



Base Morning Technical Report

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(Bloomberg) -- Copper swayed in London as investors mulled the outlook for interests following softer-than-expected US inflation data.

Futures held above \$11,700 a ton after gaining more than 1% Wednesday. Underlying US inflation rose in November at the slowest annual pace since early 2021, an unexpected improvement in a report muddled by the government shutdown. The data offered some relief to traders worried about more pronounced inflation that could keep a lid on rate cuts by the US Federal Reserve.

The Fed delivered its third-straight rate cut last week — a tailwind for industrial metals and other commodities — but has been ambiguous about the pace of monetary easing heading into next year. Traders now expect at least two rate cuts in 2026.

Copper has alternated between gains and losses in recent days after hitting a record high last week. The metal — critical to the world's green transition — has rallied by about a third this year following a series of disruptions at major mines, signs of resilient demand and lingering concerns that the Trump administration eventually may impose a tariff on refined-metal imports.

Benchmark copper prices gained 0.3% to settle at \$11,778 a metric ton on the London Metal Exchange. All other metals except zinc advanced.

Copper Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	11,781.5	RSI is above 50	
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 above 50
- Price is above the daily pivot point USD 11,745
- Technically bullish on the last report, the MA on the RSI implied that we had very light momentum support. We noted that if we closed above the high of the last dominant bear candle (USD 11,909.5) it would warn that the USD 11,952 fractal high could be tested and broken. As noted previously, we were cautious on upside breakouts to new highs, as we had the bearish rejection candle above us, warning of sell side pressure at higher levels, whilst the futures would be divergent above USD 11,952. If we closed below the low of the last dominant bear candle (USD 11,541.5) it would warn that the USD 11,434 fractal low could be tested and broken; if it was, it would take the technical into bearish territory. Technically, we could move higher in the near-term; however, we were now cautious on upside moves as they could struggle to hold.
- The futures have consolidated, creating a symmetrical triangle pattern, 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 11,745 with the RSI at or below 53.5 will mean price and momentum are aligned to the sell side.
- Technically bullish, the futures have opened above the trend resistance line of the symmetrical triangle pattern (USD 11,754), if we hold above the resistance line, it will signal that the high of the of the resistance candle (USD 11,890.5) and the fractal high at USD 11,952 could be tested and broken. If we close above the high of the last dominant bear candle (USD 11,909.5) and trade to a new high; although divergent, we will have a potential upside target at USD 12,106. However, if we trade to a new high, but fail to close above the USD 11,909.5 level, then we will be looking at a weaker upside break, suggesting caution. Failure to hold above the resistance line will signal pattern failure, at this point the symmetrical triangle should be ignored, as it will warn of technical weakness.

Aluminium Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	2,907	R1	2,933	2,934	RSI above 50	Stochastic overbought
S2	2,875	R2	2,948			
S3	2,864	R3	2,955			

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (62)
- Stochastic is overbought
- Price is above the daily pivot point USD 2,907
- Technically bullish on the last report, the futures remained in a corrective phase. The MA on the RSI implied that we had light momentum support; however, for upside continuation we needed to close above both the linear regression line, and the high of the last dominant bear candle (USD 2,895.5). A close that held below the intraday 200-period MA (USD 2,859) would warn that support levels could come under pressure, making USD 2,822 the key support to follow. Downside moves below this level would warn that the probability of the futures trading to a new high will start to decrease; conversely, corrective moves that held at or above this level will warn that there could be a larger bull cycle coming into play.
- The futures have held above key support levels resulting in price moving higher, we are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 2,907 with the RSI at or below 53.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,822 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 momentum is supported, whilst our intraday Elliott wave analysis suggests that downside moves should be considered as countertrend. Market buyers should be cautious on pullbacks below USD 2,850 as it will warn that price action is becoming corrective. Bullish

Zinc Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	3,065		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (46)
- Stochastic is above
- Price is above the daily pivot point USD 3,063
- Technically bearish on the last report, the MA on the RSI implied that momentum was weak at this point. The futures had closed below the intraday 200-period MA (USD 2,054), we noted that if we held below it, then support levels would become vulnerable. Conversely, a close that held above the average would leave the futures vulnerable to an intraday move higher. However, with the bull cycle failing we were cautious on upside moves, making USD 3,156 the key resistance to follow. Above this level, the probability of the futures trading to a new low would start to decrease.
- The futures are seeing light bid support with price currently holding above the intraday 200-period MA (USD 3,057). We are below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 3,063 with the RSI at or below 43 will mean price and momentum are aligned to the side. Upside moves that fail at or below USD 3,156 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 we have light momentum support, whilst the futures are above the 200-period MA, meaning we remain vulnerable to an intraday move higher in the near-term. However, our Elliott wave analysis suggests that upside moves should be considered as countertrend, making USD 3,156 the key resistance to follow. If we close and hold below the trend support line (USD 3,053), then we will be looking at a bear flag. At this point, the technical suggests that we move lower.