

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)



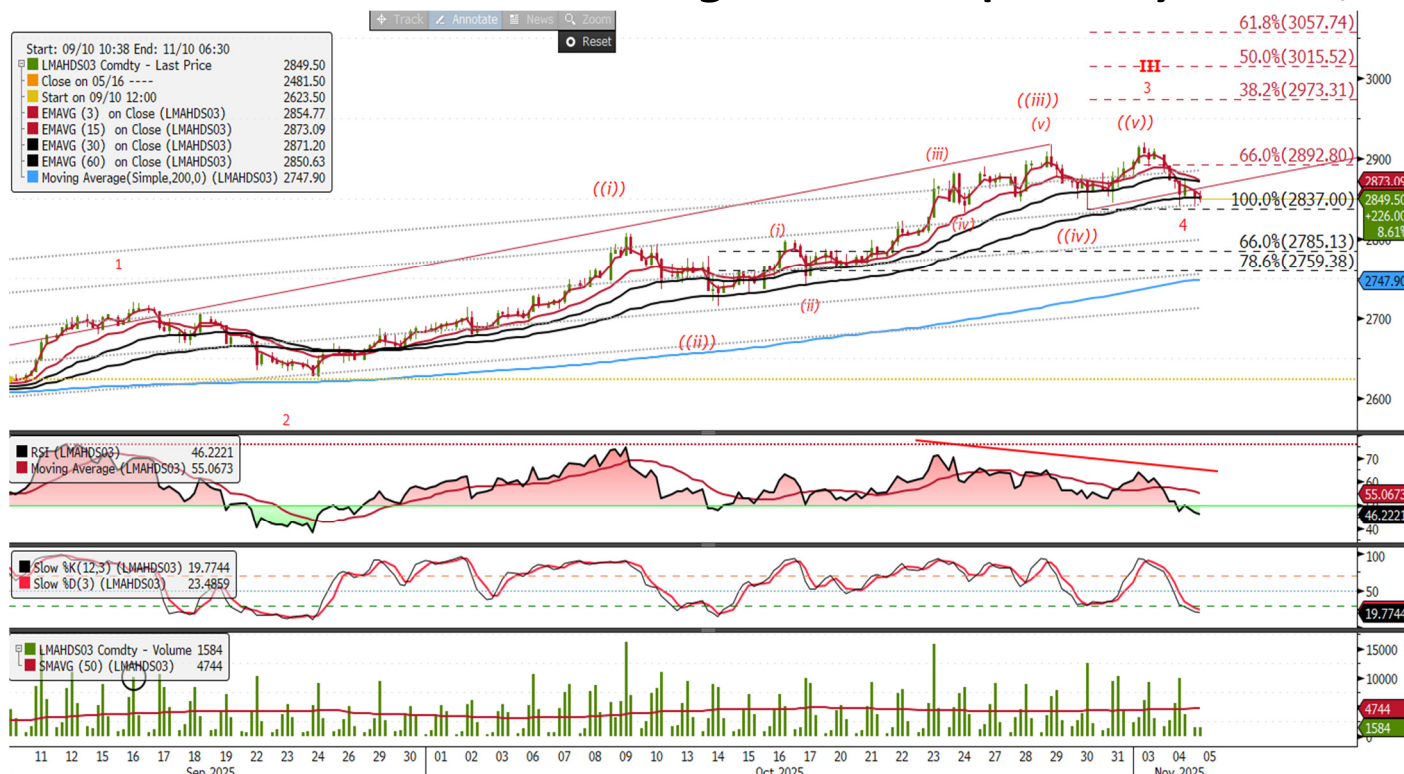
	Support	Resistance	Current Price	Bull	Bear
S1	10,620	R1	10,700	Stochastic oversold	RSI below 50
S2	10,511	R2	10,815		
S3	10,326	R3	10,888		

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- The RSI is below 50 (39)
- Stochastic is oversold
- Price is below the daily pivot point USD 10,700
- Technically bearish yesterday, the MA on the RSI implied that momentum remained weak. Both price and the RSI were 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 would start to decrease. Conversely, downside moves that hold above the USD 10,620 support would indicate that we could be looking at a larger bull impulse wave, within the higher timeframe Elliott wave 3. If support was broken, then the wave ((III)) would become neutral, suggesting we had entered the ((IV)) of this phase of the cycle. We were cautious on upside moves in the near-term due to the momentum weakness.
- The futures sold below the USD 10,620 support before seeing a small move higher. 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 10,700 with the RSI at or above 45.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 10,988 will warn that there is further downside within this corrective phase, above this level the technical will have a neutral bias.
- Technically bullish with a neutral bias, the MA on the RSI implies that momentum remains weak. The move below USD 10,620 warns that the probability of the futures trading to a new high within this phase of the cycle has started to decrease, making USD 10,988 the key resistance to follow; conversely, if rejected, it will imply that the corrective phase is more complex, leaving support levels vulnerable. The depth of the pullback is warning that the futures have potentially entered the higher timeframe Elliott wave ((IV)), this corrective move lower on the higher timeframe is considered as countertrend. However, on the intraday price action, the RSI pullback and the breach in the USD 10,620 level warns that resistance levels should hold if tested in the near-term. We have seen sell side momentum slow, warning we could see an intraday move higher, which our analysis suggests will be part of the larger, correct wave ((IV)).

