FIS

Base Morning Technical Report

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Cu/Al

(Bloomberg) -- Aluminum rose to the highest level in more than two months, while copper also gained, as a slump in global inventories stoked fears of a supply squeeze in the two metals.
Readily available inventories of copper on the London Metal Exchange have plunged nearly 80% this year, driven in part by a surge in imports to the US ahead of possible tariffs. The spread between the spot and three-month contracts is now at its widest since February, indicating near-term tightness in supply.
LME holdings of aluminum have dropped 45% this year, and traders are monitoring the potential for a short squeeze ahead of the June contract expiry this week. A lack of inventory could make it difficult for shorts to close out their positions.
The net-long position on LME aluminum is now at its most bullish in more than 11 weeks, according to data from the exchange.

Copper Morning Technical (4 hour)

Support		Resistance		Current Price	Bull	Bear
S1	9,682	R1	9,712	9,703.5		Stochastic overbought
S2	9,595	R2	9,731.5			
S3	9,486	R3	9,809.5			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA’s)
- The RSI above 50 (52)
- Stochastic is overbought
- Price is above the daily pivot point USD 9,682
- Technically bullish yesterday, the MA on the RSI remained flat, implying near-term momentum was neutral, as was the EMA band. We had broken the USD 9,595 support on the move lower, but price had held trend support and broken key resistance on the move higher. We were in bullish territory but had a neutral view as daily price action was sideways, alongside intraday momentum conflicting and flat EMA’s, whilst the Elliott wave cycle was unclear. Neutral.
- The futures traded to a low of USD 9,647.5 before finding light bid support on the open this morning, 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 9,682 with the RSI at or below 48.5 will mean price and momentum are 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.
- Technically bullish, the MA on the RSI implies that we have light momentum support. We have seen 5 upside rejection candle around the USD 9,712 resistance, suggesting there is sell side pressure just above us. If we trade and close above the USD 9,731.5 level, it will suggest that market bulls have broken resistance, warning the USD 9,809.5 fractal high could come under pressure. The lack of clarity on the Elliott wave cycle and flat EMA’s does mean we maintain a neutral view; however, momentum support is building, making USD 9,731.5 the key resistance to follow.

Aluminium Morning Technical (4-hour)

Support		Resistance		Current Price	Bull	Bear
S1	2,536	R1	2,557	2,553	RSI above 50	Stochastic overbought
S2	2,508	R2	2,574			
S3	2,493	R3	2,579			

Source Bloomberg

Synopsis - Intraday

- Price is below the EMA support band (Black EMA's)
- RSI is above 50 (62)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,536
- The longer-term Elliott wave cycle remained bearish yesterday whilst near-term price action was bullish. Lower timeframe Elliott wave analysis suggested that the USD 2,529.5 resistance remained vulnerable; however, above this level the futures would be in divergence with the RSI, meaning we were cautious on upside breakouts. Technically we could move higher in the near-term, but noted that the move was unlikely to hold unless we saw a divergence failure, as the upside push needed would have to be very strong. We also noted, price was currently struggling to close above the weekly 200-period MA (USD 2,522). For upside continuation, we will need to see a weekly close that holds above this level, alongside a divergence failure above USD 2,543.5. If we achieved this, we would then need to close and hold above the resistance zone (USD 2,562—USD 2,583) that had been in play since the support break at the end of March 2025. For this reason, we were maintaining a cautious view on moves higher.
- The futures have seen the near-term push higher, resulting in the RSI moving above the high from the 11/06, a divergence failure. However, the RSI still remains below the high form the 14/05, meaning the longer-term divergence is still in play. 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 2,536 with the RSI at or below 55 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,471 will support a bull argument, below this level the technical will be back in bear territory.
- The longer-term Elliott wave cycle is now bearish with a neutral bias, meaning the probability of price trading to a new low has started to decrease, making USD 2,471 the key support to follow. This technical is now giving mixed signals, we still have a divergence in play on the 4-hour timeframe, and the lower timeframe wave cycle; countering this, we had a strong move up yesterday, supported by a high volume candle, whilst the MA on the RSI suggests that momentum is supported, a bullish signal. If we close below the low of the dominant bull candle (USD 2,521), it will warn that Fibonacci support could come under pressure, this is also where you will find the 200-period MA. We are cautious on higher moves due to the divergence and resistance zone; however, this market does have bull signals, if the divergences fail, it will warn that there could be further upside to follow. We mark USD 2,579 as a key resistance today, this is 2 standard deviations (stdv) above the linear regression line that started from the USD 2,300 low. It is also 2 stdv above the regression line that is run form the USD 2,736 high, making it a double edged sword.

