

China

China's pledge to nearly double the loan quota for unfinished residential projects to 4 trillion yuan (\$562 billion) fell short of market expectations, causing property shares to retreat as investors looked for stronger policies.

The government set the new year-end target for loans to so-called "white-list" property projects after disbursing 2.23 trillion yuan as of Oct. 16. The measure, aimed at ensuring home completion, was part of a basket of initiatives announced during a Thursday briefing.

The plans underwhelmed, with some analysts calling them "incremental." A Bloomberg gauge of property stocks in Hong Kong fell more than 8%, with Chinese stocks surrendering earlier gains. (Bloomberg).

Metals

Base metal prices fall, with LME three-month copper trading 1.4% lower to \$9,455 a metric ton and LME three-month aluminum declining 1.3% to \$2,553.0 a ton. Industrial metals have edged lower despite China's latest efforts to shore up support for its moribund real estate sector, ING analysts say in a note. The country has said it will expand a national list of housing projects eligible for bank financing and increase bank spending for such developments to 4 trillion yuan, or \$561.85 billion, ING says. In a briefing Thursday, the minister of Housing said China will expand urban redevelopment to help absorb housing inventories and said the sector has started to bottom-out--but the market has shown disappointment that no new fiscal stimulus measures have been announced, ING adds. (Bloomberg/WSJ)

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	9,498	R1	9,539.5	Stochastic oversold	RSI below 50
S2	9,460	R2			
S3	9,354	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- The RSI below 50 (39)
- Stochastic is oversold
- Price is below the daily pivot point USD 9,593
- Technically bullish yesterday, the futures remained in a corrective phase. The MA on the RSI implied that momentum was weak, whilst the move lower previously resulting in the divergence failing. Although the divergence failed, the RSI support held, with the futures starting to base around the USD 9,549 Fibonacci support. Early upside rejection of the daily pivot level warned that we could test the USD 9,520 low from yesterday; however, downside moves below this level would create a lower timeframe divergence, as price approached the 200-period MA at USD 2,490, suggesting caution as a move lower could struggle to hold.
- The futures failed to test the low yesterday with price seeing a small move higher. The Asian session opened with bid support; however, we have seen a rejection of the upper channel resistance in the Asian day session, meaning the 200-period MA at USD 9,498 is starting to look vulnerable. We are below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buy side, as the previous candle close was above the daily pivot whilst the RSI was above its average.
- A close on the 4-hour candle below USD 9,593 with the RSI at or below 38.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 9,354 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, we remain in a corrective phase with the upside channel rejection warning that the 200-period MA at USD 9,498 could come under pressure. A close below that holds below the average will leave the USD 9,354 vulnerable, if broken the probability of the futures trading to a new high will start to decrease, warning the bullish Elliott wave cycle could fail. Likewise, if we hold above the average, it will indicate that there is an underlying support in the market.

Aluminium Morning Technical (4-hour)



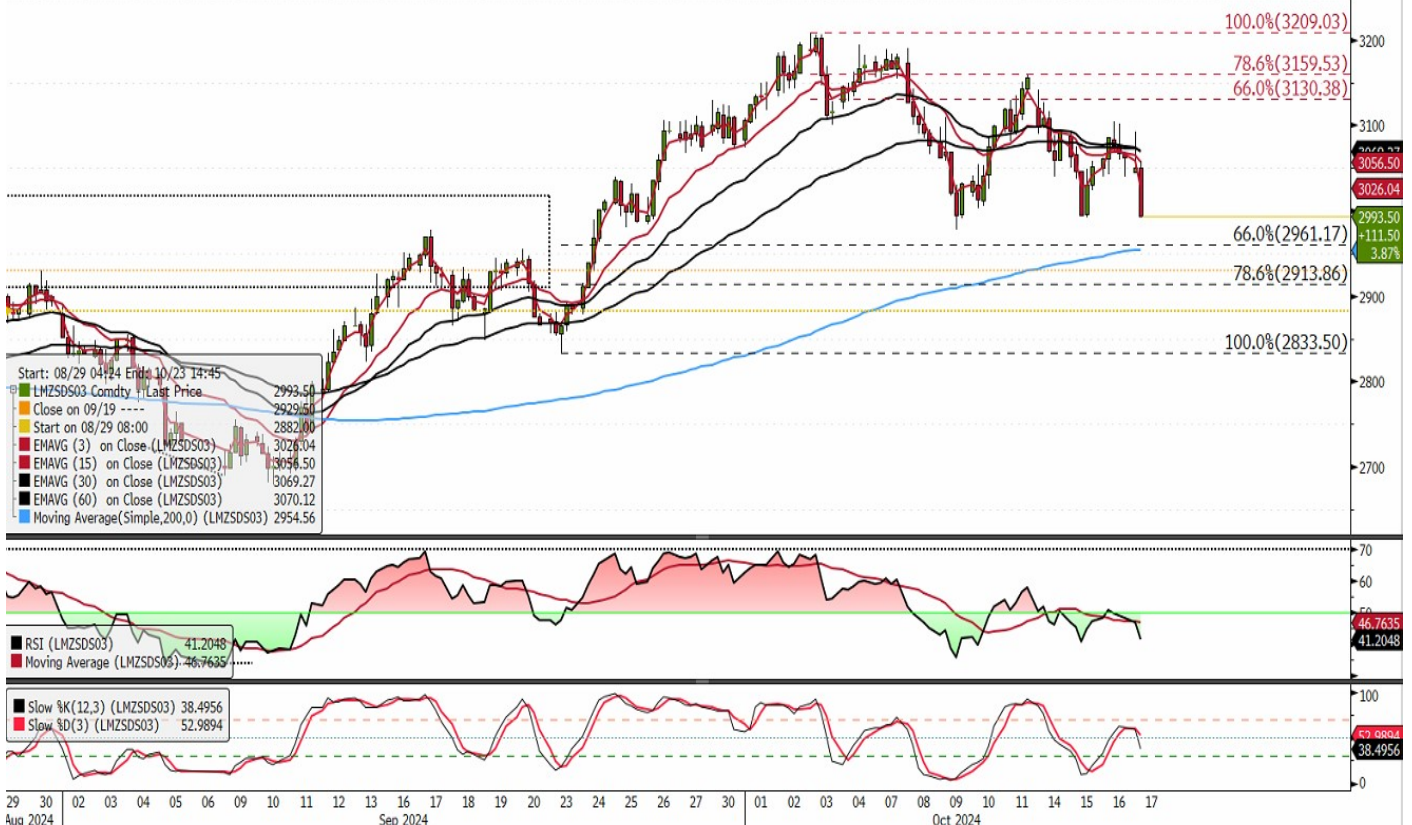
Support	Resistance	Current Price	Bull	Bear
S1	R1	2,558		RSI below 50
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (43)
- Stochastic is above 50
- Price is below the daily pivot point USD 2,586
- Technically bearish yesterday, the MA on the RSI was flat, implying we had light momentum weakness. The EMA resistance band was flat, implying we lacked directional bias; however, our Elliott wave analysis suggests that upside moves look to be countertrend, warning support levels remained vulnerable. Key support was at USD 2,451, corrective moves that held above this level would warn that there could be a larger bullish Elliott wave cycle in play; likewise, if we traded above the USD 2,629 resistance for a second time it would warn that buy-side pressure was increasing.
- The upside move failed to hold, resulting in the futures selling lower. We are 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 2,586 with the RSI at or above 49 will mean price and momentum are aligned to the buy-side. Upside moves that fail at or below USD 2,629 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 indicating that we have light momentum weakness. The upside rejection of the EMA resistance band, alongside our bearish Elliott wave analysis, is warning that the USD 2,505 fractal low is starting to look vulnerable.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,961	R1	3,068		RSI below 50
S2	2,913	R2	3,130	2,993.5	
S3	2,853	R3	3,159		

