

Metals

(Bloomberg) -- Copper headed for its biggest weekly decline since September 2022 as concerns mount over the impact of a worsening trade war on the global economy and demand for industrial metals.

The bellwether metal plunged 3.4% on Thursday after sweeping tariffs from US President Donald Trump sparked a global stocks selloff, and then extended its retreat to a second day. There are concerns that some nations could announce retaliatory measures.

"A scenario where retaliatory tariffs escalate could potentially push copper prices temporarily below \$9,000 a ton" in the second quarter of 2025, Goldman Sachs Group Inc. said in a report. "While we remain structurally bullish copper in the long run, weaker global GDP and copper demand growth risk delaying the deficit we expect to see in the market this year."

Max Layton, global head of commodities research at Citigroup, discusses the impact of the Trump administration's tariffs on commodities.

Copper is on track for a drop of almost 6% this week, which would be its biggest slide in more than two years. It traded 1.5% lower at \$9,223.50 a ton on the London Metal Exchange as of 3:11 p.m. Singapore time.

The Trump administration's latest slew of levies will depress prices, Max Layton, global head of commodities research at Citigroup Inc., said in an interview with Bloomberg Television. Copper will likely fall by another 8% to 10% in the coming weeks, he added.

Aluminum fell for a 12th straight day, while zinc, lead and nickel also suffered heavy losses this week. Tin was trading lower on Friday, but was still on track for a weekly gain due to concerns about supply disruptions. Chinese markets were closed for a public holiday on Friday.

Copper Morning Technical (4-hour)



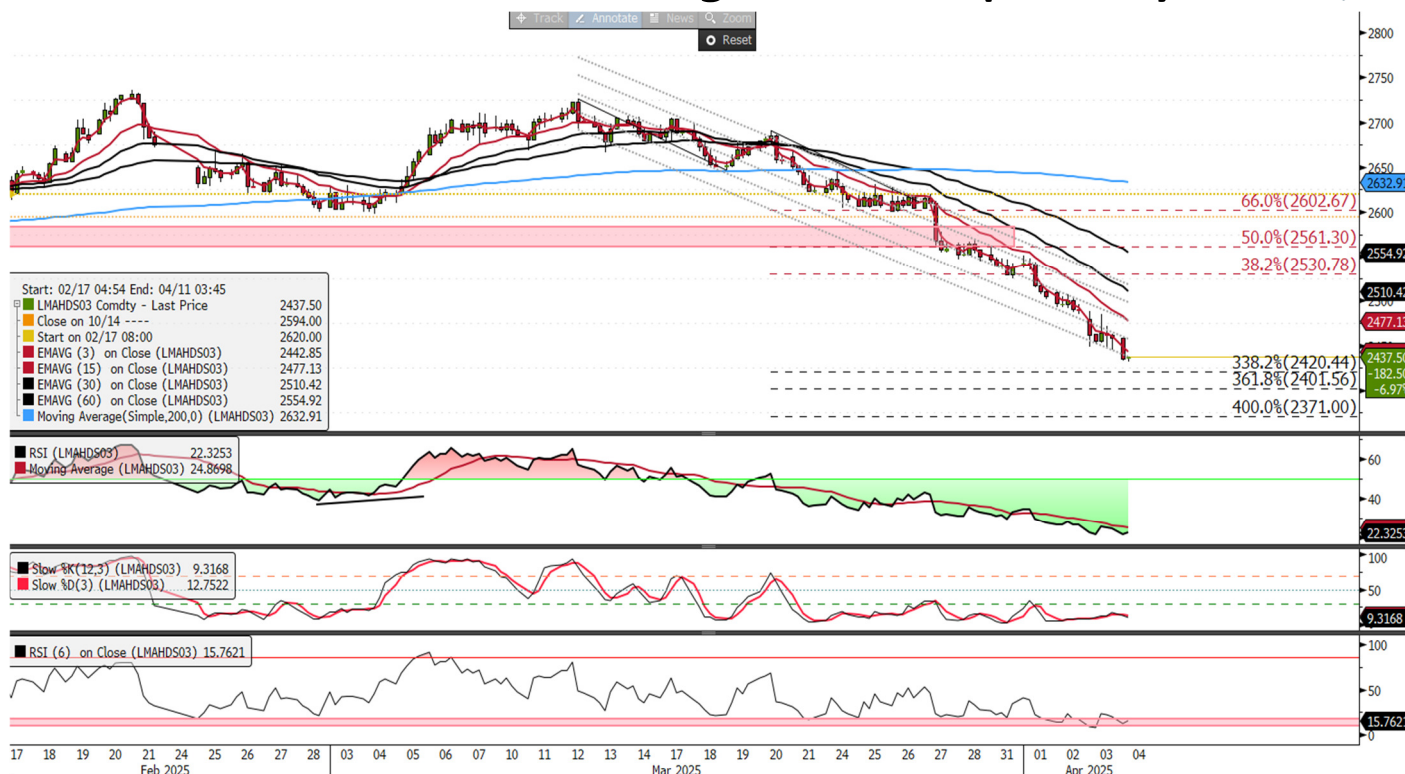
	Support	Resistance	Current Price	Bull	Bear
S1	9,282	R1	9,365	Stochastic oversold	RSI below 50
S2	9,235	R2	9,450		
S3	9,058	R3	9,607		

