Base Morning Technical Report

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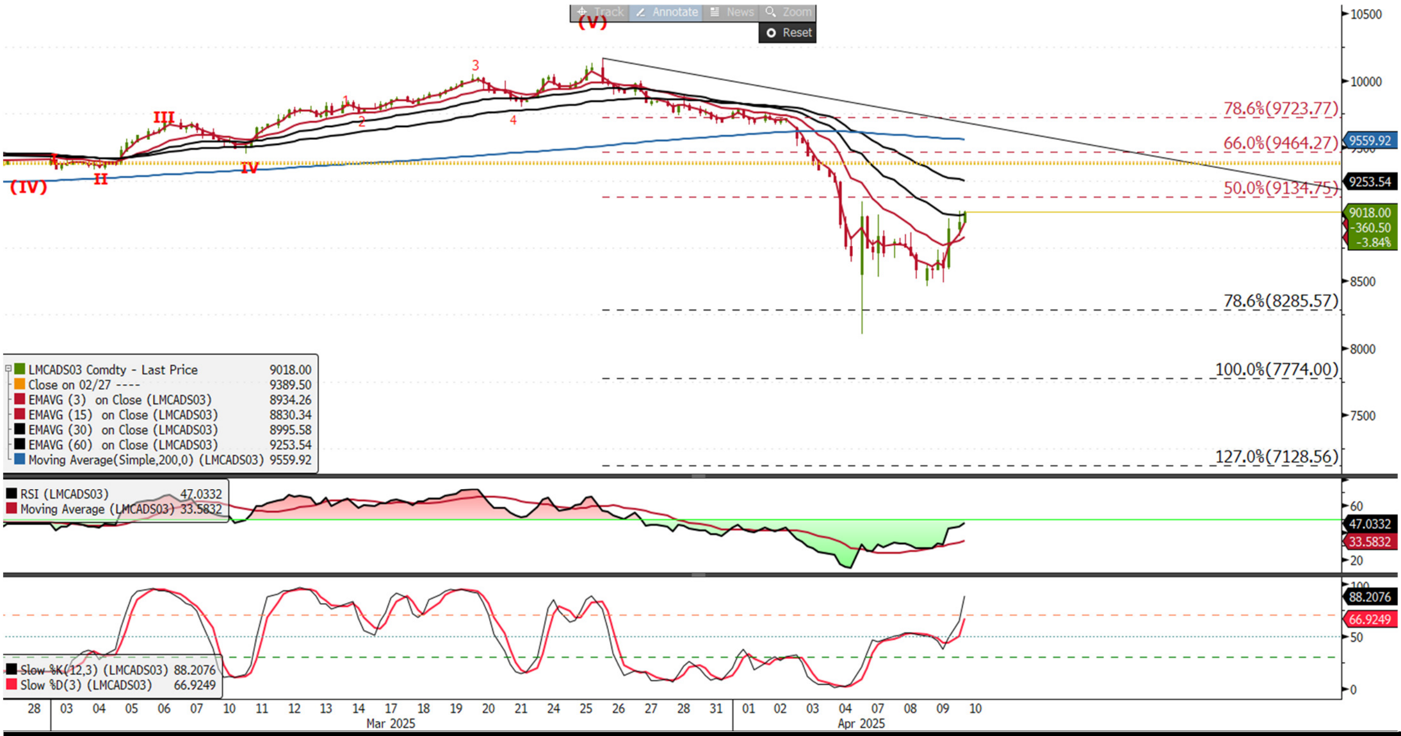
Metals

(Bloomberg) -- Copper gained 5% — and other metals surged — after US President Donald Trump triggered a relief rally across global markets with a 90-day pause to punitive tariffs on dozens of countries.
Industrial commodities have been under severe pressure for weeks as Trump ramped up his push to reshape global trade. Before the president's latest twist — a stay for most nations but further escalation for China — an all-in guage of metals prices had racked up its longest run of daily declines since 2000.
Read More: Trump Puts 90-Day Pause on Higher Tariffs, But Hikes China Rates
There are still major uncertainties over how tariffs will eventually play out, and how this episode will affect commodities demand, trade flows and monetary policy. Meanwhile, investors are watching whether China turns to stronger stimulus to defend its economy.

