



Base Morning Technical Report

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

Ni

(Bloomberg) -- Nickel steadied near the highest level since mid-2024 after top producer Indonesia signaled a potential drop in output.

Three-month futures traded slightly lower near \$18,600 a ton, after surging almost 6% on Wednesday. Indonesia will likely issue quotas for 250 million to 260 million tons of nickel ore this year, Bloomberg Technoz said Wednesday, citing Director General of Minerals and Coal Tri Winarno. That compares with a 2025 target of 379 million tons.

The “quota is insufficient to meet domestic production needs,” said Li Xuezhi, head of research at Chaos Ternary Futures Co. “This will lead to a shortage in the global market, so the overall upward trend for nickel has not fully played out yet. Next, we need to watch how this policy is implemented.”

Copper Morning Technical (4-hour)



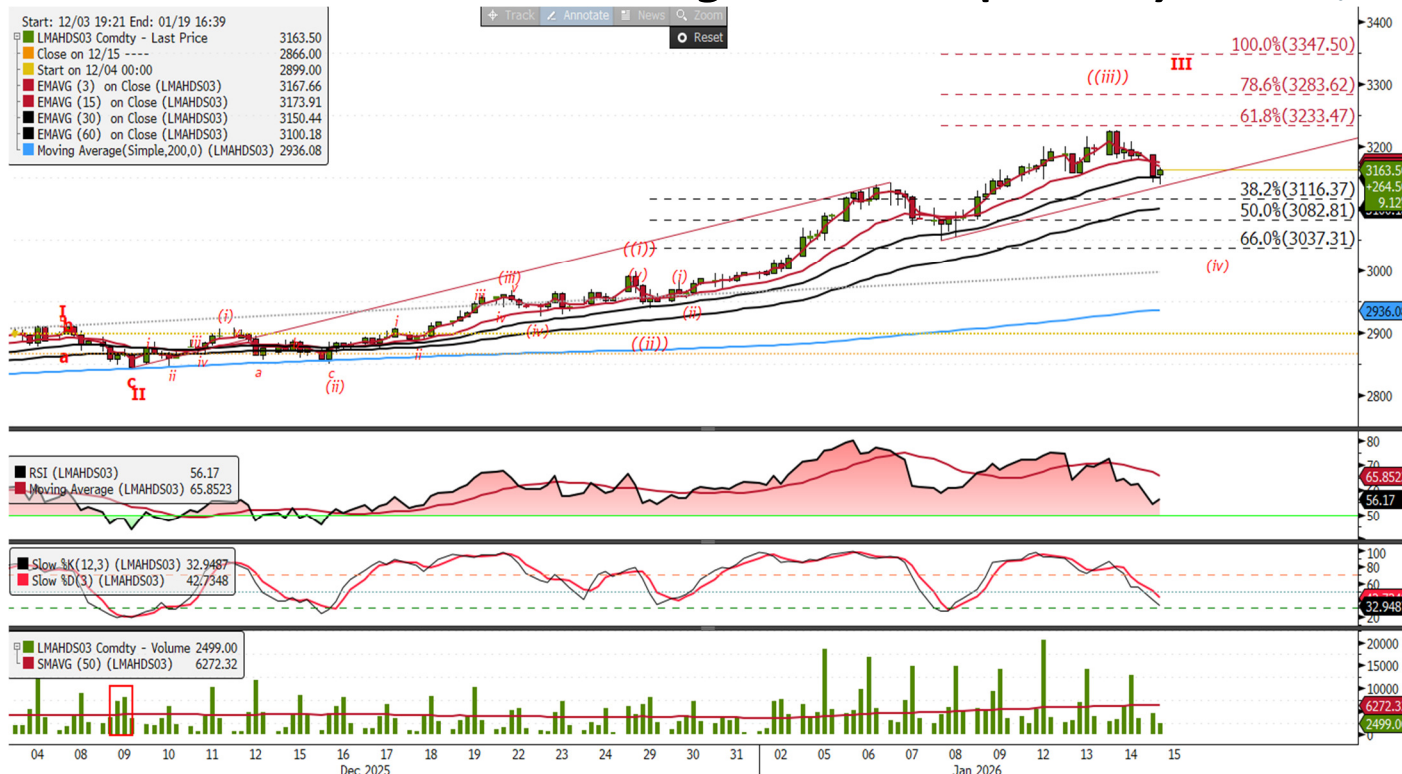
	Support		Resistance	Current Price	Bull	Bear
S1	13,072	R1	13,245	13,082	RSI above 50	
S2	12,829	R2	13,485			
S3	12,532	R3	13,713			

