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Copper rose to a 14-month high as expectations for US rate cuts and threats to supply added impetus to a rally that's been underway since early February.

It climbed for a fourth session on the London Metal Exchange after Federal Reserve Chair Jerome Powell said it would likely be appropriate to begin lowering borrowing costs "at some point this year." Copper touched \$9,380 a ton, the highest intraday level since late January 2023, following a 3% surge on Wednesday after a gauge of Chinese manufacturing came in better-than-forecast.

The industrial metal has rallied 15% since this year's low in February, with gains also driven by supply concerns. Chinese smelters, which produce more than half of the world's refined copper, are moving closer to implementing a joint output cut after tightening ore supplies drove processing fees to near zero.

Copper rose 0.7% to \$9,329 a ton on the LME as of 10:56 a.m. in Singapore time. Aluminum advanced 0.8% and zinc added 0.7%. Chinese markets are closed for holidays.

US nonfarm payroll data will be released on Friday, and will possibly firm up expectations for when the Fed will pivot to rate cuts. (Bloomberg)

# Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	9,177	R1	9,340	RSI above 50	Stochastic overbought
S2	9,149	R2			
S3	9,078	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI above 50 (73)
- Stochastic is overbought
- Price is below the daily pivot point USD 9,177
- Technically bullish last week, the futures looked to be forming a symmetrical triangle (highlighted on chart) implying that there was a neutral bias in the market. A close below that holds below trend support would warn the USD 8,677 level could be tested and broken. If it was, then the probability of the futures trading to a new high will start to decrease. Likewise, a close above trend resistance would warn that we had the potential to move higher. The MA on the RSI was flat whilst the RSI was in divergence, warning sell side momentum is slowing down. The futures initially broke to the downside, but the move failed to hold, resulting in price achieving new highs. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 9,177 with the RSI at or below 60.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 8,981 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI is implying that momentum is supported at this point. The futures are in divergence with the RSI, not a sell signal, it is a warning that we have the potential to see a momentum slowdown which will need to be monitored. However, lower timeframe Elliott wave analysis is warning that downside moves still have the potential to be countertrend in the near-term.

# Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,443	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (72)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,409
- Technically bullish last week the futures had entered a corrective phase. The RSI had broken support to make a new low, warning that the upside moves could in theory struggle to hold, the MA on the RSI warned that momentum was weakening, meaning the USD 2,276 support was starting to look vulnerable. If broken, then the probability of the futures trading to a new high would start to decrease. The intraday futures had tested but held the weekly pivot level (USD 2,290), if we closed on the daily candle below this level, it would warn that sell side pressure was increasing. The futures traded to a low of USD 2,276; however, the move failed to hold below the weekly pivot level, resulting in price moving higher. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,409 with the RSI at or below 65 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,335 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures and the RSI have both traded to a new high whilst the MA on the RSI would suggest that momentum is supported at this point. This is implying that downside moves look like they could be countertrend in the near-term, making USD 2,335 the key level to follow. If broken, then the probability of the futures trading to a new high will start to decrease.

# Zinc Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,567	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (62)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,522
- We noted last week that we were seeing a similar pattern in Zn to the one in Pb, a strong move higher that looked like it would be bullish impulse that had broken key resistance. However, like PB the move has failed to hold with price breaking key support at USD 2,445. The probability of the futures trading to a new high had started to decrease. The downside moves previously had resulted in the divergence failing, meaning we were seeing an extension of the corrective phase, meaning upside moves now look like they could be countertrend. The MA on the RSI warned that momentum remained weak whilst the RSI was making new lows. Having traded to a low of USD 2,409 the futures have found strong bid support, resulting in price breaking the USD 2,531 resistance, Price is above the EMA resistance band with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,522 with the RSI at or below 51 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,465 will support a bull argument, below this level the technical will have a neutral bias.
- The upside move above USD 2,531 means the technical is back in bullish territory. This is also suggesting that despite the deep pullback, the original bullish Elliott wave cycle looks to be still in play. The MA on the RSI is implying that momentum is supported, warning that the USD 2,592 resistance is looking vulnerable. However, above this level the technical will be in divergence with the RSI, suggesting caution on upside breakouts.



# Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	17,226	R1	17,385	RSI above 50	Stochastic overbought
S2	16,858	R2			
S3	16,535	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (57)
- Stochastic is overbought
- Price is above the daily pivot point USD 17,226
- Technically bearish last week with upside moves considered as countertrend, as the futures continued to look like they were in a higher timeframe correct Elliott wave A. We remained in divergence on the lower timeframe with the RSI testing a longer-term support on the 4-hour chart. Countering this, the MA on the RSI continued to warn that momentum remained weak. We were bearish and could still move lower; however, we continued to have a note of caution on downside moves at those levels. Having traded to a low of USD 16,535 the futures have found bid support with price moving higher having held the RSI support. We are above the EMA resistance band with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 17,226 with the RSI at or below 47 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 17,896 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The longer-term technical remains bearish with the current upside move looking like it could be a countertrend Elliott wave B, suggesting it is potentially countertrend, making USD 17,896 the key resistance to follow. If broken, then the probability of the futures trading to a new low will start to decrease. The MA on the RSI is implying that momentum is supported in the near-term, warning the USD 17,570 - USD 17,896 resistance levels are currently vulnerable.

# Lead Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,093	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (61)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,059
- Technically bearish last week, the MA on the RSI remained flat with the 60-min RSI still in divergence. The technical continued to show signs of exhaustion, warning we could be seeing a momentum slowdown, which needed to be monitored. The futures traded to a low of USD 1,995 before finding bid support on the lower timeframe divergence. We are above the EMA resistance band with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,059 with the RSI at or below 49 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,111 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- We remain technically bearish with price moving higher, the MA on the RSI is implying that momentum is supported at this point, warning the USD 2,111 resistance is vulnerable. If broken, then the probability of the futures trading to a new low will start to decrease. However, we have the daily 200-period MA at USD 2,120, although flat, it does have the potential to act as a resistance.