"Investors have to back away for now, no one can predict what happens next," said Xu Wanqiu, an analyst with Cofco Futures Co. Spot trading activity for copper in China has fallen as people see too much volatility and huge risks, she said.
Trump hiked duties on China to 125% after Beijing added 84% to its levies on US goods. These punitive levels threaten to quash trade ties between the world's two biggest economies and hamper global growth.
ANZ Group Holdings Ltd. slashed the near-term outlook for copper, seeing prices at $8,200 a ton between now and three months, down from an earlier target of $9,800 a ton. They also slashed forecasts for aluminum, nickel and iron ore.
Little Relief
"The unpredictability of US trade policy is likely to have ongoing impacts on investment and trade, as companies and consumers wait for clarity," the bank's analysts led by Daniel Hynes said in a note. "Importantly, the escalation of trade tension between the US and China shows no sign of abating."
Copper on the London Metal Exchange was up 4.4% at $8,990 a ton by 8:00 a.m. local time, returning to a gain for the year-to-date after dipping to a loss on Wednesday. Aluminum rose 3.1% to snap 15 days of consecutive declines, while iron ore futures in Singapore were up 1.6%.
Tin surged more than 6%, rebounding after it posted its biggest loss since 2022 on Wednesday on news of the reopening of a major mine in Democratic Republic of Congo.

Copper Morning Technical (4-hour)



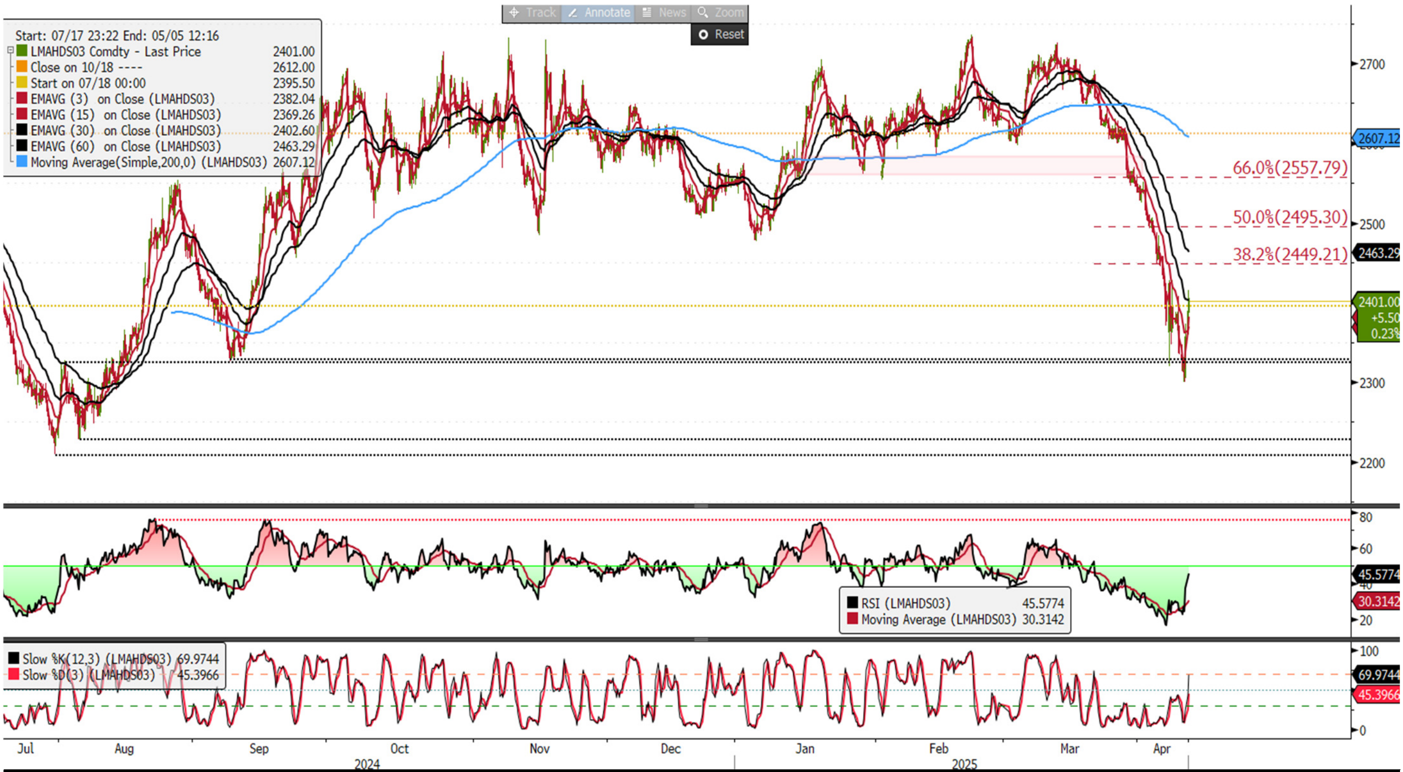
Support		Resistance		Current Price	Bull	Bear
S1	8,681	R1	9,078	9,033		RSI below 50
S2	8,458	R2	9,134			
S3	8,285	R3	9,464			

