

Cu

(Bloomberg) -- Copper extended a decline from a record as Codelco eased concerns about supplies, while traders eyed fresh uncertainty prospects for another US interest-rate cut next month.

All main base metals dropped, with copper losing as much as 1.8%. The Chilean mining giant said it expected output this year and next to be higher than in 2024, helping to ease tensions around global supply that helped push prices to an all-time high last week. A series of mine disruptions — including at a Codelco site — have crimped flows of copper.

Read More: Codelco Sticks to Recovery Story in Boost to Tight Copper Market

Across the wider metals complex, investor focus is returning to Fed policy and the outlook for China's wavering economy now that global trade tensions have cooled. Among other contracts, aluminum slid from its highest close in more than three years and zinc from its highest finish of 2025.

A series of remarks from Fed officials has offered contrasting views on what's next for US rates, after Chair Jerome Powell warned that a December cut wasn't a foregone conclusion. Among them, Chicago Fed President Austan Goolsbee said he's more concerned about inflation than the job market.

The shifting outlook for US monetary policy has pushed up the dollar, adding to pressure on metals that rallied last week in the run-up to Washington and Beijing's trade truce. The Bloomberg Dollar Spot Index held near the highest since May, making commodities priced in the greenback dearer for buyers in other currencies.

Supply issues have been a major factor in pushing up prices for metals this year, with copper mines from Indonesia to Democratic Republic of Congo and Chile suffering accidents. Constraints on Chinese capacity have helped aluminum, while several Western zinc smelters dialed back production.

Copper was down 1.6% at \$10,681.50 a ton on the LME at 3:49 p.m. in Shanghai, while aluminum fell 1% and zinc dropped 0.7%. Iron ore sank 1.3% to \$103.70 a ton in Singapore.

Copper Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	10,620	R1	10,866	10,737.5	Stochastic oversold	RSI below 50
S2	10,511	R2	10,911			
S3	10,326	R3	10,966			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- The RSI is below 50 (41)
- Stochastic is oversold
- Price is below the daily pivot point USD 10,866
- Bearish based on price yesterday, the MA on the RSI implied that momentum was weak. We noted that the Elliott wave cycle was in a corrective phase, suggesting upside moves should be considered as countertrend, making USD 11,066 the key resistance to follow. If broken, then the probability of price trading to a new low would start to decrease.
- The futures remain in a corrective phase with price continuing to sell lower, 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 10,866 with the RSI at or above 50 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 10,620 will warn that we could be looking at a larger bullish wave extension within the lower timeframe wave ((v)). If broken, it will suggest that the higher timeframe wave ((iii)) has potentially completed. Upside moves that fail at or below USD 11,041 will warn that there is further downside within this corrective phase, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI implies that momentum remains weak. Both price and the RSI are making new lows, suggesting upside moves should be considered as countertrend in the near-term, making USD 11,041 the key resistance to follow; if broken, then the probability of price trading to a new low will start to decrease. Conversely, downside moves that hold above the USD 10,620 support will indicate that we could be looking at a larger bull impulse wave within the higher timeframe Elliott wave 3. If support is broken, then the ((iii)) will become neutral, suggesting we have entered the ((iv)) of this phase of the cycle. We are cautious on upside moves in the near-term due to the momentum weakness.

Aluminium Morning Technical (4-hour)



