



# Base Morning Technical Report

[info@freightinvestor.com](mailto:info@freightinvestor.com) | [freightinvestorservices.com](http://freightinvestorservices.com) | (+44) 207 090 1120

## Metals

(Bloomberg) -- Base metals rose after the US and China agreed to a preliminary plan to ease trade tensions, prompting optimism that economic conditions could improve and benefit commodities demand.

While markets await details of the de-escalation agreed between the two parties, US negotiators said issues around China's shipment of rare earth minerals and magnets should be resolved by the accord. Apparent delays to Chinese exports were among the points of contention raised by the Trump administration as it reignited its trade conflict with Beijing.

Aluminum led gains, rising to its highest in nearly a month, amid concerns of a developing squeeze on supplies at the London Metal Exchange. The lightweight metal traded 0.9% higher at \$2,514 a ton at 10:24 a.m. in Shanghai.

Among other metals, LME zinc added 0.5%, while copper was slightly higher. In ferrous markets, iron ore futures rose 0.5% in Singapore to \$94.80 a ton.

# Copper Morning Technical (4-hour)



	Support		Resistance	Current Price	Bull	Bear
S1	9,754	R1	9,809.5	9,776	RSI above 50	
S2	9,685	R2	9,827			
S3	9,664	R3	9,933			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI above 50 (58)
- Stochastic is above 50
- Price is above the daily pivot point USD 9,754
- Technically bullish on Monday, we had reverted back to but remained above the ascending triangle breakout level (USD 9,664), making this the key support on the technical. If we held above it, then the USD 9,809.5 fractal high would continue to look vulnerable. However, as noted previously, if we close below and held below it, then it will indicate that the pattern breakout had failed, warning market longs could look to exit. Price action was supported on the open, if price and momentum become aligned to the buy side, it would further strengthen the near-term bull argument.
- We remain above the US\$ 9,664 support with price above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting, as the RSI was below its MA on the previous candle close.
- A close on the 4-hour candle above USD 9,754 with the RSI at or above 60 will mean price and momentum are aligned to the buy side; likewise, a close below this level with the RSI at or below 55.5 will mean it is aligned to the sell side. Downside moves that hold at or above USD 9,595 will support a bull argument, below this level the technical will have a neutral bias.
- Near-term price action remains bullish with the futures forming a second, smaller ascending triangle. The pattern warns that the USD 9,809.5 fractal high could be tested and broken; however, we have a note of caution on upside breakouts, as it will create a negative divergence with RSI. Not a sell signal, it is a warning that upside moves above USD 9,809.5 could struggle to hold. As with the previous ascending triangle, if we break to the upside on increased volume and volatility with the divergence failing, then it will suggest upside continuation. At this point, we have a potential divergence in play, meaning although bullish, we have a note of caution. As highlighted on Monday, if we close and hold below the USD 9,664 level, it will imply that the initial breakout has failed.

# Aluminium Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	2,494	R1	2,543.5	2,517	RSI above 50	Stochastic overbought
S2	2,483	R2	2,557			
S3	2,452	R3	2,607			

Source Bloomberg

## Synopsis - Intraday

- Price is below the EMA support band (Black EMA's)
- RSI is above 50 (63)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,483
- Technically bearish on the last report, the futures were holding above trend support (USD 2,445) and the 200-period MA (USD 2,436), implying we continued to see buyside support in the market at that point. The Elliott wave cycle remained bearish, supported by the breach in the USD 2,433 support. However, for downside continuation, we noted that we would need to see a close below that held the longer period MA. Whilst holding above the average and trend support, near-term resistance levels would remain vulnerable.
- We held the 200-period EMA support (USD 2,442) and trend support (USD 2,452), resulting in buyside support entering the market. 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 at or below USD 2,483 with the RSI at or below 51 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,557 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The longer-term Elliott wave cycle remains bearish, above USD 2,557 it becomes neutral, warning that the probability of price trading to a new low will start to decrease. Price held both trend and MA support, the upside move means we are above the linear regression line, all of these are bullish signals that indicate that the USD 2,557 resistance is starting to look vulnerable. The RSI is approaching a resistance line, leaving us vulnerable to an intraday pullback. However, this move has started having held trend support on increased volume, which remains high, suggesting support levels should hold if tested in the near-term.

# Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	2,663	R1	2,702	RSI above 50	
S2	2,649	R2	2,730		
S3	2,631	R3	2,752		

Source Bloomberg

## Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (51)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,649
- Technically bearish on the last report, the futures were just below the 200-period MA; however, we noted that we were finding support 2 standard deviations below the linear regression line (USD 2,639), whilst the daily linear regression line (support) is at USD 2,629. We had support below, whilst just below the 200-period MA, meaning we are at an inflection point. For downside continuation, we still need to see a close below the daily support candle (USD 2,627), if we did, then we would be below daily regression support, meaning we would then start to run the intraday regression from the USD 2,786 high from the 14/05/25. Market sellers needed to be cautious of the linear support, as we still needed to see a close below the USD 2,627 level to confirm that the move lower was more than intraday corrective.
- Support held, resulting in price moving higher, we are above all key moving averages with the RSI near-neutral at 51, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,649 with the RSI at or below 42.5 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.
- The technical is bearish but the futures have found buyside support two standard deviations below the linear regression line for the second time, creating a downside failure swing (higher low). The downside rejection is indicating that we have buyside support in the market, the close back above the intraday 200-period MA (USD 2,663) also suggests this. The key level on this technical in the near-term will be the linear regression line at USD 2,702; if rejected, the 200-period MA could come back under pressure. However, a close that holds above the line will further support a buyers argument, warning the USD 2,730—USD 2,752 resistance levels could come under pressure. The continuation of downside support in the market does warn that corrective moves lower could struggle to hold.



# Nickel Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	15,329	R1	15,434	15,400		RSI below 50
S2	15,172	R2	15,565			
S3	15,000	R3	15,640			

## Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (49)
- Stochastic is below 50
- Price is above the daily pivot point USD 15,329
- Unchanged on the last report, we continued to trade around the 200-period MA (USD 15,462), meaning the futures remained at an inflection point. As noted previously, we maintained a cautious view on upside moves at that point, as price was in a resistance zone having seen the inverse head and shoulders pattern fail.
- We sold to a low of USD 15,250 before finding light bid support. We are below the EMA resistance band with the RSI near-neutral at 49, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 15,329 with the RSI at or below 45.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 14,584 will support a bull argument, below this level the technical will be back in bearish territory.
- The downside move in the futures has resulted in price moving below the 200-period MA (USD 15,491) and fractal support, warning the intraday technical condition has weakened. The new low is matched by the RSI making new lows, suggesting upside moves could struggle to hold in the near-term. Alongside the inverse H&S pattern failing, we remain cautious on moves higher at this point.

# Lead Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	1,984	R1	1,995	1,986	RSI above 50	
S2	1,957	R2	2,006			
S3	1,946	R3	2,039			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (52)
- Stochastic oversold
- Price is above the daily point USD 1,984
- Technically neutral on the last report, as the futures remained within the dominant bear candle on the daily chart (USD 1,957—USD 2,009). Directional bias was likely to come from a close outside of this candle.
- The futures continue to consolidate. We are above the EMA support band with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 1,984 with the RSI at or below 50 will mean price and momentum are aligned to the sell side. Upside moves 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 neutral, the futures are now consolidating within the consolidation zone (a box within the dominant bear candle USD 1,995—USD 1,973.5). Ultimately, directional bias should come from a close outside of the USD 1,957—USD 2,009 range.