

China

China's economic activity probably faltered in October, with numbers that look good relative to last year seen masking a slowdown in activity headed into the final months of 2023.

That dynamic will be most evident in retail sales data, which is expected to show a 7% jump year-on-year as it compares to pandemic and lockdown-hit 2022. But economists see activity possibly slowing from September, as other indicators have shown consumer demand and confidence losing momentum. Growth in fixed-asset investment and industrial production, meanwhile, was likely flat.

That all adds up to softening momentum for the recovery, which authorities have already tried to support through unconventional fiscal stimulus that led to a rare mid-year revision to the government budget. (Bloomberg)

Copper

Copper pared Monday's biggest advance in a month as some top executives from the global industry prepared to discuss the metal's outlook at an event in Shanghai.

Asia Copper Week is getting into full swing in China's commodities hub, against a mixed backdrop of strong demand growth in the country, continued pressure from tight monetary policy in the rest of the world, and uncertainty over the outlook for global supply.

Prices for the metal used in everything from home wiring to electric vehicles have softened since the start of 2023 as high interest rates and geopolitical tensions weigh on developed economies. In China, apparent demand has expanded by about 10% so far this year, according to Goldman Sachs Group Inc.

Copper edged down 0.1% to \$8,155.50 a ton by 1:01 p.m. Shanghai time, after gaining 1.6% on Monday. It's down 2.6% for the year. (Bloomberg)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear	
S1	8,137	R1	8,151.5	RSI above 50	Stochastic overbought	
S2	8,128	R2				8,208
S3	8,108	R3				8,260

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (52)
- Price is above the daily pivot point USD 8,137
- Stochastic is overbought
- Technically bearish yesterday, the MA on the RSI continued to warn that momentum remained weak, whilst intraday Elliott wave analysis continued to suggest that upside moves should be considered as countertrend. Key resistance to follow is at USD 8,116, a move above this level would warn that the probability of the futures trading to a new low would start to decrease. The futures traded above the USD 8,116 and the USD 8,165.5 resistance levels, to a high of USD 8,196, before selling a little lower on the Asian open. We are now bullish with price 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 8,137 with the RSI at or below 45.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 8,079 will support a bull argument, below this level the technical will have a neutral bias.
- The technical is bullish based on price, the futures have breached the USD 8,178 resistance, a level that would warn that perhaps there was a larger corrective phase in play. The issue we have is that the downside move consisted of 5 waves, rather than 3 (as highlighted on the chart). This is warning that the upside move (despite its strength) looks to be countertrend, warning we have the potential to move lower still, making USD 8,079 the key support to follow. If broken, then the USD 8,020 fractal low has the potential to be tested and broken. We are a cautious bull and do not consider the futures a technical buy at these levels, as the price pattern lower implies that the upside move is still potentially countertrend, meaning support levels remain vulnerable.

Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,225		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (44)
- Stochastic is at 50
- Price is above the daily pivot point USD 2,222
- Technically bearish yesterday, the MA on the RSI continued to imply that momentum was weak. However, the new low on the open yesterday had created a positive divergence with the RSI, not a buy signal, it warned that we had the potential to see a momentum slowdown which needed to be monitored. Based on the current wave being greater than 161.8% than the previous wave, alongside the RSI making a new low on the 10/11/23, our analysis suggested that the move lower was bearish impulse. For this reason, we remained cautious on upside moves. The futures did move higher on the back of the positive divergence, before selling lower in the Asian day session. Price is below the EMA support band with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,222 with the RSI at or below 40.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,253 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, implying sell side momentum is starting to slow. However, based on the recent low on the RSI and the strength of the downside wave implying we were looking at bearish impulse, we maintain our view that upside moves look like they will be countertrend at this point. Key resistance is at USD 2,253, a move above this level will warn that 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	2,553	R1	2,571	RSI above 50	
S2	2,525	R2	2,583		
S3	2,505	R3	2,598		