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- The RSI below 50 (23)
- Stochastic is oversold
- Price is below the daily pivot point USD 9,450
- Technically bearish yesterday, the divergence had failed, resulting in price closing below the intraday 200-period MA (USD 9,615); however, the futures were testing but holding above the daily 50-period MA (USD 9,532). Elliott wave analysis continued to suggest that upside moves should be considered as countertrend, making USD 9,943 the key resistance to follow. If price did manage to close above the 200-period MA it would warn that there could be an underlying support creeping into the market. Likewise, a close below that holds below the daily 50—period MA would warn that support levels could come under further pressure.
- The futures had a strong move lower with price selling below the daily 50-period SMA and closing on the daily 200-period MA (USD 9,365). The futures are coming under further pressure in the Asian day session, meaning we are below all key moving averages 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 9,450 with the RSI at or above 37 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 9,857 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish with the metals sector went risk off after the tariff announcements. The MA on the RSI continues suggest that momentum is weak, whilst Elliott wave analysis indicates that upside moves should be considered as countertrend. If we close above the daily 200-period MA it will warn that we could be entering a countertrend move higher. Upside moves that fail at or below USD 9,606 will imply that there will be further downside within this phase of the corrective phase. If broken, it would indicate that we are on a countertrend Elliott wave B, meaning focus will move to the USD 9,857 level.

Aluminium Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	2,437.5	RSI below 50	Stochastic oversold
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA Resistance band (Black EMA's)
- RSI is below 50 (22)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,460
- Technically bearish yesterday, the MA on the RSI implied that momentum was weak. Elliott wave analysis continued to suggest that upside moves should be considered as countertrend, making USD 2,608 the key resistance to follow. Price was trading over 2 standard deviations below the linear regression line, whilst the faster move RSI (6-period) was in oversold territory; from a technical perspective, price was overextended and vulnerable to a move higher. However, based on events the previous evening, I was not sure how relevant the technical would be yesterday.
- Considering the global sell off yesterday AI proved to be resilient with price selling only USD 20 lower. We remain below all key moving averages 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 2,460 with the RSI at or above USD 27 will mean price and momentum are aligned to the buyside. Upside moves that fail at or above USD 2,602 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged on the technical today, the MA on the RSI implies we have light momentum weakness; however, we do have a minor divergence with the RSI, warning we could see a momentum slowdown. The 6-period RSI is oversold, whilst price remains 2 stdv below the linear regression line, leaving price vulnerable to a countertrend move higher. If we close above an hold above the linear regression line (USD 2,498), it will warn that the Fibonacci resistance zone could come under pressure in the near-term.