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- The RSI is above 50 (52)
- Stochastic is at 50
- Price is above the daily pivot point USD 13,245
- Technical outlook: Cautious Bull. The upside breakout above USD 13,387.5 yesterday had left the technical picture divergent with the RSI. While Fibonacci projection levels suggested upside potential toward USD 13,713 for this phase of the cycle, the presence of divergence warranted a cautious approach, as it warned that buy-side momentum may begin to slow. Caution would increase further if price and momentum started to align to the sell side. A move below USD 12,829 would shift this phase of the Elliott wave structure to neutral and provide an early signal that price may be entering a higher-timeframe countertrend corrective Wave 4. Despite near-term caution at current levels, the longer-term technical structure remained bullish. As such, any downside moves were still viewed as corrective in nature rather than signaling a broader trend reversal.
- The futures have sold lower on the RSI divergence highlighted yesterday, price is between 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 13,245 with the RSI at or above 60.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 12,829 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Cautious Bull. The recent move lower indicates that price has entered a corrective phase, while the RSI moving average is now signaling momentum weakness. With price and momentum becoming aligned to the sell side, the USD 12,829 Fibonacci support is vulnerable. A break below this level would shift the phase of the futures to neutral and provide an early indication that price may be entering a higher-timeframe countertrend corrective Elliott Wave 4. As highlighted previously, any downside moves are still viewed as corrective rather than signaling a broader trend reversal. On the buy side, a hold above the USD 12,829 support—combined with price and momentum realigning to the buy side—would warrant caution for sellers positioned on the divergence. Such a development would warn that a lower-timeframe Elliott wave extension may be unfolding, increasing the risk of further upside. Given the presence of the negative divergence, we continue to maintain a cautious approach at current levels.

Aluminium Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	3,116	R1	3,195	3,163.5	RSI above 50	
S2	3,082	R2	3,233			
S3	3,037	R3	3,283			

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (56)
- Stochastic is below 50
- Price is below the daily pivot point USD 3,195
- Although the lower-timeframe Elliott wave cycle had extended yesterday, futures remain divergent with the RSI and the outlook was therefore unchanged. The broader technical structure remained bullish; however, any move lower would likely unfold as a lower-timeframe Wave 4 correction. Following the extension, key Fibonacci support was revised to USD 3,028. The presence of a second RSI divergence while price traded within a Fibonacci resistance zone reinforced the need for caution, supporting the continuation of a cautious bullish stance.
- The futures have entered a corrective phase on the negative divergence highlighted yesterday. 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 above USD 3,195 with the RSI at or above 68 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 3,037 will support a bull argument, below this level the technical will have a neutral bias, suggesting we could be entering a higher timeframe corrective wave 4.
- Technical outlook: Bullish Throwback. Sell-side pressure linked to yesterday's negative divergence has resulted in a bullish throwback, suggesting price may be in the early stages of a lower-timeframe countertrend Elliott Wave 4. While near-term price action is corrective, the broader technical structure remains bullish. We identify USD 3,037 as the key support level. A sustained move below this level would indicate increasing sell-side pressure and begin to undermine the integrity of the broader trend and Elliott wave structure.

Zinc Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	R1	3,301	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (64)
- Stochastic is overbought
- Price is above the daily pivot point USD 3,255
- We noted yesterday that the previous days rally to a new high had resulted in price becoming divergent with the RSI, implying that buy-side momentum had the potential to slow. That said, lower-timeframe Elliott wave analysis of the advance that began on 08/01 suggests that any downside moves should remain countertrend in nature, leaving the USD 3,277.5 fractal high vulnerable to further tests. On the downside, corrective moves below USD 3,175 would weaken the lower-timeframe Elliott wave structure and warn that price may be transitioning into a higher-timeframe corrective phase. Nevertheless, the longer-term technical structure remained bullish, indicating that pullbacks should still be viewed as corrective rather than bearish.
- The futures traded above the USD 3,277.5 fractal resistance yesterday; however, we have seen some irregular price movement in the Asian day session resulting in price spiking to a high of USD 3,355 before immediately selling lower. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 3,255 with the RSI at or below 57.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 3,251 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Bullish. The upside move on the Asian open has produced both lower- and higher-timeframe Elliott wave extensions, implying that any downside moves should continue to be viewed as corrective rather than bearish. Price has, however, formed a strong rejection candle at the 100% Fibonacci resistance level at USD 3,358. Technically, this rejection warns of the potential for further intraday selling pressure and raises the risk that the USD 3,251 Fibonacci support could be tested, and possibly broken. A break below USD 3,251 would damage the integrity of the lower-timeframe wave cycle, though it would not invalidate the broader bullish trend. While the rejection candle from resistance cannot be ignored, it is important to note that it occurred on lower-than-expected volume, reducing its immediate significance. The lighter volume suggests that, despite the intraday volatility, selling lacked intensity. Confirmation in the form of at least one lower intraday candle close would be required to signal that the lower-timeframe Elliott wave cycle is failing.