



Base Morning Technical Report

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(Bloomberg) -- Copper and other industrial metals rose as investors awaited the US Federal Reserve's final policy meeting of the year for clues on the central bank's thinking about the US economy in 2026.

Prices on the London Metal Exchange rose as much as 1.3% to \$11,641.50 a ton, recovering most of a decline from the previous session. Investors are expecting the Fed to deliver a quarter-point rate reduction later on Wednesday, and a key focus will be on how Chair Jerome Powell describes the bank's views on growth, inflation and rates for next year.

Kevin Hassett, the frontrunner in US President Donald Trump's search to replace Powell as Fed chair, said Tuesday that he sees plenty of room to substantially lower rates.

Read More: [Global Copper Deficit in 2026 to Sustain Pricing Pressure: BNEF](#)

Copper — a metal critical for electrification and the energy transition — has gained more than 30% on the LME this year. It hit a record \$11,771 a ton earlier this week, fueled by concerns that a rush of metal to the US to front-run possible import tariffs will fuel shortages elsewhere.

The copper market is in for a "very, very volatile" year in 2026 given uncertainties around US tariffs, Guy Wolf, head of market analytics at Marex Group Plc. said in an online briefing.

Copper rose 0.7% to \$11,565 a ton on the LME as of 3:53 p.m. in Shanghai. Aluminum and zinc also gained, while tin extended a period of volatility with a gain of more than 2%.

Copper Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	11,586	RSI above 50	Stochastic oversold
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI is above 50 (58)
- Stochastic is oversold
- Price is above the daily pivot point USD 11,529
- Technically bullish but in a corrective phase yesterday, the futures were moving lower on a negative divergence with the RSI. A close below the low of the last dominant bull candle (USD 11,543) would indicate that sell side pressure was increasing, warning the USD 11,357 Fibonacci support could be tested and broken. If it was, then the probability of the futures trading to a new high would start to decrease. With price moving lower on a negative divergence with the RSI, we are cautious on upside moves in the near-term.
- The futures sold to a low of USD 11,434.5 before finding light bid support having held above the EMA support band. The RSI is above 50 with price and momentum conflicting.
- A close on the 4-hour candle above USD 11,529 with the RSI at or above 62.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 11,357 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI indicates that we have light momentum weakness. Price is holding in the EMA support band; if we trade above the USD 11,656 level, then the USD 11,771 fractal high could become vulnerable. However, we remain cautious on upside breakouts, as price will become divergent with the RSI. If we reject the USD 11,656 level, then the correction will start to become more complex. We continue to highlight USD 11,357 as the key support to follow, whilst above this level resistance will remain vulnerable, if broken, then the probability of price trading to a new high will start to decrease. We had light volume support off the EMA band yesterday, indicating market buyers are still defending the technical at this point, making USD 11,656 a key focal point to the upside. We continue to be cautious on upside moves, if price trades to a new high, then it will signal that there has been an Elliott wave extension on the cycle that started on the 02/12.

Aluminium Morning Technical (4-hour)