Zinc Morning Technical (4-hour)

Support		Resistance		Current Price	Bull	Bear
S1	2,644	R1	2,659			
S2	2,639	R2	2,664	2,659	RSI above 50	Stochastic overbought
S3	2,590	R3	2,684			

Source Bloomberg

Synopsis - Intraday

- Price is between the EMA resistance band (Black EMA's)
- RSI is above 50 (51)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,644
- Technically bearish yesterday having closed below the USD 2,627 level previously, the daily candle had produced a close above the high of the low candle, having seen increased volume in the last two sessions, implying there is an underlying support in the market. The MA on the RSI implied light momentum support; if we held above the linear regression line and closed and held above the intraday 200-period MA, then the USD 2,684 resistance would start to look vulnerable, and potentially the USD 2,716 level. Conversely, a daily close above USD 2,663 would imply buyside pressure was increasing. For downside continuation, the futures would need to close below the low of the last intraday dominant bull candle (USD 2,632.5). Although bearish, we were seeing an underlying support in the market, making the 200-period MA a key average that needed to hold for market bears.
- A small move lower yesterday has been followed by light bid support on the open today. Price is between the EMA resistance band 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 2,644 with the RSI at or below 46.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 2,716 will leave the futures vulnerable to further tests to the downside, above this level will imply buyside pressure is increasing, warning the USD 2,786 fractal high could come under pressure.
- Largely unchanged on the technical today, there remains an underlying support in the market with price holding above the linear regression line (USD 2,638) but below the 200-period MA (USD 2,664). If we hold above the USD 2,638 level it will indicate the market remains supported, whilst a close above that holds above the 200-period average will leave resistance levels vulnerable. Conversely, a rejection of the average and close below the linear line will indicate sell side pressure is increasing. The low of the last dominant intraday bull candle is USD 2,634, a close below this candle would suggest that market bears are in control.

Nickel Morning Technical (4-hour)

Support		Resistance		Current Price	Bull	Bear
S1	14,922	R1	14,964	14,960	Stochastic oversold	RSI below 50
S2	14,585	R2	15,252			
S3	14,317	R3	15,480			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (38)
- Stochastic is oversold
- Price is below the daily pivot point USD 14,964
- Technically bearish yesterday, the move lower meant that the near-term divergence had failed; however, there remained a longer-term divergence in play, meaning we remained cautious on downside moves at those levels. Upside moves above the intraday fractal resistance (USD 15,275) would warn that the lower timeframe wave cycle has completed, leaving resistance levels vulnerable.
- The futures had a small move lower but have opened with light bid support, we remain below all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting, as the previous candle closed above the daily pivot level.
- A close on the 4-hour candle above USD 14,964 with the RSI at or above 41 will mean price and momentum are aligned to the buyside; likewise, a close below this level will mean it is 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.
- Technically bearish, the futures remain in divergence with the RSI, meaning we continue to be cautious on moves lower at these levels. Upside moves above the intraday fractal resistance (USD 15,275) will warn that the lower timeframe wave cycle has completed, leaving resistance levels vulnerable.

Lead Morning Technical (4-hour)

Support		Resistance		Current Price	Bull	Bear
S1	1,967	R1	1,986	1,972	Stochastic oversold	RSI below 50
S2	1,957	R2	2,002			
S3	1,942	R3	2,006			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (42)
- Stochastic is oversold
- Price is below the daily point USD 1,986
- We noted yesterday that although we had traded to a new high, we had failed to close outside of the dominant bear candle, meaning price action was still considered as neutral. As noted previously, directional bias should come from a daily close outside of the USD 1,957—USD 2,009 range.
- The futures continue to sell lower having rejected the upside yesterday. 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 1,986 with the RSI at or above 53 will mean price and momentum are aligned to the buyside. Downisde moves that hold at or above USD 1,967 will support a bull argument, below this level the technical will be back in bearish territory.
- Technically we remain neutral with directional bias come from a close outside the dominant bear candle (USD 1,957—USD 2,009). However, the upside rejection due to the failure to close above the USD 2,009 level is warning of technical weakness, whilst the MA on the RSI also implies momentum is weak. Market profile charts illustrate that the most heavily traded area in the last 12 months is at USD 1,980, if we hold below this level it will signal sell side pressure is increase. The futures are now testing the 200-period MA (USD 1,971), if we hold the average, price will remain vulnerable to a move higher; likewise, a close that holds below it will suggest that we could close below the USD 1,957 support. This technical is weakening, but still needs the close below USD 1,957.

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