Zinc Morning Technical (4-hour)



	Mar 2025			Apr 2025		
	Support	Resistance		Current Price	Bull	Bear
S1	2,682	R1	2,731	2,694	Stochastic oversold	RSI below 50
S2	2,648	R2	2,761			
S3	2,630	R3	2,783			

~~Source Bloomberg~~

Synopsis - Intraday

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (22)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,731
- Technically bearish yesterday, the divergence failure previously had resulted in an Elliott wave extension to the downside, meaning upside moves should be considered as countertrend, making USD 2,827 the key resistance to follow. A move above this level would warn that the probability of the futures trading to a new low would start to decrease.
- Like the rest of the sector we did sell lower yesterday, we remain below all key moving averages 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 2,731 with the RSI at or above 30.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 2,812 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 implies momentum is weak, whilst Elliott wave analysis continues to suggest that upside moves should be considered as countertrend, making USD 2,812 the key resistance to follow. We are cautious on moves lower in the near-term as price is approaching a fractal support zone on the daily chart between USD 2,679—USD 2,675, a close below that holds below the support zone will warn that the USD 2,549 support could be tested and broken.

Nickel Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	15,665	R1	15,743	15,725	Stochastic oversold	RSI below 50
S2	15,569	R2	15,802			
S3	15,240	R3	15,967			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (37)
- Stochastic is oversold
- Price is below the daily pivot point USD 15,802
- The longer term Elliott wave cycle remained bullish yesterday, near-term price action was bearish, with the USD 15,763 support now vulnerable due to the close below the 200-period MA. If the USD 15,763 level was broken, then the probability of the futures trading to a new high would start to decrease, increasing the probability of the bullish Elliott wave cycle failing. Likewise, a close below that held below the trend support (USD 15,727) would warn that the USD 15,569 Fibonacci support could be tested and broken. If we held above the USD 15,763 level, and closed back above the USD 15,946 it would indicate that there is an underlying support in the market. The technical was dangerously close to key support, meaning it was at an inflection point.
- The futures traded below the USD 15,763 level with price now below trend support (USD 15,743), meaning the probability of the futures trading to a new high has started to decrease. We are below all key moving averages 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 15,802 with the RSI at or above 44.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or USD 16,197 will warn that there is further downside within this corrective phase, above this level the technical will be back in bullish territory.
- The Elliott wave cycle is now bullish but with a neutral bias, whilst the MA on the RSI implies that momentum is weak at this point. Price has broken key resistance whilst below trend support; however, we are holding at the 100% Fibonacci projection support (USD 15,665) whilst the 1-hour RSI is in divergence, warning sell side momentum could slow. If we hold below the trend line then it will indicate that resistance levels could come under pressure. At this point, the price projection and momentum are suggesting caution on moves lower, meaning we could see price close back above the trend resistance.

Lead Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	1,915	R1	1,960	1,945	Stochastic oversold	RSI below 50
S2	1,880	R2	2,001			
S3	18,70	R3	2,018			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (24)
- Stochastic is oversold
- Price is below the daily point USD 1,960
- Technically bearish yesterday, the MA on the RSI implied that momentum was weak. The futures had sold below the support zone previously, suggesting upside move could find resistance around the USD 1,970 area. Based on our Elliott wave analysis we maintain our view that upside moves should be considered as countertrend at this point.
- The futures have sold lower with price remaining below all key moving averages supported by the RSI below 50, intra-day price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 1,960 with the RSI at or above 29.5 will mean price and momentum are aligned to the buyside. Upside move that fail at or below USD 2,042 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged on the technical today. We remain bearish with the MA on the RSI implying momentum is weak. Elliott wave analysis continues to suggest that upside moves should be considered as countertrend. A close on the 4-hour candle above USD 1,950 will imply that buyside pressure is increasing, warning we could see price and momentum become aligned to the buyside.