

Cu

(Bloomberg) -- Copper futures surged after President Donald Trump ordered the US Commerce Department to examine possible imports tariffs on all forms of the metal.

The move was the latest in a string of steps aimed at imposing sector-specific levies to protect US producers and remake global supply chains. Copper markets have already seen major dislocations this year as traders bet on tariffs opening a gap between prices in America and the rest of the world.

Copper futures traded on the Comex in New York rose as much as 4.9%. Shares of US-traded copper miners also climbed on the news, with Freeport-McMoRan Inc. jumping more than 6% in after-market trading, compared with Tuesday's settlement.

Read More: [Trump Opens Door to New Metal Levy with Copper Tariff Probe](#)

[What Trump's Tariffs Mean for the World Economy](#)

The investigation will be carried out under Section 232 of the Trade Expansion Act, which gives the president broad authority to impose restrictions on national security grounds. In a social media post, Trump wrote that the "Great American Copper Industry has been decimated by global actors attacking out domestic production".

The US president had already announced plans to impose 25% tariffs on all imports of steel and aluminum from March 12, widening Section 232 action he took in his first term. With copper, Commerce has up to 270 days to investigate imports and report back to Trump.

Comex copper traded at \$4.718 a pound, up 4.1%, as of 12:18 p.m. Shanghai time, while futures on the London Metal Exchange rose 0.8%.

Separately, Chilean copper miner Codelco said it was resuming operations as the country recovered from its biggest power blackout in 15 years. The giant copper miner was forced to halt work at its mines earlier after they lost electricity supply.

Copper Morning Technical (4-hour)



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|------|
| S1 | 9,436 | R1 | 9,573 | RSI above 50 | |
| S2 | 9,310 | R2 | 9,614 | | |
| S3 | 9,176 | R3 | 9,697 | | |

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- The RSI above 50 (51)
- Stochastic is oversold
- Price is above the daily pivot point USD 9,436
- Technically bullish but in a corrective phase yesterday, the MA on the RSI implied that momentum was weak. Price was testing but holding above the low of the intraday bullish rejection candle (USD 9,454), if broken, it would imply that sell side pressure was increasing. Likewise, a close back above that held above the linear regression line (USD 9,514) would imply that the technical condition was improving. As noted previously, our Elliott wave analysis continued to suggest that downside moves should be considered as countertrend, making USD 9,176 the key support to follow.
- The futures traded below the USD 9,454 support to a low of USD 9,385. However, the futures opened the Asian day session higher after President Trump ordered the US Commerce Department to examine possible imports tariffs on all forms of the metal (Bloomberg). Price is between the EMA support band with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 9,436 with the RSI at or above 53.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level with the RSI at or below 49 will mean it is aligned to the sell side. Downside moves that hold at or above USD 9,176 will warn that there is potentially a larger, bullish Elliott wave cycle coming into play.
- Technically bullish, the MA on the RSI implies that momentum remains weak at this point, whilst price is below the linear regression line (USD 9,517). A close above that holds above the line will warn that resistance levels could be tested and broken. As noted previously, our Elliott wave analysis continued to suggest that downside moves should be considered as countertrend, making USD 9,176 the key support to follow.

Aluminium Morning Technical (4-hour)



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|---------------------|--------------|
| S1 | 2,624 | R1 | 2,649.5 | Stochastic oversold | RSI below 50 |
| S2 | 2,616 | R2 | | | |
| S3 | 2,583 | R3 | | | |

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (47)
- Stochastic is oversold
- Price is above the daily pivot point USD 2,645
- Technically bullish with a neutral bias yesterday, the probability of the futures trading to a new high had started to decrease. The MA on the RSI indicated that momentum remained weak at that point, suggesting resistance levels should in theory hold if tested. However, near-term price action was approaching the USD 2,424 level, we noted that this was the most heavily traded area in the previous 30-days, meaning it had the potential to act as a support. Price was just below 1-standard deviation from the linear regression line (USD 2,638), a close on the 4-hour candle back above this level would warn that resistance levels could come under pressure in the near term. We had a note of caution on downside moves at those levels; however, the technical warned that the Fibonacci resistance zone should hold if tested in the near-term.
- The futures held the USD 2,424 support, resulting in price close back above the one standard deviation line (USD 2,638) and testing the base of the Fibonacci resistance zone (USD 2,996). However, the upside move has failed to hold with price selling to a low of USD 2,633 into the close. We have opened with light bid support, we remain below the EMA support band with the RSI below 50, intraday price and momentum are aligned to the sell side, as the previous candle closed below the daily pivot level.
- A close on the 4-hour candle above USD 2,645 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 2,698 will warn that there is further downside within this corrective phase, above this level the technical will be back in bullish territory.
- We remain bullish but with a neutral bias. The MA on the RSI is warning that we have light momentum weakness; however, the average is starting to flatten, implying sell side momentum could be slowing down. We are now back above the 1 standard deviation line from the linear regression (1- STDV USD 2,638—LR 2,676), warning we could look to test the USD 2,676 level. If rejected, it will warn of technical weakness; likewise, a close above that holds above the line will leave the USD 2,698 Fibonacci resistance vulnerable. We remain cautious on downside moves at these levels due to the USD 2,638 and USD 2,624 support zone, whilst seeing signs that momentum is starting to slow, as it is warning we could see an intraday move to the upside. If we hold support, then the Fibonacci resistance zone should come under pressure; conversely, if we close below and hold below the USD 2,624 level, it will indicate sell side pressure is increasing. As noted previously, due to the depth of the pullback, the probability of the futures trading back to a new high has started to decrease.

