FIS

# Base Morning Technical Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

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(Bloomberg) -- Copper traded not far from its record high of earlier this week as global supply concerns underpinned investor appetite for the metal that's critical to the green transition.

Prices dipped after notching an all-time high on Monday, but have rebounded again along with other industrial metals. Gains in recent weeks have been fueled by speculation there could be a looming shortage as traders divert huge volumes of the metal to the US to front-run possible import tariffs.

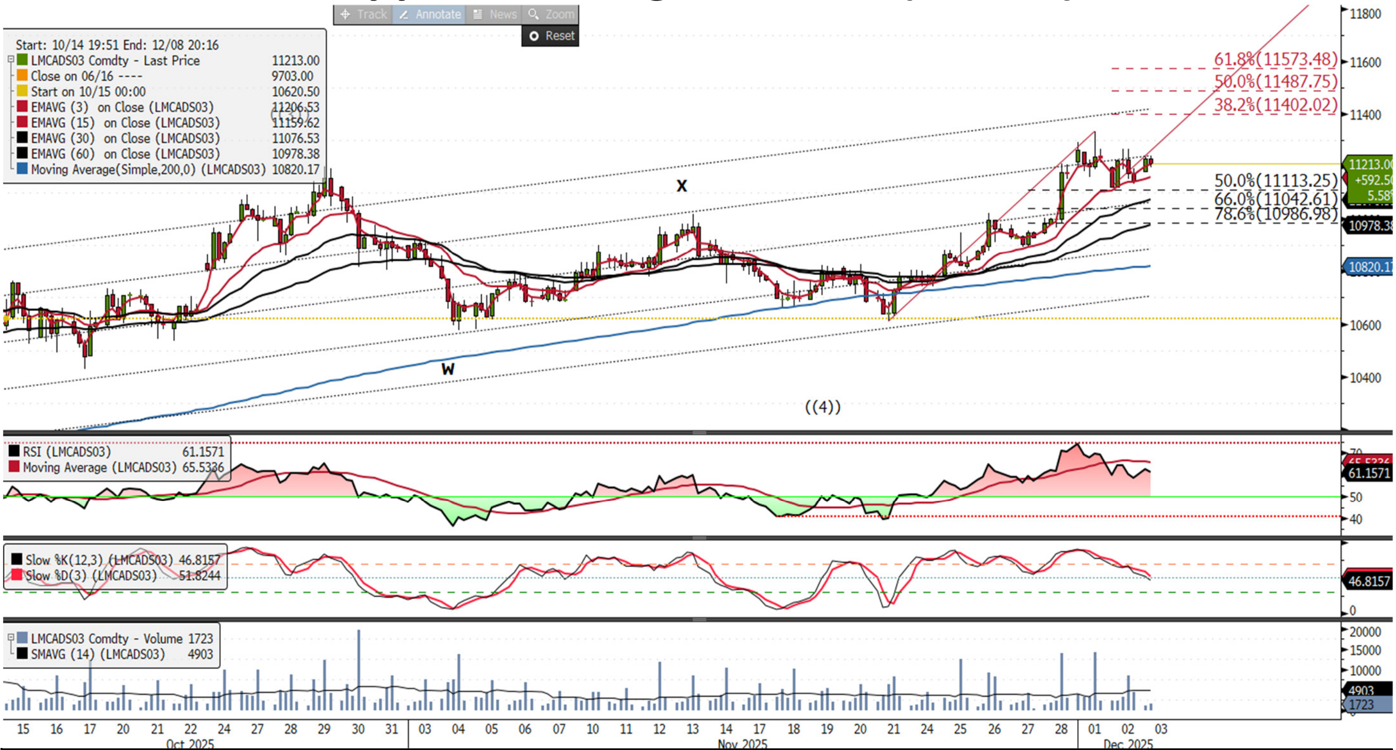
Supply issues have dominated the copper market throughout this year after a series of unplanned mine disruptions from Indonesia to Chile and Democratic Republic of Congo. Chinese smelters and miners are locked in supply talks for 2026 that are proving difficult as miners hold the upper hand in negotiations.

Read More: China Copper Smelters, Chile Miner in Deadlock Over Fee Talks

Investors are also awaiting a slew of US data due this week, including reports on private sector employment, import prices and industrial output on the agenda for later Wednesday.

Copper was up 1% to $11,257 a ton by 4:10 p.m. Shanghai time, taking gains for this year to about 28%. Aluminum gained 1% and zinc rose 0.4%. while iron ore futures on the Singapore Exchange rose 0.2% to $104.1 a ton.