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (41)
- Stochastic is above 50
- Price is below the daily pivot point USD 3,068
- Technically bullish yesterday, the MA on the RSI continued to warn of momentum weakness. The downside move below 3,039 indicated that the corrective phase looked to be more complex, warning the USD 2,977.50 fractal low from the 09/10 remained vulnerable in the near-term. However, our Elliott wave analysis continued to suggest that downside moves should be considered as countertrend, making USD 2,961 the key support to follow. A move below this level would warn that the probability of the futures trading at a new high would start to decrease.
- The upside move failed to hold resulting in price selling lower. We are below 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 3,068 with the RSI at or above 49 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 2,961 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, as noted yesterday, the move below USD 3,039 warned that the corrective phase had the potential to be more complex, resulting in the futures selling lower. We maintain our view that the USD 2,977.50 fractal low remains vulnerable. If we do trade below the USD 2,961 support, then the probability of the futures trading at a new high will start to decrease, meaning that probability of the bullish Elliott wave cycle failing will increase.

Nickel Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	16,883	R1	17,389	16,995	Stochastic oversold	RSI below 50
S2	16,669	R2	17,437			
S3	16,360	R3	17,820			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (36)
- Stochastic is oversold
- Price is below the daily pivot point USD 17,319
- Technically bullish yesterday, the futures remained in a corrective phase with the MA on the RSI warning that momentum was weak. However, the RSI was on support whilst lower timeframe momentum indicators were in divergence, suggesting downside moves could struggle to hold. Our Elliott wave analysis indicates that downside moves look to be countertrend, whilst momentum indicators suggest caution on moves lower.
- The future moved sideways yesterday; however, we have sold lower on the open today, resulting in the divergence failing. We are 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 17,319 with the RSI at or above 45.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 16,669 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase, the divergence failure yesterday is warning that intraday upside moves have the potential to be countertrend in the near-term. We are now approaching the 200-period MA (USD 16,883), this is a benchmark average and has the potential to act as a support, a close below that holds below the average will warn that the USD 16,669 level could be tested and broken. If it is, then the probability of the futures trading at a new high will start to decrease. The move lower is in theory countertrend based on the higher timeframe wave cycle, the 200-period MA has the potential to act as support in the very near-term, whilst lower timeframe wave analysis on the corrective is warning that there is in theory one more move yet to come.

Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,021	R1	2,070		RSI below 50
S2	1,993	R2			
S3	1,946	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is at 50 (50)
- Stochastic is above 50
- Price is below the daily point USD 2,089
- Technically bearish with the neutral bias yesterday, above USD 2,100 the futures would be bullish based on price; however, a rejection of the USD 2,122 resistance would warn that the correction could become more complex. The Caveat was that the futures were holding above the USD 2,021 support, warning there could be a larger, bullish wave cycle in play. The technical lacked clarity, meaning we were neutral.
- The futures have traded above the USD 2,100 resistance; however, we have sold lower in the Asian day session. We are below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,089 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 2,122 will leave the futures vulnerable to further tests to the downside, warning that the corrective phase has the potential to become more complex. Likewise, downside moves that hold at or above USD 2,021 will warn that there is potentially a larger bullish Elliott wave cycle in play.
- Technically bullish based on price, the MA on the RSI indicates that we have light momentum support; however, the RSI is trading below its average, warning momentum could be transitioning to the sell side. Technically we remain neutral as price is holding above support but rejecting resistance.

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com