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- RSI is above 50 (50)
- Stochastic is oversold
- Price is above the daily pivot point USD 2,553
- We remained bullish but in a corrective phase yesterday with intraday Elliott wave analysis continuing to suggest that downside moves should be considered as countertrend. Momentum was conflicting as the MA on the RSI implied that it was weak; however, the RSI was above 50 with the stochastic in oversold territory, if the RSI held above 50 then the USD 2,603 resistance could come under pressure. Key support was at USD 2,525, a move below this level would mean that the probability of the futures trading to a new high would start to decrease. The futures continued to sell lower but held above our key support with price moving higher on the open. We are now trading between the EMA support band with the RSI neutral at 50, intraday price and momentum are conflicting, as the previous candle closed above the daily pivot level.
- A close on the 4-hour candle above USD 2,553 with the RSI at or above 57 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. Downside moves that hold at or above USD 2,525 will support a bull argument, below this level the technical will have a neutral bias. Upside moves that fail at or below USD 2,598 will leave the futures vulnerable to further tests to the downside, above this level we target the USD 2,631.5 high.
- We remain bullish but in a corrective phase. Momentum indicators continue to conflict as the MA on the RSI is implying that it is weak; however, the RSI is at 50 with the stochastic in oversold territory, if the RSI holds above 50 then we remain vulnerable to a move higher. A move below USD 2,525 will warn that the probability of the futures trading to a new high has started to decrease.

Nickel Morning Technical (4-hour)



Start: 10/09 04:48 End: 11/17 16:57
 LMNIDS03 Comdty - Last Price 17275.00
 Close on 10/17 ---- 18593.00
 Start on 10/09 08:00 18780.00
 EMAVG (3) on Close (LMNIDS03) 17290.2383
 EMAVG (15) on Close (LMNIDS03) 17446.0234
 EMAVG (30) on Close (LMNIDS03) 17647.0293
 EMAVG (60) on Close (LMNIDS03) 17877.5059

RSI (LMNIDS03) 39.0786
 Moving Average (LMNIDS03) 37.9934

Slow %K (12,3) (LMNIDS03) 32.2145
 Slow %D (3) (LMNIDS03) 25.3087

	Support	Resistance	Current Price	Bull	Bear
S1	17,045	R1	17,275	Stochastic oversold	RSI below 50
S2	16,918	R2			
S3	16,510	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (39)
- Stochastic is oversold
- Price is below/on the daily pivot point USD 17,310
- We remained in a bearish trending environment yesterday with the longer-term divergence still in play. However, the failure of the near-term divergence suggested that upside moves should be considered as countertrend, making USD 17,850 the key resistance to follow. The futures traded to a low of USD 17,035 before finding light bid support into the close. Price is below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the buy side, as the previous candle closed above the daily pivot level.
- A close on the 4-hour candle below USD 17,310 with the RSI at or below 35.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 17,797 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish with upside moves considered as countertrend at this point. The RSI is above its MA, but the MA implies that momentum remains weak at this point. If the futures traded below USD 17,035 before trading above USD 17,450, it will suggest a lower timeframe Elliott wave extension, meaning we will maintain our view that upside moves should be considered as against the trend.

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,152	R1	2,174	Stochastic oversold	RSI below 50
S2	2,137	R2	2,200		
S3	2,117	R3	2,214		

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- RSI is below 50 (48)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,174
- Technically bullish yesterday, we maintained our view that downside moves should be considered as countertrend. A move below USD 2,117 would mean that the probability of the futures trading to a new high will start to decrease. The futures remain in a corrective phase with price now trading in the EMA support band, the RSI is now below 50 with price and momentum aligned to the sell side.
- A close on the 4-hour candle above USD 2,174 with the RSI at or above 56 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 2,117 will support a bull argument, below this level the technical will have a neutral bias.
- The futures remain bullish but in a corrective phase. The MA on the RSI does imply momentum weakness; however, intraday Elliott wave analysis continues to suggest that downside moves should be considered as countertrend, making USD 2,117 the key support to follow. If broken, mean that the probability of the futures trading to a new high will start to decrease.