# Copper Morning Technical (4-hour)




| Support | | Resistance | | Current Price | Bull | Bear |
|---|---|---|---|---|---|---|
| S1 | 11,178 | R1 | 11,334 | 11,213 | RSI above 50 | |
| S2 | 11,113 | R2 | 11,402 | | | |
| S3 | 11,042 | R3 | 11,487 | | | |

**Synopsis - Intraday**

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI is above 50 (63)
- Stochastic is at 50
- Price is above the daily pivot point USD 11,178
- Technically bullish on Friday, the MA on the RSI implied that momentum was supported; however, price was trading on the linear regression line (USD 11,001). A close that held above the line would target the USD 11,151 Fibonacci resistance, and potentially the USD 11,200 fractal high. Conversely, if rejected the USD 10,838 support could come under pressure. If broken, then the probability of the futures trading to a new high would start to decrease. Whilst trading below the USD 11,025 high from the 26/10, our lower timeframe Elliott wave analysis suggested that downside moves should in theory be countertrend.
- The futures held above the linear line resulting in price trading to a high of USD 11,334 before entering into 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 above USD 11,178 with the RSI at or above 68 will mean price and momentum are aligned to the buyside; likewise, a close below this level will mean it is aligned ot the sell side. Downside moves that hold at or above USD 11,042 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, both price and momentum have traded to a new high on the current upside move, supporting our Elliott wave analysis that suggests downside moves should still be considered as countertrend. Key support is at USD 11,042, below this level the probability of the futures trading to a new high will start to decrease.

# Aluminium Morning Technical (4-hour)

| Support | | Resistance | | Current Price | Bull | Bear |
|---|---|---|---|---|---|---|
| S1 | 2,873 | R1 | 2,904.5 | 2,885 | RSI above 50 | |
| S2 | 2,857 | R2 | 2,911.5 | | | |
| S3 | 2,853 | R3 | 2,920 | | | |

Source Bloomberg

**Synopsis - Intraday**

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (57)
- Stochastic is above 50
- Price is above the daily pivot point USD 2,873
- Technically bearish on Friday with price in a corrective phase. Downside moves that held at or above USD 2,803 would support a near-term bull argument, below this level would indicate that sell side pressure was increasing. Price and momentum were conflicting; however, the RSI continued to warn that momentum remained supported at that point. As highlighted previously, the downside corrective cycle looks to have truncated, whilst the upside move had volume support, meaning we continued to be cautious on corrective moves lower at this point.
- The futures traded to a high of USD 2,904.5 before entering into 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 above USD 2,873 with the RSI at or above 62.5 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 2,815 will support a bull argument, below this level the technical will be back in bearish territory.
- Technically, we remain bearish with a neutral bias, meaning the probability of the futures trading to a new low has started to decrease. Elliott wave analysis suggests that we have seen a cycle completion on a lower timeframe, implying caution on upside moves in the near-term. However, having failed to trade above the USD 2,920 fractal high, this is a warning that there could either be a potentially larger bull cycle to come into play. Conversely, it could be that we remain in a very complex corrective cycle (likely to be a large W, X, Y pattern). If we close and hold below the trend support line (USD 2,857), it will warn that the USD 2,815 support could come under pressure. This is a key level on the technical, if we hold, we lean towards a larger bull cycle; if broken, we are thinking a larger W, X, Y corrective pattern. Today, we have a neutral bias, but we are cautious on upside moves at these levels..

# *Zinc Morning Technical (4-hour)*

| Support | | Resistance | | Current Price | Bull | Bear |
|---|---|---|---|---|---|---|
| S1 | 3,073 | R1 | 3,085 | 3,074 | RSI above 50 | |
| S2 | 3,048 | R2 | 3,105 | | | |
| S3 | 3,035 | R3 | 3,115 | | | |

**Synopsis - Intraday**

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (56)
- Stochastic is below 50
- Price is on/above the daily pivot point USD 3,073
- Technically bearish on Friday, price and momentum were conflicting but the RSI warned that momentum remains supported. As highlighted previously, with the corrective phase of the cycle looking like it had completed, whilst the upside move had volume support, we had a note of caution on downside moves. However, price was at an inflection point, as trend support and the 200-period MA were at USD 3,024. If we held above this level, then upside resistance levels could come under pressure. Conversely, a close that held below USD 3,024 would target our key support at USD 2,990. Below this level the probability of the futures trading to a new high would start to decrease, warning the USD 2,954.5 fractal low could be tested.
- The futures traded to a high of USD 3,105 before entering a corrective phase, we are above all key moving averages supported by the RSI above 50. Intraday price and momentum are aligned to the sell side, as the previous candle closed on but not above the daily pivot level.
- A close on the 4-hour candle above USD 3,073 with the RSI at or above 62 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 3,085 will leave the futures vulnerable to further tests to the downside. Likewise, downside moves that hold at or above USD 3,005 will support a longer-term bull argument.
- Technically bullish but in a corrective phase, the futures are potentially rejecting the USD 3,085 resistance, warning the corrective phase is becoming more complex. We do look like we have potentially completed a lower timeframe bullish Elliott wave cycle; however, price is yet to trade above the USD 3,115 high, making USD 3,005 the key support to follow. If we hold, it will indicate that there is a larger bull cycle in play. With price below USD 3,085 we are cautious on upside moves at this point, especially as price will be divergent above USD 3,115. The more bullish scenario here would be a 3-wave pattern lower that holds above USD 3,005.