FIS

Base Morning Technical Report

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

Cu

(Bloomberg) -- The race for artificial intelligence and surging defense spending are set to intensify a projected shortage of copper as producers struggle to expand, according to a new study by S&P Global.

Demand growth is accelerating just as mine supply faces structural limits, raising the risk that copper becomes a bottleneck for economic growth and technological expansion, S&P Global wrote Thursday in a report backed by the mining industry.

Copper has soared to record highs above $13,000 a metric ton in London, driven by a slew of mine outages and traders' moves to stockpile the metal in the US ahead of possible Trump administration tariffs. While the flow of copper into US warehouses has sent prices beyond levels implied by underlying consumption, new areas of demand signal an even tighter market in the longer term.

“AI and data centers really weren't even on the radar three years ago,” Aurian De La Noue, head of energy transition and critical metals consulting at S&P Global, said in an interview. “What this study shows is that the world is tracking toward a supply deficit even before you consider these new growth vectors.”

Copper Morning Technical (4-hour)

Support		Resistance		Current Price	Bull	Bear
S1	12,647	R1	13,005	12,705	Stochastic oversold	
S2	12,419	R2	13,387			
S3	12,109	R3	13,626			

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- The RSI is at 50 (50)
- Stochastic is oversold
- Price is below the daily pivot point USD 13,005
- Technically bullish yesterday, the futures had entered a small corrective phase; however, we were yet to confirm that this was a lower timeframe countertrend wave 4. Elliott wave analysis continued to suggest that downside moves should be considered as countertrend, a close below the low of the last dominant bull candle (USD 13,049) would indicate that buyside pressure was decreasing, warning the Fibonacci support zone could be tested.
- The futures have closed below the USD 13,049 level resulting in price selling lower. We are between the EMA support band with the RSI neutral at 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 13,005 with the RSI at or above 66 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 12,109 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish ,the MA on the RSI implies that we have light momentum weakness. The futures have now entered a corrective Elliott wave 4; wave analysis suggests that this move should be countertrend, making USD 12,109 the key support. Below this level the probability of the futures trading to a new high will start to decrease, warning that there is an increased probability of the bullish wave cycle failing. Price is now in the EMA support band whilst approaching the Fibonacci support zone, warning we could see sell side momentum start to slow. In theory, a corrective wave 4's have a tendency to terminate between the 38.2% - 50% area of the previous bull wave (USD 12,647—USD 12,419), making this an area of interest for market buyer's. Market sellers should be cautious on a close above the last high volume dominant bear candle USD (13,123.5), as it will indicate that buyside pressure is increasing.

Aluminium Morning Technical (4-hour)

Support		Resistance		Current Price	Bull	Bear
S1	3,040	R1	3,101	3,064.5	RSI above 50	
S2	3,007	R2	3,110			
S3	2,982	R3	3,137			

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (55)
- Stochastic is oversold
- Price is above the daily pivot point USD 3,101
- Unchanged on the technical this morning, we remained bullish with downside moves considered as countertrend. The futures were trading just below yesterdays highs with price entering a lower timeframe corrective Elliott wave 4. However, we still needed to see a close below the low of the last high volume dominant bull candle to signal buyside pressure was easing (USD 3,080.5—correction, USD 3,074.5). Bullish
- The futures continue to sell lower but we are yet to close below the low of the last dominant bull candle (USD 3,074.5). We remain above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle below USD 3,101 with the RSI at or above 73.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 3,007 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase, the MA on the RSI implies that momentum is weakening at this point. Elliott wave analysis suggests that downside moves should be considered as countertrend, making USD 3,007 the key support to follow; if broken, then the probability of price trading to a new high will start to decrease. Conversely, a rejection of the USD 3,110 level will warn that there is further downside within the corrective phase, whilst above this level will imply that we could be entering into a lower timeframe bullish Elliott wave 5. A close above the high of the last high volume dominant bear candle (USD 3,120.5) will indicate that buyside pressure is increasing, suggesting the USD 3,141.5 fractal high will be tested and broken.

Zinc Morning Technical (4-hour)

Support		Resistance		Current Price	Bull	Bear
S1	3,150	R1	3,193	3,172	RSI above 50	
S2	3,112	R2	3,228			
S3	3,083	R3	3,268			

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA resistance band (Black EMA's)
- RSI is above 50 (51)
- Stochastic is oversold
- Price is below the daily pivot point USD 3,193
- Unchanged on the technical yesterday, we remained bullish with the MA on the RSI indicating that momentum remained supported. Elliott wave analysis continued to suggest that downside moves should be considered as countertrend, making USD 3,112 the key support to follow. If broken, then the probability of price trading to a new high would start to decrease.
- The futures have entered a corrective phase within the larger bull trend. Price is now between the EMA support band with the RSI near—neutral at 51, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 3,193 with the RSI at or above 65 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 3,112 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase, the MA on the RSI implies that momentum is weakening; however, Elliott wave analysis suggests that downside moves should be considered as countertrend, making USD 3,112 the key support to follow. Below this level the probability of the futures trading to a new high will start to decrease. Upside moves that fail at or below USD 3,228 will warn that there could be further downside with the corrective phase; conversely, a close above the level will also put price above the high of the last high volume dominant bear candle (USD 3,220.5), indicating the USD 3,268 fractal high could be tested and broken.