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA resistance band (Black EMA's)
- The RSI below 50 (47)
- Stochastic is above 50
- Price is above the daily pivot point USD 8,681
- Technically bearish yesterday, the MA on the RSI was showing very light momentum support; however, the daily timeframe is showing momentum weakness. The futures had not confirmed that we had entered a countertrend wave 4, meaning upside moves were still considered as countertrend; this also suggested that downside moves that traded below USD 8,105 will be considered as a bearish Elliott wave extension on the lower timeframe cycle. If price and momentum became aligned to the sell side, then the USD 8,105 fractal low would become vulnerable.
- The futures moved higher into the close with price remaining supported this morning, this is due to a 90 day suspension on tariffs for a large majority of tariffs by the US administration last night. We are between the EWA resistance band with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 8,681 with the RSI at or below 31.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 9,464 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 we have momentum support, warning the Fibonacci resistance zone could come under pressure in the near-term. Countering this, our Elliott wave analysis suggests that upside moves should be considered as countertrend, making USD 9,464 the key resistance to follow. A move above this level will warn that the probability of the futures trading to a new low has started to decrease. A close on the daily chart above the weekly pivot level (USD 9,078) will further support a near-term bull argument. Likewise, if rejected, the USD 8,458 fractal support could come under pressure.

Aluminium Morning Technical (4-hour)



