



# Base Morning Technical Report

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(Bloomberg) -- Aluminum may drop to a monthly average low of \$2,000 a ton in the third quarter due to the impact of tariffs on US and Chinese growth, says Goldman Sachs Group.

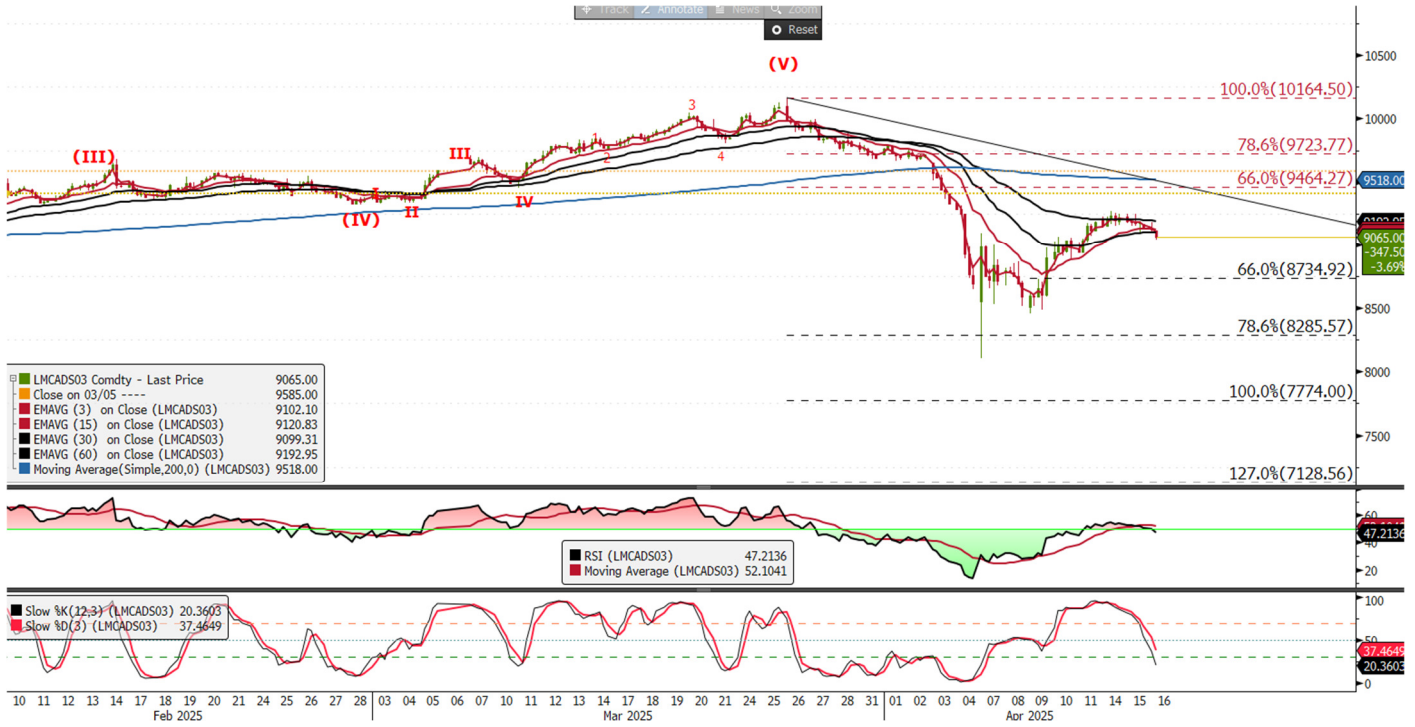
That equates to 75th percentile of aluminum smelter cost curve, putting highest-cost producers under temporary margin pressure, analysts led by Eoin Dinsmore said in note

Bank cuts 3Q forecast to \$2,050 from \$2,550 previously, with prices expected to rebound to \$2,300 by December as demand recovers

Global aluminum surplus now forecast at 580kt this year vs deficit of 76kt previously

Bank closes recommendation to go long Dec. 2027, short Dec. 2028 LME aluminum timespreads at a loss, as a result of lower price forecasts

# Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	8,815	R1	9,165		RSI below 50
S2	8,734	R2	9,334		
S3	8,458	R3	9,464		

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- The RSI below 50 (47)
- Stochastic is below 50
- Price is below the daily pivot point USD 9,165
- Technically bearish yesterday, the MA on the RSI implied that we had light momentum support. Intraday Elliott wave analysis continued to suggest that upside moves should be considered as countertrend; however, a close above that held above the daily 200-period MA (USD 9,339) would imply that there was an underlying support in the market, warning the USD 9,464 resistance could be tested and broken. If it was, then the probability of the futures trading to a new low would start to decrease, meaning there was a greater probability of the bearish wave cycle failing. For downside continuation, the futures needed to see a daily close below the weekly pivot level (USD 8,815). Based on our Elliott wave analysis, we remained cautious on upside moves at this point.
- The futures had a small move lower yesterday with price coming under further pressure this morning. 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 9,165 with the RSI at or above 54.5 will mean price and momentum are aligned to the buy 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 futures are rolling over to the sell side with price back below the EMA resistance band. A close on the daily chart below the 8-period EMA (USD 9,585) will warn that the weekly pivot level at USD 8,815 will start to look vulnerable. A close below this level will further weaken the technical. Based on our Elliott wave analysis, we remain cautious on moves higher at this point.

# Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,326.5	R1	2,364.5	Stochastic oversold	RSI below 50
S2	2,300	R2			
S3	2,262	R3			

Source Bloomberg

## Synopsis - Intraday

- Price is below the EMA Resistance band (Black EMA's)
- RSI is below 50 (42)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,379
- Technically bearish yesterday, the MA on the RSI was flat, implying momentum was neutral. Elliott wave analysis suggested that upside moves should be considered as countertrend, whilst price was in the process of rejecting the EMA resistance band. However, we were trading on the weekly pivot level (USD 2,374), for downside continuation, we needed to see a close below this level on the daily candle. If we did, then support levels will become vulnerable.
- The futures continued to sell lower yesterday, resulting in price closing on the weekly pivot level, we are coming under pressure again this morning. Price is 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 2,379 with the RSI at or above 47 will mean price and momentum are aligned to the buy 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 with price currently below the weekly pivot level (USD 2,374). Our Elliott wave analysis suggests that upside moves should be considered as countertrend, whilst we have seen a 3-wave corrective pattern higher, warning the USD 2,300 fractal low is starting to look vulnerable. If we close below the USD 2,374 level it will weaken the technical further. We maintain a cautious view on higher moves at this point.

# Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,552	R1	2,627	Stochastic oversold	RSI below 50
S2	2,515.5	R2	2,695		
S3	2,503	R3	2,752		

Source Bloomberg

## Synopsis - Intraday

- 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 2,627
- Technically bearish yesterday, the MA on the RSI implied that momentum was neutral, this was supported by price and momentum which were conflicting. Elliott wave analysis continued to suggest that upside moves should be considered as countertrend; however, price was above the weekly pivot point (USD 2,626). A close on the daily candle below this level would imply buyside pressure was increasing, warning support level could be tested and broken. We remain cautious on higher moves based on our wave analysis.
- The futures sold lower and closed below the weekly pivot level yesterday, resulting in price coming under further pressure this morning. We are below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,627 with the RSI at or above 46 will mean price and momentum are aligned to the buyside. 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 futures have rejected the EMA resistance band with the MA on the RSI now implying momentum is weak. Elliott wave analysis suggests upside moves should be considered as countertrend, whilst the close below the weekly pivot level (USD 2,626) is warning the USD 2,515.5 fractal low could be tested and broken.

# Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	14,999	R1	15,415	RSI above 50	
S2	14,782	R2			
S3	14,488	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (54)
- Stochastic is above 50
- Price is below the daily pivot point USD 15,527
- Technically bearish yesterday, the MA on the RSI implied that momentum remained supported; countering this, our Elliott wave analysis suggested that upside moves should be considered as countertrend, a move above USD 15,590 would warn that the probability of price trading to a new low had started to decrease. The momentum support warned that key resistance remained vulnerable; however, the futures had opened below an intraday trend support (USD 15,474), indicating buyside momentum could be slowing. A close below the low of the last dominant bull candle (USD 15,215) will imply that sell side pressure is increasing, warning the weekly pivot level at USD 14,759 could come under pressure. This technical was conflicting, momentum was supported, but there were reasons to be cautious on moves higher.
- The futures traded above the USD 15,590 resistance; however, the upside moves has failed to hold above the trend support line. Price is above the EMA support band with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 15,527 with the RSI at or above 56.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 14,488 will support a bull argument, below this level the technical will be back in bearish territory.
- Technically bearish with a neutral bias, the probability of price trading to a new low has started to decrease. However, price is back below intraday trend support having moved lower on a 1-hour negative divergence. We are now neutral due to the resistance break, but are cautious on moves higher as the technical is warning upside moves could struggle to hold in the near-term.



# Lead Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	1,892	R1	1,892.5	Stochastic oversold	RSI below 50
S2	1,856	R2			
S3	1,837.5	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (42)
- Stochastic is oversold
- Price is above the daily point USD 1,917
- Technically bearish yesterday, the MA on the RSI implied that momentum was supported; countering this, our Elliott wave analysis suggested that upside moves should be considered as countertrend, making USD 2,006 the key level to follow. If broken, then the probability of the futures trading to a new low would start to decrease. Price was consolidating within the EMA resistance band, for downside continuation, we needed to see a close on the daily candle below the weekly pivot level, USD 1,892.
- The futures have sold lower with price now on the weekly pivot level. 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 1,917 with the RSI at or above 51 will mean price and momentum are aligned to the buy side. Upside move that fail at or below USD 2,006 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 weak. However, we are now at an inflection point, as price is trading on the weekly pivot support (USD 1,892). A close below this level this level on the daily chart will further weaken the technical, warning the USD 1,837.5 fractal low could be tested and broken. Based on our Elliott wave analysis we remain cautious on higher moves at this point.