Base Morning Technical Report

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(Bloomberg) -- Copper advanced toward an all-time high with the US and China on the cusp of a sweeping deal to dial down trade tensions, easing a major risk to global economic growth.
Prices on the London Metal Exchange — the global benchmark — rose as much as 1.2% to reach $11,094 a ton, putting copper $10.50 from the record that's stood since the first half of 2024.
US and Chinese trade negotiators wrapped up talks on Sunday that appear to have teed up a deal for Presidents Donald Trump and Xi Jinping to finalize later this week. Trump's threat of 100% tariffs is "off the table", and Beijing will pause for a year plans to expand rare earth export controls, according to US Treasury Secretary Scott Bessent.

Copper Morning Technical (4-hour)

Support		Resistance		Current Price	Bull	Bear
S1	10,912	R1	11,208	11,084	RSI above 50	
S2	10,800	R2	11,448			
S3	10,587	R3	11,754			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI above 50 (65)
- Stochastic is overbought
- Price is above the daily pivot point USD 10,912
- Technically bullish on the last report with price and momentum aligned to the buyside, the futures were testing the linear regression line at USD 10,709, we noted that a close that held above this level would further support a buyers argument. USD 10,766 was the fractal resistance, and vulnerable, for upside continuation the futures would need to trade above this level. Failure to hold above the linear regression line, or a rejection of the USD 10,766 resistance would suggest caution to market bulls. Elliott wave analysis continues to suggest that downisde moves should be considered as countertrend.
- The futures closed above the linear regression line (USD 10,770) and broke the USD 10,766 fractal resistance, resulting in price trading to new highs. 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 10,912 with the RSI at or below 56.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 10,587 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. higher timeframe Elliott wave analysis suggests we have a potential upside target at USD 11,208. Lower timeframe Elliott wave analysis suggests that intraday downside moves should still be considered as countertrend, making USD 10,587 the key support to follow. Below this level the probability of price trading to a new high will start to decrease.

Aluminium Morning Technical (4-hour)

