



Base Morning Technical Report

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(Bloomberg) -- Copper rose for a second session, on track for the highest level since May 2024, as investors weighed the outlook for supply and the prospect for interest-rate cuts by the Federal Reserve.

Supply disruptions, including Freeport-McMoRan Inc.'s force majeure declaration at the giant Grasberg mine in Indonesia, have helped to underpin price gains recently. Copper closed 1.1% higher on Wednesday in London.

Meanwhile, private jobs figures in the US have reinforced bets that the Fed will lower interest rates. The ADP report — which took on added significance as the US government shutdown may delay the release of other jobs data — showed payrolls unexpectedly dropped in September.

Lower interest rates tend to support commodities by boosting demand and weakening the dollar, making them more affordable for buyers using other currencies. A Bloomberg gauge of the dollar was steady on Thursday.

Copper rose 0.5% to \$10,431.00 a ton at 2:41 p.m. Singapore time on the London Metal Exchange. Aluminum and zinc gained, while nickel steadied. Iron ore on the Singapore exchange dipped 0.4% to \$103.30 a ton.

Chinese markets are closed for a week-long holiday.

Copper Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	10,347	R1	105,46	10,414.5	RSI above 50	
S2	10,239	R2	107,13			
S3	10,205	R3	108,56			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI above 50 (62)
- Stochastic is above 50
- Price is above the daily pivot point USD 10,347
- Unchanged on the technical yesterday, the momentum spike alongside price on the 24/25th of Sep suggested that downside moves should be countertrend, making USD 10,115 the key support to follow. Below this level the probability of the futures trading to a new high would start to decrease. Conversely, upside moves above the USD 10,485 fractal high would create a negative divergence with the RSI; not a sell signal, it warned that we could see a momentum slow-down on an upside breakout, this needed to be monitored.
- The futures held above the EMA support band, resulting in price moving higher, the RSI is above 50 with price and momentum aligned to the buy side.
- A close on the 4-hour candle below USD 10,347 with the RSI at or below 58 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 10,115 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the higher low above the linear regression line is warning that the USD 10,485 fractal high could be tested and broken, whilst the momentum spike on the 24/25th Sep implies downside moves should be considered as countertrend. However, upside moves that trade to a new high will create a negative divergence with the RSI, not a sell signal, it is a warning that we could see a momentum slowdown.

Aluminium Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	2,688	R1	2,699	2,699	RSI above 50	Stochastic overbought
S2	2,654	R2	2,720			
S3	2,633	R3	2,731			

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (61)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,688
- Technically bearish with a neutral bias, the probability of the futures trading to a new low had started to decrease. The MA on the RSI implied that momentum was supported, whilst price had closed above the high of the above average volume rejection candle. However, for upside continuation, we needed to close and hold above the linear regression line (USD 2,694), failure to do so would warn that the weekly pivot level at USD 2,654 could come under pressure. A daily close below this level will indicate that sell side pressure was increasing, as price would also be below the USD 2,661.5 fractal support.
- Having closed above the high volume candle yesterday the futures have continued to move higher. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 2,688 with the RSI at or below 54.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,633 will support a bull argument, below this level the technical will be back in bearish territory.
- Technically bullish, the MA on the RSI implies that momentum is supported, warning resistance levels are vulnerable. However, price is trading on/above the linear regression line (USD 2,695); if we close and hold above this level, then the USD fractal resistance at USD 2,720 will become vulnerable. Conversely, failure to hold above this level will warn that we could see a move lower. Seven of the last eight candles that are trading below the linear line have had small bodies (difference between the open and close of the candle), indicating buy side pressure is starting to slow. This market is lacking conviction as it is at an inflection point, emphasizing the importance of the USD 2,695 level.

Zinc Morning Technical (4-hour)