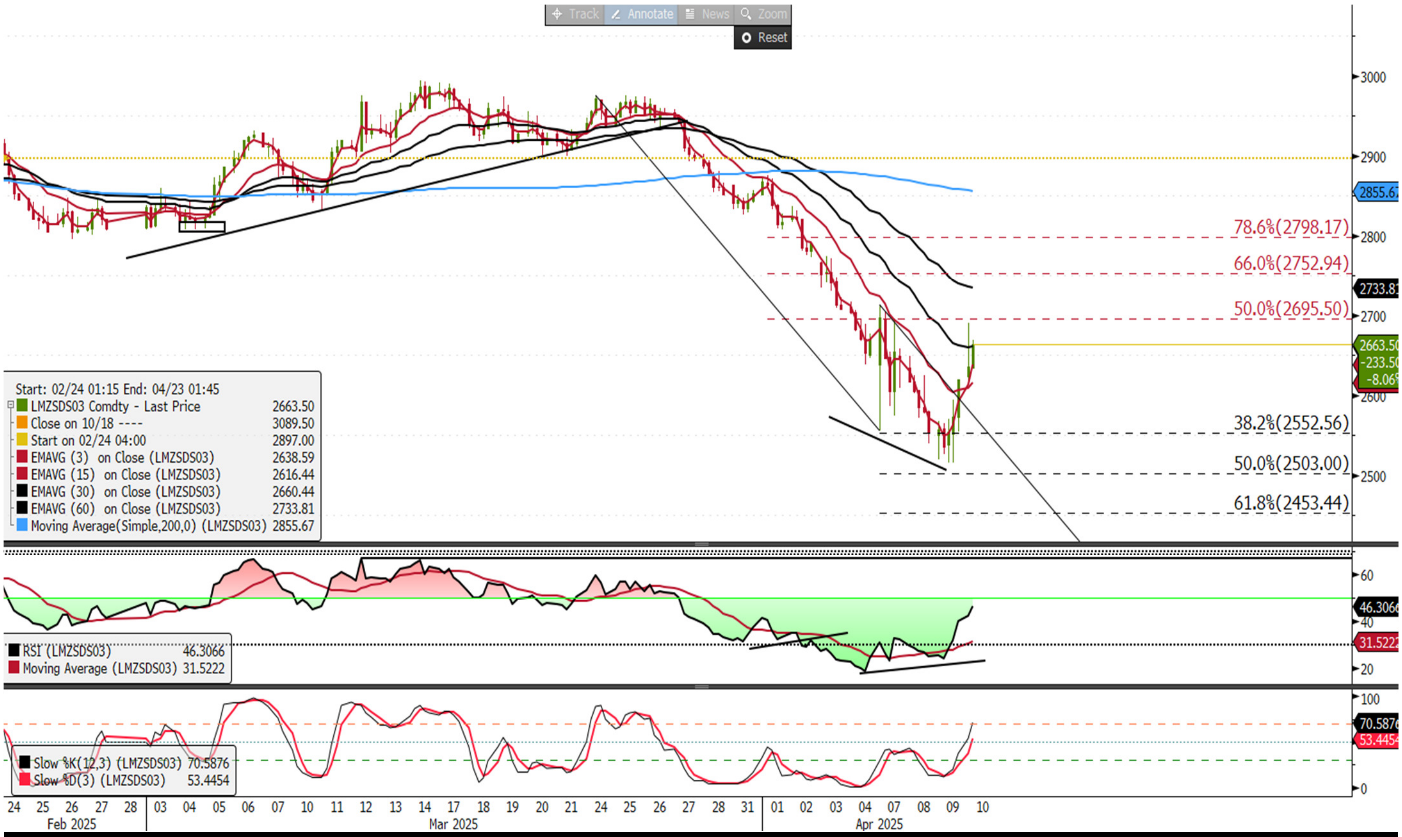
Support		Resistance		Current Price	Bull	Bear
S1	2,329	R1	2,449	2,401	RSI below 50	
S2	2,326.5	R2	2,495			
S3	2,226	R3	2,557			

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA Resistance band (Black EMA's)
- RSI is below 50 (45)
- Stochastic is below 50
- Price is above the daily pivot point USD 2,329
- Technically bearish yesterday, the MA on the RSI implied that momentum remained weak. The futures were testing the polarity support (USD 2,326), we noted that a close below that held below this level would warn that the USD 2,226 fractal support could come under pressure. If we traded below USD 2,320, it would confirm that we are seeing a bearish Elliott wave extension to the downside. However, a new low would create a positive divergence with the RSI, not a buy signal, it warns that we could see a momentum slowdown which needed to be monitored. We maintained our view that upside moves should be considered as countertrend .
- The futures traded to a low of USD 2,300 before finding light bid support on the positive divergence with the RSI, followed by a stronger move higher on the tariff suspension, meaning price failed to hold below the polarity support. We are below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,329 with the RSI at or below 28 will mean price and momentum are aligned to the sell side. Upside moves that fail at or above USD 2,557 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the move below USD 2,320 yesterday means we did see an Elliott wave extension lower. Price is moving higher in what looks to be a countertrend wave 4, making USD 2,557 the key resistance to follow. If broken, then the probability of price trading to a new low will start to decrease. A close on the daily candle above the weekly pivot level (USD 2,436) will warn that the Fibonacci resistance zone could come under pressure in the near-term.

