

China

China in the week ahead will likely release GDP and activity data that were delayed during Communist Party congress meetings. When the reports finally land, we expect them to show an anemic third-quarter recovery. Figures for September are likely to highlight weak consumption, slowing trade growth and the key role of public investment in propping up activity. (Bloomberg).

Cu

Copper slipped to head for a weekly decline as global inflation and economic slowdown concerns outweighed tightness in supplies that has raised warnings from top market players.

Global recession fears are mounting as central banks hike rates to fight surging inflation. Hawkish remarks from Federal Reserve officials are expected to continue supporting a record rally in the dollar, making commodities more expensive to other currency holders. (Bloomberg).

Al

Aluminum jumped as a surprise spike in orders to withdraw inventories from London Metal Exchange warehouses added to recent volatility for the most widely used base metal.

Prices rose as much as 3.4%, rebounding from a two-week low. The metal has been whipsawed in the past few weeks as traders weighed worries about a rapid slowdown in demand against potential measures to block the flow of Russian supplies into Western markets.

The market is scrutinizing LME warehouse levels more than usual amid fears that large amounts of Russian aluminum could end up on the bourse as a last resort as it proves increasingly hard to sell. Yet on Thursday, requests to withdraw metal climbed almost 100,000 tons, driven by orders to take metal out of Singapore and Malaysia's Port Klang -- where stockpiles have been rising sharply (Bloomberg)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	7,462	R1	7,575		RSI below 50
S2	7,423	R2	7,620		
S3	7,393	R3	7,695.50		

Synopsis - Intraday

Source Bloomberg

- Price is below/in the EMA resistance band (Black EMA's)
- RSI is below 50 (49)
- Stochastic is overbought
- Price is on the daily pivot point USD 7,495
- Technically bearish yesterday, the new low had created a marginal divergence with the RSI, not a buy signal it was a warning that that we had the potential to see a momentum slowdown. the futures moved higher with price trading above the USD 7,563 resistance, meaning the technical although bearish now has a neutral bias. Price is trading below/in the EMA resistance band with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 7,495 with the RSI at or below 43 will mean price and momentum are aligned to the sell side. Likewise, a close above this level will mean price and momentum are aligned to the buyside. Downside moves that old at or above USD 7,423 will support a near-term bull argument, below this level the futures will target the USD 7,393 and USD 7,341.5 support levels.
- The technical is bearish with a neutral bias, the RSI is neutral at 49 with the stochastic in overbought territory, momentum is warning that the futures are vulnerable to a test to the downside. If the RSI closes above 50 then the stochastic is considered as less relevant, making USD 7,423 the key level to follow.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,210	R1	2,225	2,215	RSI below 50
S2	2,180	R2	2,237		
S3	2,169	R3	2,258		

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (46)
- Stochastic is above 50
- Price is above the daily pivot point USD 2,210
- Like copper we noted yesterday that the futures were finding light buying support on the back of a marginal positive divergence, warning that resistance levels could come under pressure. The futures moved higher with price trading above the USD 2,225 resistance, meaning the technical now has a neutral bias. Price is below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 2,210 with the RSI at or below 42 will mean price and momentum are aligned to the sell side. Upside moves above USD 2,244 will warn that the USD 2,258 resistance could be broken, at this point the intraday technical is bullish.
- Technically bearish with a neutral bias the futures are showing signs that we could be rolling over to the downside, if price and momentum become aligned to the sell side then we could see support levels come under pressure.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,924	R1	2,944	RSI above 50	Stochastic overbought
S2	2,907	R2			
S3	2,884	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (52)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,941
- Technically bearish yesterday with price in the EMA resistance band whilst momentum was vulnerable to a test to the downside, providing the RSI could hold below 50, leaving us cautious of the upside move. The futures did move higher with price trading above the USD 2,943 resistance meaning the technical has a neutral bias. Price is above the EMA resistance band 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 2,941 with the RSI at or below 46.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,884 will support a near-term bull argument, below this level the futures will target the USD 2,835 low.
- Technically bearish with a neutral bias, market buyers will want to see the futures close above USD 2,99.50. If the RSI moves below 50 then support levels could be vulnerable.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	22,108	R1	22,196	RSI above 50	Stochastic overbought
S2	21,482	R2			
S3	21,015	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is at 50 (50)
- Stochastic is overbought
- Price is above the daily pivot point USD 22,108
- Technically bearish yesterday with price in the EMA resistance band; however, due to the band being flat it indicated that the trend lacked directional bias, suggesting it might not be respected. The futures did move higher in the afternoon session, meaning we are above the resistance band with the RSI neutral at 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 22,108 with the RSI at or below 45.5 will mean price and momentum will be aligned to the sell side. Key near-term resistance remains unchanged at USD 22,795; upside moves above this level have the potential to test the USD 23,320 and USD 24,081 Fibonacci resistance zone. Likewise, downside moves below USD 21,470 will target the USD 21,015 – USD 20,940 fractal support area.
- Technically we are bearish but above the resistance band, if price and momentum become aligned to the sell side it will put the RSI back below 50, warning support levels could be tested. Key near-term resistance is at USD 22,795.

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	1,932	R1	1,934	Stochastic oversold	RSI below 50
S2	1,903	R2			
S3	1,853	R3			

Synopsis - Intraday

Source Bloomberg

- 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 1,971
- Technically bullish but in a corrective phase yesterday, we remained cautious as price and momentum were aligned to the sell side. The futures continue to move lower with price below the EMA resistance band 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 1,971 with the RSI at or above 47 will mean price and momentum are aligned to the buy side. 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 are in a corrective phase, the futures have traded down to but held the USD 1,932 support, keeping the technical in bull territory. However, the support remains vulnerable at this point, meaning the technical is now in balance. If broken we remain bullish but with a neutral bias, bringing the wave count into questions, as the market does not like to see deep pullbacks.