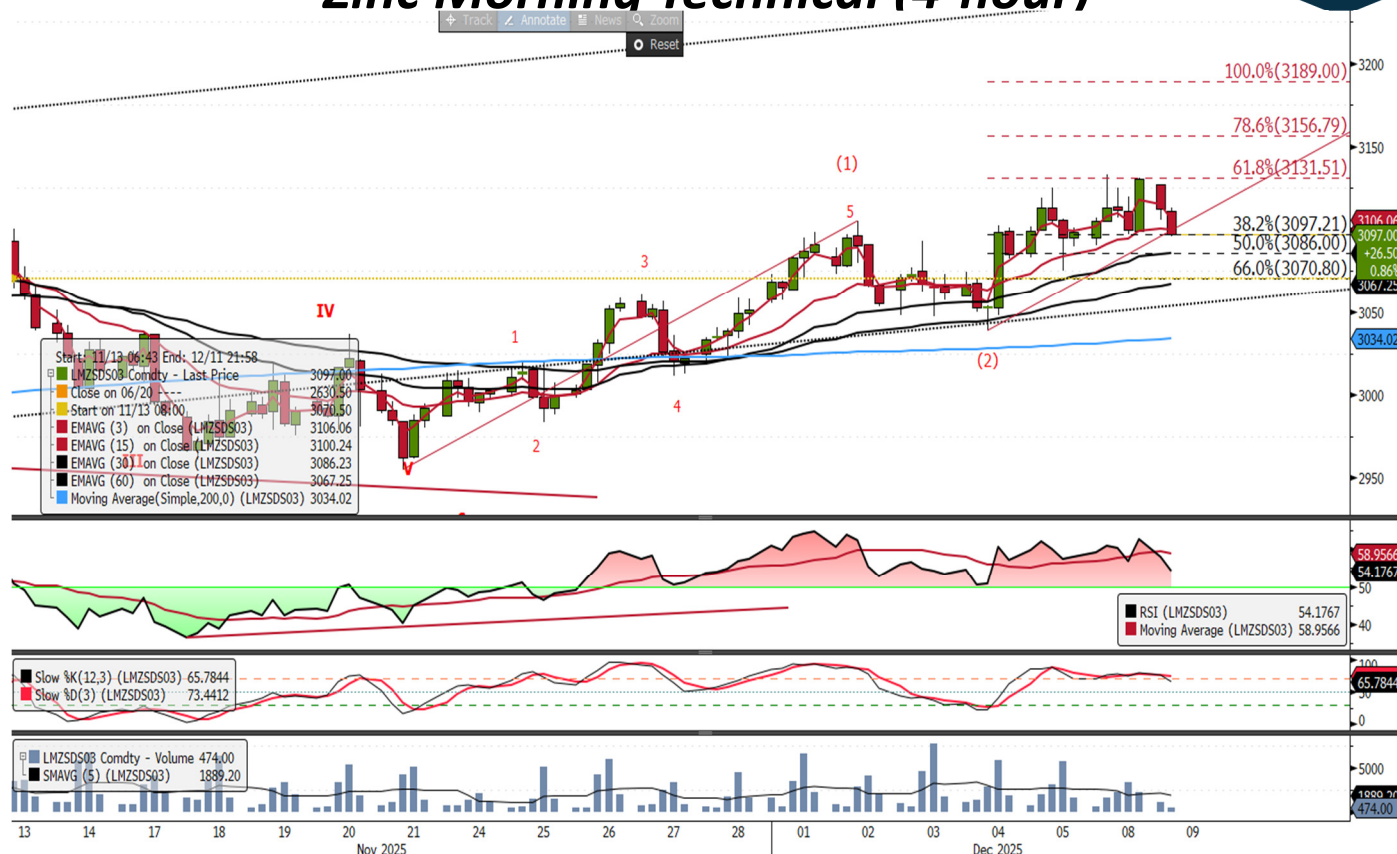
Support		Resistance		Current Price	Bull	Bear
S1	2,864	R1	2,893	2,869.5	Stochastic oversold	RSI below 50
S2	2,862	R2	2,920			
S3	2,845	R3	2,947			

Source Bloomberg

Synopsis - Intraday

- Price is between the EMA support band (Black EMA's)
- RSI is below 50 (48)
- Stochastic is oversold
- Price is above the daily pivot point USD 2,864
- Technically bullish but in a corrective phase yesterday, the MA on the RSI implied that momentum was weak. The futures looked to have completed a lower timeframe Elliott wave cycle with price below the rising trend line (USD 2,906). The downside move on the negative divergence brought into focus the USD 2,821 Fibonacci support; if we hold this level then it will warn that there is an underlying bull support in play, leaving price vulnerable to a larger Elliott wave cycle. However, if we broke this level, then the probability of price trading to a new high would start to decrease. Having traded up to USD 2,920, this suggested that we could still be looking at a larger corrective phase (W, X, Y). Fibonacci support was now looking vulnerable, meaning focus should shift to the USD 2,821 support, which if broken would have bearish connotations going forward in the near-term.
- The futures traded to a low of USD 2,843 before finding light bid support. We are between the EMA support band with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 2,864 with the RSI at or above 52.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 2,821 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 we have light momentum weakness. However, the move lower yesterday held the intraday 200-period MA with price finding high volume bid support, indicating market bulls are defending the cycle. Key support remains unchanged at USD 2,821; corrective moves that hold at or above this level will indicate that there is a larger bull cycle in play. Conversely, if broken, it will suggest that there is a larger W, X, Y corrective pattern in play. Until the technical tells me otherwise, I still interpret the wave cycle as bullish, making USD 2,821 an important level to follow. However, I should stress the W, X, Y is still a possibility at this point.

Zinc Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	3,097	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (54)
- Stochastic is below 50
- Price is below the daily pivot point USD 3,101
- Bullish but in a corrective phase yesterday, the MA on the RSI implied that we had light momentum weakness. We noted that we had the move as bullish impulse, making USD 3,070 the key support to follow; if broken, then the probability of the futures trading to a new high would start to decrease. At that point, we would have to re-evaluate our wave analysis due to the depth of the pullback. If we saw a 4-hour close below the low of the last dominant bull candle (USD 3,099), it would warn that sell side pressure was starting to increase.
- The futures traded down to but held above the EMA support band, the RSI is above 50 with price and momentum are conflicting, as the previous the candle closed above the daily pivot level.
- A close on the 4-hour candle above USD 3,101 with the RSI at or above 59.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 3,070 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish the futures remain in a corrective phase with the MA on the RSI implying we have light momentum weakness. Our Elliott wave analysis suggests that downside moves should in theory be countertrend, making USD 3,070 the key support to follow. If broken, then the probability of price trading to a new high will start to decrease, bringing into question our wave analysis.