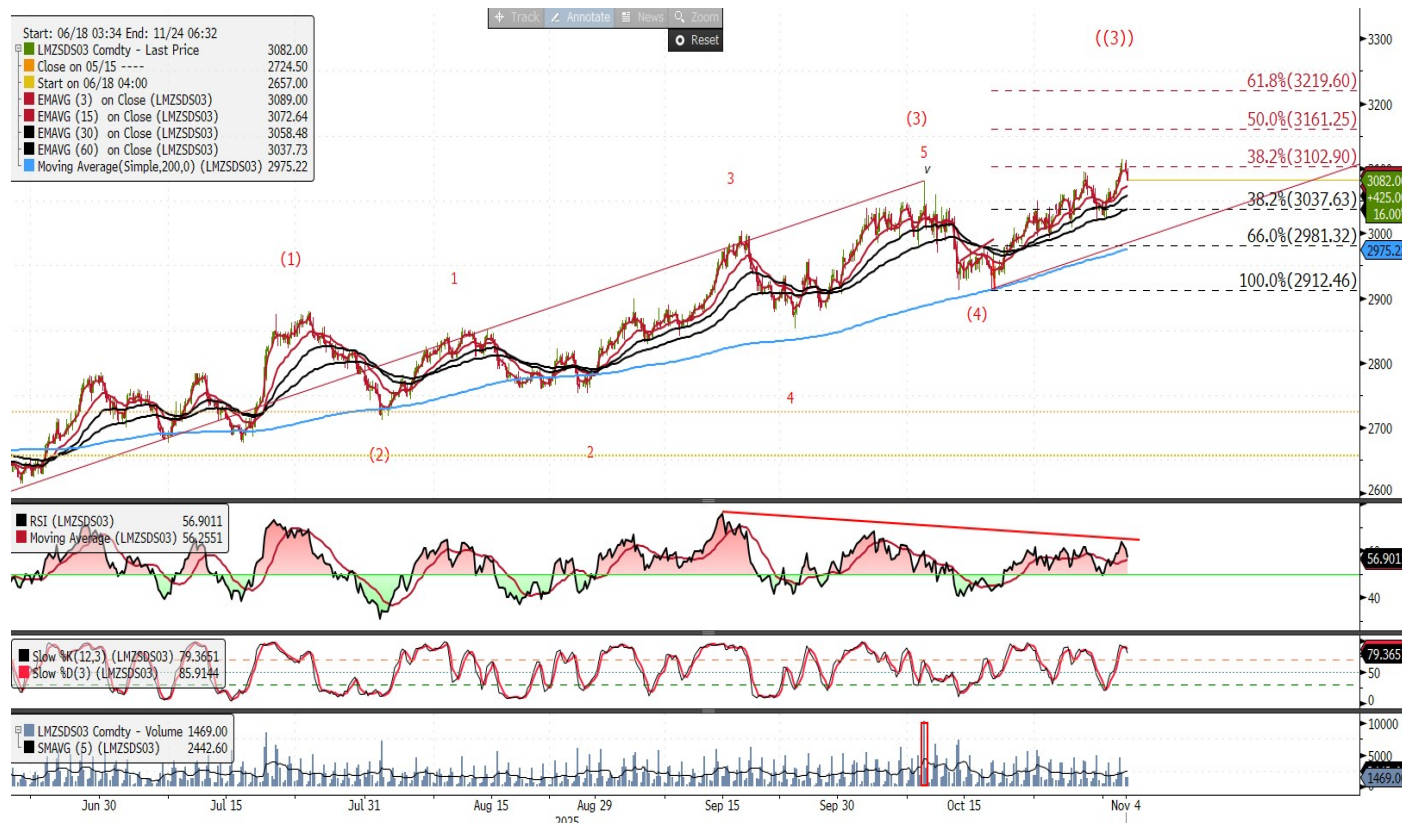
Support		Resistance		Current Price	Bull	Bear
S1	2,874	R1	2,917	2,878.5	RSI above 50	Stochastic overbought
S2	2,858	R2	2,936			
S3	2,832	R3	2,965			