Aluminium Morning Technical (4-hour)



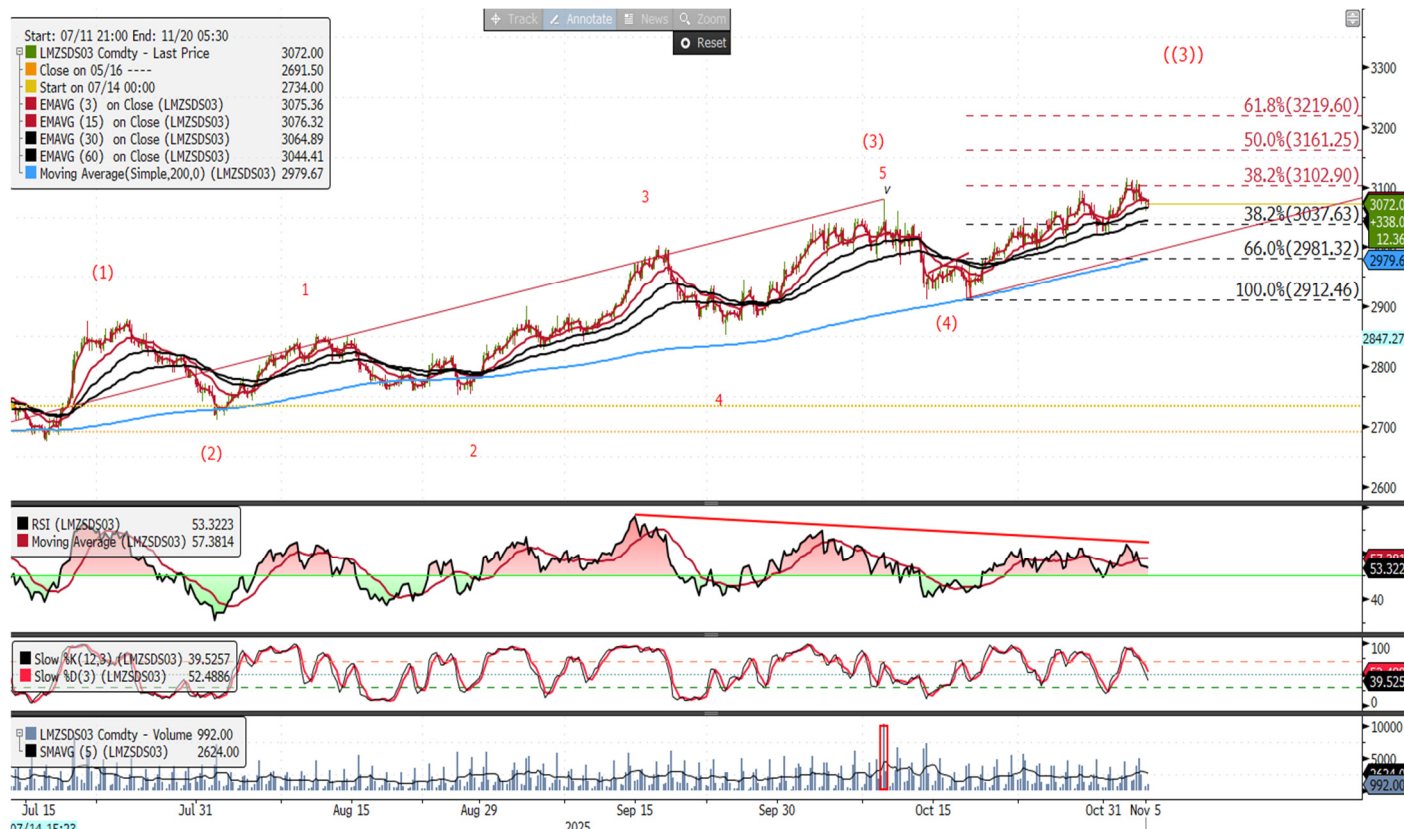
Support	Resistance	Current Price	Bull	Bear
S1	R1	2,849.5	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is between the EMA support band (Black EMA's)
- RSI is below 50 (46)
- Stochastic is oversold
- Price is below the daily pivot point USD 2,868
- Technically bullish but in a corrective phase yesterday, the futures were selling lower on the negative divergence with the RSI, warning the USD 2,865 support was vulnerable. If broken, then the probability of price trading to a new high would start to decrease, suggesting price is entering the higher timeframe Elliott wave 4. Conversely, if support held, then it would imply that we remained on the lower timeframe wave 5. In either scenario, downside moves were considered as countertrend.
- The futures traded below the USD 2,865 support, implying we have entered the higher timeframe Elliott wave 4. Price is between 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 2,868 with the RSI at or above 57.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 2,892 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bullish territory, providing we have not traded below the USD 2,837 fractal support.
- Technically bullish with a neutral bias, the probability of the futures trading to a new high within this phase of the cycle has started to decrease, making USD 2,892 resistance to follow. Below USD 2,837 will mean that intraday price is bearish due to the breach in the fractal support; however, higher timeframe Elliott wave analysis remains bullish above USD 2,785 and neutral below. The MA on the RSI implies that momentum is weak, whilst the depth of the pullback suggests that upside moves should be considered as countertrend in the near-term.

Zinc Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	3,072	RSI above 50	
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (53)
- Stochastic is above 50
- Price is below the daily pivot point USD 3,090
- Technically bullish yesterday, the MA on the RSI implied that we had light momentum support. Countering this, price had entered a corrective phase on the negative divergence with the RSI, warning support levels were vulnerable. Below USD 3,020.5 the intraday technical would be bearish based on price; however, corrective moves lower that held at or above USD 2,981 would warn that there is could be further bullish cycles within the lower timeframe wave (5).
- The futures have seen a small move lower but remain 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 3,090 with the RSI at or above 59.5 will mean price and momentum are 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.
- Unchanged on the technical today. The futures are selling lower on the negative divergence with the RSI, warning support levels remain vulnerable. Below USD 3,020.5 the intraday technical would be bearish based on price; however, corrective moves lower that hold at or above USD 2,981 would warn that there is could be further bullish cycles within the lower timeframe wave (5).