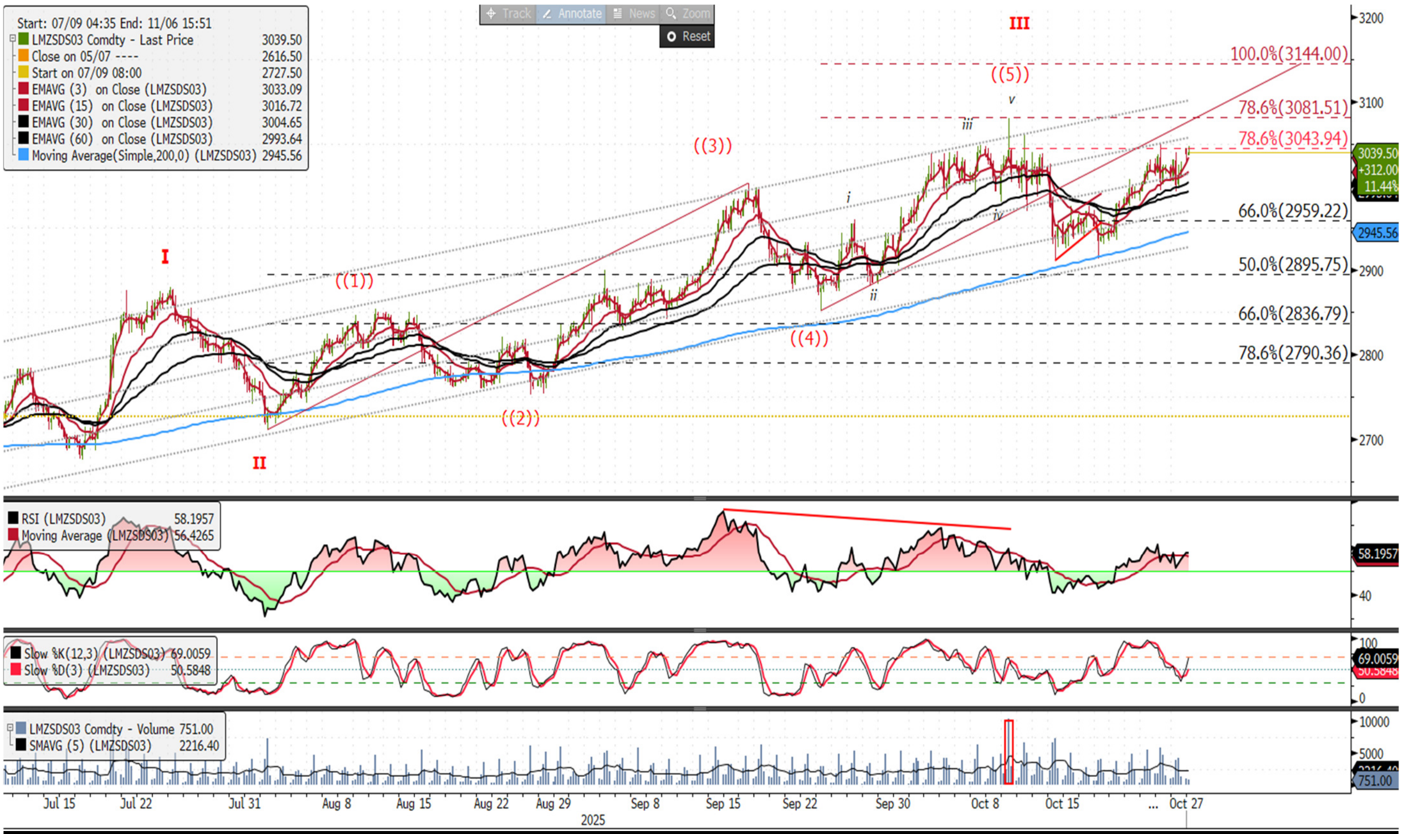
Support		Resistance		Current Price	Bull	Bear
S1	2,858	R1	2,896	2,887	RSI above 50	Stochastic overbought
S2	2,832	R2	2,945			
S3	2,815	R3	2,987			

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 2,858
- Technically bullish with price in divergence on the last report, USD 2,620 was two standard deviations above the linear regression line. The futures were in divergence with price starting to look overextended to the upside; however, we noted that if we looked at the intraday move that started on the 14/10, we could see a lower timeframe wave cycle was forming (1-hour timeframe, marked on the chart). This small wave cycle did suggest that intraday downside moves had the potential to be countertrend in the near-term. Technically, we were cautious on moves higher , as this phase of the cycle was nearing completion, but reiterated that there was still the potential for on more small bull wave within the lower timeframe cycle.
- The futures have continued to trade higher with price trading above the two standard deviation resistance, we are yet to see the lower timeframe pullback. 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 2,858 with the RSI at or below 62 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,791 will support a bull argument, below this level the technical will have a neutral bias.
- Technical bullish, the MA on the RSI implies that momentum remains supported; however, we do have a minor divergence in play with the RSI, warning price is vulnerable to a momentum slowdown. The futures are trading above the two standard deviation line, implying we are still overextended in the near-term. As highlighted previously, there looked to be a lower timeframe Elliott wave cycle in play, suggesting downside moves had the potential to be countertrend in the near-term. This bull cycle remains in play, intraday pullbacks that hold above USD 2,791 will warn that resistance levels could come back under pressure; if broken, then the probability of the futures trading to a new high will start to decrease.

Zinc Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	3,014	R1	3,043	3,039.5	RSI above 50	
S2	3,004	R2	3,060			
S3	2,954	R3	3,081			