Zinc Morning Technical (4-hour)



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|---------|---------------------|
| S1 | 2,785 | R1 | 2,819 | 2,816.5 | Stochastic oversold |
| S2 | 2,756 | R2 | 2,856 | | |
| S3 | 2,706 | R3 | 2,872 | | |
| | | | | | RSI below 50 |

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (39)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,819
- Technically bearish yesterday, the MA on the RSI implied that momentum was weak, suggesting resistance levels should hold if tested. We noted that we had sold over 3.5% lower in the previous 3 sessions, with price now approaching the linear regression line at USD 2,819, warning we could find intraday support there, as we also had the 50% Fibonacci retracement at USD 2,823. If we closed on the 4-hour candle below and held below USD 2,819 level, it would leave the USD 2,785 support vulnerable; this was a key support, if it held, it would warn that there was a larger, bullish Elliott wave cycle in play. Although we are cautious on moves higher due to the momentum weakness, the futures were on support, leaving them vulnerable to a move higher.
- The futures traded to a low of USD 2,805; however, price is trading around (just above) the linear regression line (USD 2,815). 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 2,819 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 2,785 will support a longer-term bull argument, below this level the probability of there being a larger, bullish Elliott wave cycle in play will start to decrease.
- Technically bearish, the MA on the RSI implies momentum remains weak, suggesting resistance levels should hold if tested in the near-term. The futures are now at an inflection point, as we are trading on the linear regression line (USD 2,815). If we hold above the line, the futures will be vulnerable to an intraday move higher; likewise, a close below that holds below the line will warn that the USD 2,785 support could be tested and broken. If it is, then the probability of there being a larger, bearish Elliott wave cycle in play will start to decrease. Upside moves look like they could be countertrend; however, we remain cautious on downside moves at these levels at this point due to the linear support.

Nickel Morning Technical (4-hour)



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|---------------------|--------------|
| S1 | 15,360 | R1 | 15,375 | Stochastic oversold | RSI below 50 |
| S2 | 15,280 | R2 | | | |
| S3 | 15,157 | R3 | | | |

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (44)
- Stochastic is oversold
- Price is above the daily pivot point USD 15,360
- Technically bullish with a neutral bias yesterday, the probability of the futures trading to a new high had started to decrease. The MA on the RSI implied that momentum was weak, whilst the close below the dominant bull candle and the breach in the USD 15,441 level implied support levels were looking vulnerable. We had a note of caution on upside moves, as the weakening momentum suggests resistance levels should hold if tested.
- The futures traded to a low of USD 15,285 before seeing a small move higher. We are below the EMA resistance band with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 15,360 with the RSI at or above 49.5 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. Upside moves that fail at or below USD 15,662 will leave the futures vulnerable to further tests to the downside.
- Technically bullish with a neutral bias, as noted yesterday, the probability of the futures trading to a new high has started to decrease. The MA on the RSI continues to imply that momentum remains weak, whilst the close below the dominant bull candle and the breach in the USD 15,441 level previously imply support levels continue to look vulnerable. We maintain a note of caution on upside moves, as the weakening momentum suggests resistance levels should hold if tested in the near-term.

Lead Morning Technical (4-hour)



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|------|
| S1 | 1,996 | R1 | 2,009 | RSI above 50 | |
| S2 | 1,984 | R2 | | | |
| S3 | 1,973 | R3 | | | |

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (56)
- Stochastic is above 50
- Price is above the daily point USD 1,996
- Technically bearish yesterday, the MA on the RSI implied that momentum was weak, warning resistance levels should hold if tested. This was supported by the RSI making a new low, as it implied upside moves should be considered as countertrend at this point, warning support levels were starting to look vulnerable.
- We were completely off point on this one yesterday, the futures held a trend support and moved higher. We are 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 1,996 with the RSI at or below 50 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 1,994 will warn that there is a larger, bullish Elliott wave cycle in play.
- Technically we are bullish with the MA on the RSI implying momentum is supported. Above USD 2,020.5 the technical will be in divergence with the RSI, implying caution on upside breakouts, as they could struggle to hold. In theory, resistance levels are vulnerable; however, we have seen a series of random price movement that has resulted in the intraday technical moving from bull to bear, almost daily. For this reason, we have added a Bollinger band to illustrate near-term support and resistance. Bollinger band support and resistance is currently at USD 1,983—USD 2,014. Note: it is important to understand that the standard deviation bands move, to trade these bands it must be in conjunction with some form of rejection candle.

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