Zinc Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	2,564	R1	2,695	2,663.5		RSI below 50
S2	2,552	R2	2,723			
S3	2,503	R3	2,752			

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (45)
- Stochastic is above 50
- Price is above the daily pivot point USD 2,564
- Technically bearish yesterday, the RSI was below its average but the MA implied that we had light momentum support. The new low meant that we were seeing a bearish Elliott wave extension to the downside on the lower timeframe, meaning we had the potential to trade as low as USD 2,453 within this phase of the cycle. However, we were in divergence with the RSI, not a buy signal, it warned that we could see a momentum slowdown, which needed to be monitored. Based on higher timeframe Elliott wave analysis, we maintained our view that upside moves should be considered as countertrend.
- The futures moved higher on the positive divergence, with price seeing further upside moves this morning on the tariff suspension. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,564 with the RSI at or below 29 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,752 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 that momentum is supported, warning the Fibonacci resistance zone is vulnerable in the near-term; countering this, our Elliott wave analysis indicates that upside moves should be considered as countertrend. A close on the daily candle above the weekly pivot level (USD 2,723) will warn that the USD 2,752 resistance could come under pressure. If broken, then the probability of the futures trading to a new low will start to decrease. Based on our Elliott wave analysis, we remain cautious on moves higher at this point.

Nickel Morning Technical (4-hour)

Support		Resistance		Current Price	Bull	Bear
S1	14,194	R1	14,863	14,750		RSI below 50
S2	13,865	R2	15,029			
S3	13,077	R3	15,172			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (44)
- Stochastic is overbought
- Price is below the daily pivot point USD 14,194
- Technically bearish yesterday, the MA on the RSI implied that we had light momentum support. As noted previously, lower timeframe Elliott wave analysis confirmed that we had entered a corrective wave 4. The downside moves warned that the USD 13,865 fractal low was vulnerable. Both lower and higher timeframe Elliott wave analysis were suggesting that upside moves should be considered as countertrend at this point.
- The futures sold lower until the US paused tariffs on a majority of countries. resulting in price finding buyside support. We remain below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 14,194 with the RSI at or below 31 will mean price and momentum are aligned to the sell side. Upside moves that fail at or USD 15,590 will warn that there is further downside within this corrective phase, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI implies that momentum is supported, meaning resistance levels are vulnerable in the near term. Having failed to trade to a new low yesterday, focus is on the higher timeframe Elliott wave cycle, which continues to suggest that upside moves should be considered as countertrend, making USD 15,590 the key support to follow. If broken, then the probability of price trading to a new low will start to decrease. The futures are now on a higher timeframe corrective wave 4.

Lead Morning Technical (4-hour)

Support		Resistance		Current Price	Bull	Bear
S1	1,856	R1	1,943	1,896.5		RSI below 50
S2	1,851	R2	1,972			
S3	1,837	R3	2,011			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (42)
- Stochastic is overbought
- Price is above the daily point USD 1,851
- Technically bearish yesterday, the MA on the RSI was flat, warning momentum is becoming neutral. If we traded below USD 1,850 it will indicate that we were seeing a lower timeframe Elliott wave extension; however, a new low would create a positive divergence with the RSI. Not a buy signal, it warned that we could see a momentum slowdown, which needed to be monitored. Based on higher timeframe Elliott wave analysis, we maintained our view that upside moves should be considered as countertrend.
- The futures sold to a low of USD 1,837.5 before finding light bid support on the divergence. Price is higher this morning on the tariff suspension. We are below all ley moving averages supported by the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 1,851 with the RSI at or below 24.5 will mean price and momentum are aligned to the sell side. Upside move that fail at or below USD 2,011 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures did see a wave extension to the downside yesterday; however, the move higher today means we have now entered a countertrend wave 4 higher, making USD 2,011 the key resistance to follow. A close above this level will warn that the probability of the futures trading to a new low has started to decrease. the MA on the RSI is showing light momentum support, leaving the futures vulnerable to a move higher in the near-term.

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