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (58)
- Stochastic is at 50
- Price is above the daily pivot point USD 3,019
- Technically bullish last week, the move above the USD 3,022 level warned that we could be in a higher timeframe Elliott wave 5, meaning the USD 3,080 fractal high was vulnerable. Key near-term support was at USD 2,954, corrective moves below this level would be considered as deep into the current bull wave; we noted that this would neutralize the bull impetus, warning support levels could come back under pressure.
- The futures traded lower on Friday but price has opened with bid support this morning. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 3,019 with the RSI at or below 54 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 58.5 will mean it is aligned to the buyside. Downside moves that hold at or above USD 2,836 will support a bull argument, below this level the technical would have a neutral bias.
- Unchanged on the technical this morning, we remain bullish with the futures looking like they could potentially be in a higher timeframe Elliott wave 5, making USD 2,836 the key longer-term support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. If we trade below USD 2,959 before trading above the USD 3,080 fractal high, it will indicate that we remain in a complex corrective phase Elliott wave 4. Market buyers should be cautious on intraday moves below the USD 2,993 fractal support, as it will imply sell side pressure is increasing.

Nickel Morning Technical (4-hour)

Support		Resistance		Current Price	Bull	Bear
S1	15,076	R1	15,350	15,320	RSI above 50	Stochastic overbought
S2	14,928	R2	15,436			
S3	14,740	R3	15,620			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (48)
- Stochastic is above 50
- Price is on/below the daily pivot point USD 15,330
- Technically bearish last week, price and momentum were conflicting; however, the MA on the RSI continued to warn that momentum was supported. Below USD 15,080 the futures would be in divergence with the RSI, meaning we continued to be cautious on downisde moves at that point. As highlighted previously, a close that held above the trend resistance line (USD 15,313) would imply that buyside pressure was increasing, warning the USD 15,436 level could come under pressure. A rejection here would indicate that the corrective cycle could become more complex; if broken, then the probability of price trading to a new low would start to decrease.
- The futures traded to a high of USD 15,420; however, we have failed to trade above the USD 15,436 resistance with price now on the rising trend line (USD 15,325). We are above the EMA support band with the RSI above 50, intraday price and momentum are aligned to the buyside, as the previous candle closed above the daily pivot level whilst the RSI was above its average.
- A close on the 4-hour candle below USD 15,330 with the RSI at or below 51.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 15,436 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bullish based on price, the futures are at an inflection point as price has failed to trade above the USD 15,436 resistance and is now trading on the rising trend line, meaning we are at an inflection point. If we hold above the intraday 200-period MA (USD 15,279) and the rising trend line, then the USD 15,436 level will remain vulnerable. If broken, then the probability of the futures trading to a new low will start to decrease. Conversely, a close that holds below the USD 15,279 level will warn that we could be looking at an upside rejection, warning support levels will be vulnerable. The MA on the RSI is rising, implying momentum is supported at this point, implying the average could hold. However, whilst at an inflection point, price itself is neutral.

Lead Morning Technical (4-hour)

Support		Resistance		Current Price	Bull	Bear
S1	2,014	R1	2,017	2,015	RSI above 50	Stochastic overbought
S2	1,998	R2	2,028			
S3	1,991	R3	2,046			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (59)
- Stochastic is overbought
- Price is above the daily point USD 2,014
- Bullish based on price last week, the futures were above the intraday 200-period MA (USD 1,997), we noted that if we held above it, then the USD 2,017 resistance could be tested and broken. This was the key level on the technical, although price was bullish, the Elliott wave cycle remained bearish below USSD 2,017, and neutral above. If we traded above USD 2,017 it would bring into question the integrity of the larger wave cycle, as the probability of the futures trading to a new low would start to decrease. Whilst above the 200-period MA resistance was vulnerable; conversely, failure to hold above it would warn that support level could come back under pressure.
- The futures held above the intraday 200-period MA (USD 1,999) resulting in price breaching the USD 2,017 level. We are above all key moving supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,014 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 1,982 will support a bull argument, below this level the technical and the Elliott wave cycle will be back in bearish territory.
- Technically bullish, the probability of the futures trading to a new low has started to decrease, meaning we are cautious on downside moves whilst above the USD 1,982 level. A close below the low of the last dominant bull candle (USD 2,008) will warn that buyside pressure is decreasing, whilst a close that holds below the intraday 200-period MA (USD 1,999) will indicate sell side pressure is increasing, warning the USD 1,982 support could be tested and broken.