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (52)
- Stochastic is overbought
- Price is below the daily pivot point USD 2,900
- Technically bullish yesterday, we noted that above USD 2,917 the futures would be in divergence with the RSI; not a sell signal, it warned that we could see buy-side momentum slow down, which would need to be monitored. The wave cycle had become complicated, if we traded above the USD 2,917 fractal high, it will signal that we had entered the higher timeframe wave 5. However, our oscillator cross was marginal, meaning if we stayed elevated for any period of time (this could be as little as a few candles), then then it would signal a lower timeframe Elliott wave extension. Due to the lack of clarity we were neutral until the wave cycle signals where we were, but cautious on upside breakouts due to the divergence above us.
- The futures traded to a high of USD 2,920 before selling lower on the negative divergence with the RSI. 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 2,900 with the RSI at or above 60 will mean price and momentum are aligned to the buy-side. Downside moves that hold at or above USD 2,865 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase, the futures are selling lower on the negative divergence with the RSI, warning the USD 2,865 support is vulnerable. If broken, then the probability of price trading to a new high will start to decrease, suggesting price is entering the higher timeframe Elliott wave 4. Conversely, if support holds, then it will suggest that we remain on the lower timeframe wave 5. In either scenario, downside moves are considered as counter-trend.

Zinc Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	3,082	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 (56)
- Stochastic is overbought
- Price is below the daily pivot point USD 3,088
- Technically bullish yesterday, the futures were moving higher with price approaching the USD 3,094.5 fractal high. Above this level we noted that price would be in divergence with the RSI. Not a sell signal, it warned that buy-side momentum could slowdown, which needed to be monitored. The USD 3,094.5 resistance was vulnerable; however, we were cautious on upside breakouts, as the divergence warned that we could struggle to hold.
- The futures traded to a high of USD 3,115 before entering a corrective phase. 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 3,088 with the RSI at or below 54 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy-side. Downside moves that hold at or above USD 2,981 will support a bull argument, below this level the technical would have a neutral bias.
- Technically bullish, the MA on the RSI implies that we have light momentum support. Countering this, price has entered a corrective phase on the negative divergence with the RSI, warning support levels are vulnerable. Below USD 3,020.5 the intraday technical will be bearish based on price; however, corrective moves lower that hold at or above USD 2,981 will warn that there could be further bullish cycles within the lower timeframe wave (5).

Nickel Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	15,020	R1	15,179	15,085	Stochastic oversold	RSI below 50
S2	14,905	R2	15,207			
S3	14,759	R3	15,314			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (41)
- Stochastic is oversold
- Price is below the daily pivot point USD 15,179
- Unchanged on the technical yesterday, we remain neutral due to price being in the rising channel. A close that held below the USD 15,179 support line would imply technical weakness; likewise, a close that held above the intraday 200-period MA would indicate that buyside pressure is increasing.
- The futures close below the channel support line (USD 15,188) resulting in price selling lower. 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 15,179 with the RSI at or above 48 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 15,314 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, whilst the downside breakout below the channel support line suggests that support levels could come under pressure. We highlight USD 15,020 as an area of interest, as it is the 100% Fibonacci projection level of the current move lower, suggesting it could see buyside support in the near-term. If we do, it will bring into focus the USD 15,314 resistance; if broken, then the probability of the futures trading to a new low will start to decrease.

Lead Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	2,017	R1	2,025	2,021.5	RSI above 50	
S2	2,010.5	R2	2,034.5			
S3	2,007	R3	2,042			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (52)
- Stochastic is above 50
- Price is below the daily point USD 2,025
- Technically bearish with a neutral bias yesterday, the probability of price trading to a new low had started to decrease. The upside move above USD 2,026 warned that the USD 2,034.5 fractal high was starting to look vulnerable. However, above this level the futures would be in divergence with the RSI, not a sell signal, it warned that we could see a momentum slowdown, meaning we are cautious on upside breakouts.
- The futures traded to a high of USD 2,031 before entering a corrective phase. We are 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 2,025 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 1,987 will support a bull longer-term argument, below this level the higher timeframe Elliott wave cycle will have a neutral bias.
- The futures remain bearish with a neutral bias with the MA on the RSI implying that momentum is weakening. The RSI has broken support, the futures have not, warning we remain vulnerable to another intraday move higher in the near-term. However, like yesterday, we continue to have a note of caution on upside breakouts above USD 2,034.5, as the futures will be in divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown, which will need to be monitored.

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