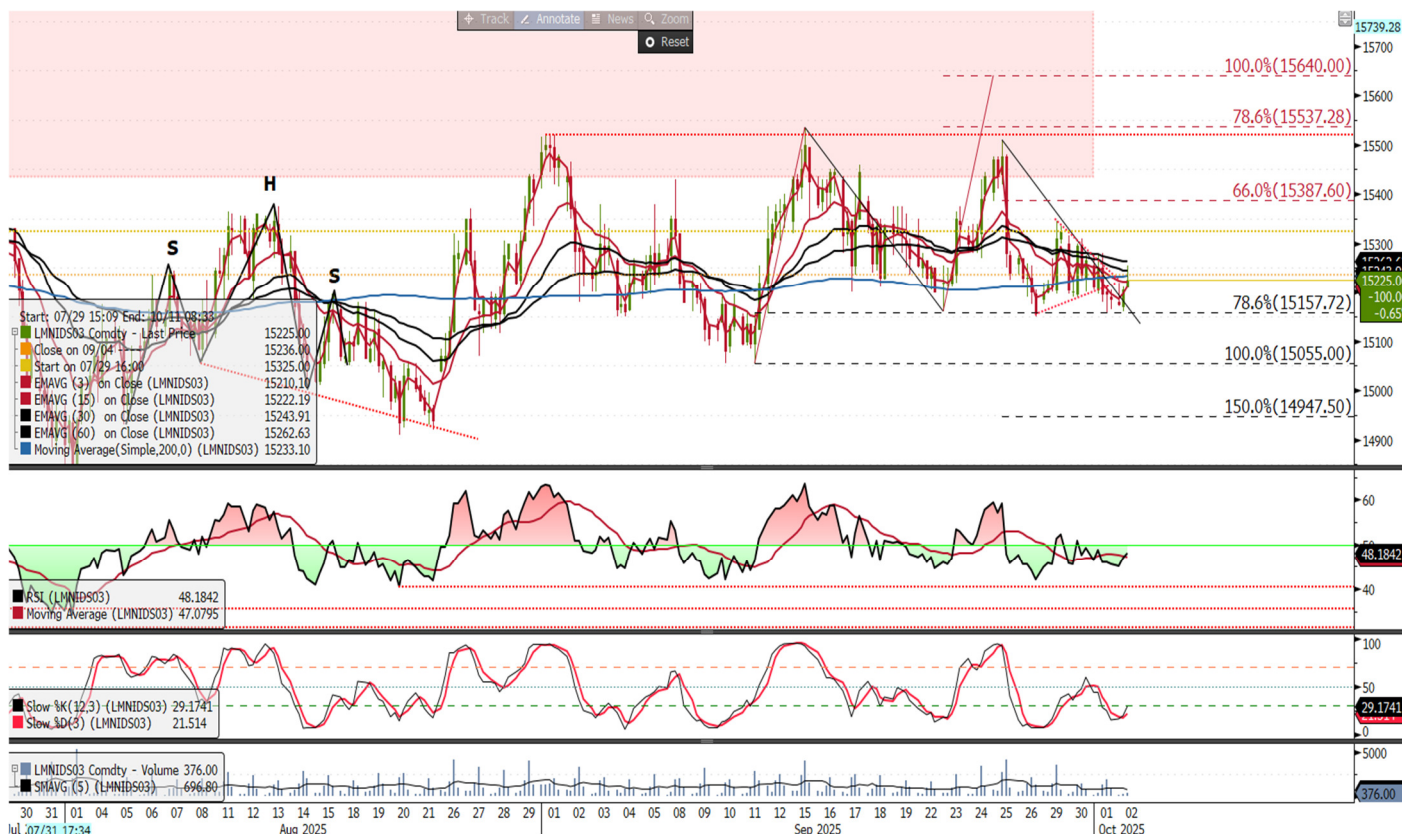
Support	Resistance	Current Price	Bull	Bear
S1	R1	3,009	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (66)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,977
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported, whilst price was moving higher on above average volume. As noted previously, our Elliott wave analysis suggested that downside moves should be considered as countertrend, whilst the volume and momentum support warned that the USD 3,003.5 fractal high could be tested and broken. As noted previously, we have the 200-period MA at USD 2,856, whilst USD 2,848 is two stdv below the linear regression line, with key support at USD 2,838, implying caution on corrective moves lower around this area.
- The futures have traded to a new high, 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 2,977 with the RSI at or below 57.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,907 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies that momentum is supported; however, the new high means that the RSI is in divergence dating back to the 15/09. Not a sell signal it is a warning that we could see a momentum slowdown, which will need to be monitored. We have a conflict with the RSI, although in divergence, we note that the RSI broke the resistance from the 25/09, implying near-term momentum strength. This is warning that there may be one more intraday bull wave within this phase on the lower timeframe Elliott wave cycle, making USD 2,908 the key support to follow. If broken, then the probability of price trading to a new high will start to decrease. The divergence is warning that we are now vulnerable to a move lower, the momentum break on the 25/09 suggests support could hold in the very near-term.

Nickel Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	15,206	R1	15,278	Stochastic oversold	RSI below 50
S2	15,150	R2	15,387		
S3	15,055	R3	15,535		

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (48)
- Stochastic is oversold
- Price is above the daily pivot point USD 15,206
- Technically bullish with a neutral bias yesterday, the symmetrical triangle indicated that price action was neutral, meaning directional bias would come from a close that holds outside of the pattern (USD 15,265—USD 15,203). As highlighted previously, the momentum low and the breach in the USD 15,160 support did warn that upside breakouts could struggle to hold.
- The futures have broken the triangle to the downside, resulting in price trading to a low of USD 15,155 before finding light bid support. We are below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the sell side, as the previous candle closed below the daily pivot level whilst the RSI was below its average.
- A close on the 4-hour candle above USD 15,206 with the RSI at or above 49.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 15,387 will leave support levels vulnerable, above this level the technical will be back in bullish territory.
- Bullish with a neutral bias, the momentum low and the breach in the USD 15,160 support means we have a note of caution on upside moves. However, below USD 15,150 the RSI will be in divergence with the RSI, warning sell side momentum could slow. This technical is lacking clarity, meaning we are neutral.

Lead Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	2,010	R1	2,031	2,026.5	RSI above 50	Stochastic overbought
S2	2,004	R2	2,042			
S3	1,997	R3	2,055			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (65)
- Stochastic is overbought
- Price is above the daily point USD 2,004
- Bullish with a neutral bias yesterday, the downside move previously had failed to hold, resulting in price closing on the daily 200-period MA (USD 1,988). The futures were finding light bid support, making USD 2,006 the key resistance to follow. Whilst above the daily average, resistance levels remained vulnerable. Daily price action was considered as neutral.
- Having held the daily 200-period MA (USD 1,988) the futures have seen a bull move to new highs. 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 2,004 with the RSI at or below 48 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 1,997 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies momentum is supported. The new high means that the RSI is in divergence, leaving the futures vulnerable to an intraday pullback. However, the RSI resistance break from the 25/09 is warning that downside moves should be considered as countertrend in the near-term, making USD 1,997 the key support to follow. Below this level the probability of the futures trading to a new high will start to decrease; conversely, if support holds, resistance levels should come back under pressure.