Europe. New data from China showed consumer spending falling sharply, another sign of cooling economic growth.

Cu

Copper held last week's gain, with investors betting a supply squeeze in China will outweigh global growth concerns amid speculation about the trajectory of the Federal Reserve's monetary-policy tightening path.

After prices slumped 30% from a March record, copper rose 1.1% last week as buyers in China, the world's biggest metals consumer, faced extremely low inventories -- a development that could spur more imports.

In a sign of difficulty in securing spot supplies, the spread between the two nearby contracts on the Shanghai Futures Exchange stood near the widest backwardation since 2005. (Bloomberg).

Copper Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	7,539		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 (49)
- Stochastic is below
- Price is below the daily pivot point USD 7,579
- Another upside moves that failed to trade above the USD 7,728 resistance on Friday, resulting in the futures moving lower. Price is 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 7,579 with the RSI at or above 52 will mean price and momentum are aligned to the buyside. The futures remain below USD 7,728, leaving the technical vulnerable to further tests to the downside.
- Technically bearish, we have neutral EMA's and a neutral RSI, with the pivot levels now clustered. Due to being flat, the EMA's are not being respected, likewise the lack of trend is giving false signals with price and momentum, supporting a lack of directional bias at this point.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,262	R1 2,323	2,278		RSI below 50
S2	2,235	R2 2,353			
S3	2,191	R3 2,400			

Source Bloomberg

Synopsis - Intraday

- Price is between/below the EMA support band (Black EMA's)
- RSI is below 50 (48)
- Stochastic is below 50
- Price is below the daily pivot point USD 2,323
- Technically bearish with a neutral bias on the last report, the futures failed to trade above the USD 2,420 high, resulting in price entering a corrective phase. We are now trading in/below the EMA support 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 2,323 with the RSI at or above 56 will mean price and momentum are aligned to the buy side. Key support remains unchanged at USD 2,262; downside moves below this level will target the USD 2,191 level.
- Technically bearish with a neutral bias, the futures remain above USD 2,262, this is a key level going forward, if broken it will warn of further technical weakness. If we hold, it supports a near-term bull argument, leaving the USD 2,400 – USD 2,420 resistance zone vulnerable. The EMA band is now flat indicating the technical has a neutral bias as we are no longer in a trending environment.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,885	R1	2,943		RSI below 50
S2	2,858	R2	2,975		
S3	2,812	R3	3,011.5		

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 2,943
- Bearish with a neutral bias on Friday, buying support at lower levels did suggest that resistance levels could be vulnerable. The upside move rejected the EMA resistance band resulting in the futures moving lower. The RSI is below 50 with intraday price and momentum aligned are conflicting.
- A close on the 4-hour candle above USD 2,943 with the RSI at or above 48 will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 43.5 will mean it is aligned to the sell side. The downside move below USD 2,906.5 means momentum based on price is weakening, warning support levels are looking vulnerable; However, we are now in a support area.
- Technically bearish the futures are trading back within the consolidation zone, this is also considered a support zone, suggesting the futures will need to trade below the USD 2,858 fractal for downside continuation.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	21,660	R1	21,777		RSI below 50
S2	21,482	R2			
S3	21,015	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (47)
- Stochastic is at 50
- Price is below the daily pivot point USD 22,101
- The upside moves in the futures have again failed to trade above the USD 23,320, 50% Fibonacci retracement, the technical remains below USD 24,081 and therefore bearish and vulnerable to further tests to the downside. Price is 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 22,101 with the RSI at or above 50 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 24,081 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures are trading at the base of the consolidation zone, Downside moves that trade below USD 21,660 or close below USD 21,820 will warn that the USD 20,940 fractal low is vulnerable. Failure to trade/close below this area will leave the futures in consolidation.

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	1,970	R1	2,033	RSI above 50	Stochastic overbought
S2	1,932	R2	2,065		
S3	1,903	R3	2,093.5		

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (53.8)
- Stochastic is overbought
- Price is below the daily pivot point USD 2,033
- Technically bullish with the futures potentially in the early stages of an Elliott wave 5. The futures are 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 2,033 with the RSI at or above 58 will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 53.5 will mean it is aligned to the sell side. Upside moves above USD 2,065 will break fractal resistance, indicating the intraday technical is bullish. Downside moves that hold at or above USD 1,932 will support a bull argument, below this level the technical will have a neutral bias.
- Technically we remain bullish; however, the futures are moving sideways at this point, meaning we need to see a close above USD 2,065 to signal upside continuation.