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(Bloomberg) -- Copper climbed as investors waited for crunch talks between Iran and the US on Saturday to judge whether the shaky ceasefire between the two nations can hold.

In choppy trading, the metal rose as much as 0.7% on the London Metal Exchange to \$12,769 a ton, its highest since March 18, before paring gains.

Metals have recovered ground since Tuesday's deal between Tehran and Washington paused hostilities for two weeks, raising hopes that global demand will escape an even worse hit from soaring energy prices. Still, US President Donald Trump continues to threaten Iran, and the outcome of the talks will set the tone for next week's trading.

Copper "should outperform if we have sustained de-escalation," according to a research note from Jefferies Financial Group Inc. "It is basically a binary outcome with risk now skewed to the upside once again."

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The copper market in China is also showing positive signs, with import premiums paid on top of exchange prices rising to a ten-month high on Friday, according to data from Shanghai Metals Market. That's an indication of stronger immediate demand.

Vice President JD Vance is expected to lead the US delegation in the discussions in Islamabad. Trump said he was optimistic about a deal, although he said Iran was doing a "very poor job" of allowing oil to pass through the crucial Strait of Hormuz.

Copper traded at \$12,718.50 a ton by 3:09 p.m. Shanghai time, and was on track for a third weekly advance. Aluminum, nickel and tin were also higher.

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	12,536	R1	12,720	RSI above 50	Stochastic overbought
S2	12,360	R2	12,868		
S3	12,234	R3	13,712		

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI is above 50 (63)
- Stochastic is overbought
- Price is above the daily pivot point USD 12,649
- Technical Outlook Previously: Vulnerable to an intraday pullback
- We continued to see some conflictions on the technical yesterday as the RSI moving average implied that momentum was supported. However, the upside move was finding resistance at the intraday 200-period MA; if price ace momentum become aligned to the sell side, then support levels would become vulnerable. Conversely, for upside continuation the futures needed to close and hold above the 200-period MA.
- The futures traded to low of USD 12,536.5 before reverting back to the 200-peirod MA. We are above the EMA support band with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 12,649 with the RSI at or below 61 will mean price and momentum are aligned to the sell side; likewise, a close above this level with the RSI at or above 65.5 will mean it is aligned to the buyside. Downside moves that hold at or above USD 12,063 will support a near-term bull argument, below this level price will re-enter bearish territory.
- Technical Outlook: Inflection point, negative divergence in play
- The upside move above the USD 12,755.5 level means price is divergent with the RSI, warning buyside momentum could slow. The futures are testing the 200-peirod MA at USD 12,720, meaning price is at an inflection point. For upside continuation price will need to close and hold above the average with the divergence failing.

Aluminium Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	3,452	R1	3,474	RSI above 50	
S2	3,375	R2			
S3	3,326	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is at 50 (54)
- Stochastic is oversold
- Price is below the daily pivot point USD 3,452
- Technical outlook Previously: Neutral
- The technical was conflicting yesterday, as the positive divergence remained in play, indicating that resistance levels were vulnerable. However, the RSI moving average implied momentum was weak, while the RSI had breached its support zone. A move below USD 3,425 would indicate the positive reversal pattern had failed; if it did, then the USD 3,258 support would become vulnerable. If broken, then the probability of price trading to a new high within this phase of the cycle would begin to decrease. If we held above the USD 3,425 level with price and momentum becoming aligned to the buy-side, it would signal an increase in buy-side pressure.
- The futures continue to hold above the USD 3,425 support. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buy-side.
- A close on the 4-hour candle below USD 3,452 with the RSI at or below 49.5 would mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 3,258 will support a bull argument, below this level the futures will have re-entered bearish territory.
- Technical outlook: Momentum conflict.
- Like yesterday, the positive divergence remains in play, while price and momentum are now aligned to the buy-side, indicating resistance is vulnerable. However, there is a key point of technical conflict with the RSI. After breaking below its support zone, it is now in the process of retesting that level. A sustained move and close above 55 would indicate strengthening buy-side pressure and reinforce the case for a positive reversal. On the other hand, failure to reclaim this level—followed by rejection—would likely shift focus back to the downside, with price targeting support around USD 3,425.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	3,268	R1 3,309	3,299.5	RSI above 50	
S2	3,240	R2 3,353			
S3	3,199	R3 3,386			

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 3,309
- Technical outlook Previously: In divergence - Inflection point
- Having sold lower on the divergence yesterday the futures were at an inflection point, as price was testing the intraday 200-period MA. We noted that a close and hold below the average would signal an increase in sell side pressure, warning support levels could come under pressure. While above the MA we remained cautious on downside moves, as we noted that the RSI was moving lower faster than price, warning there remains an underlying support in the market.
- The futures held the 200-period MA at USD 3,268 on the positive reversal pattern yesterday resulting in a small move higher. Price is 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 3,309 with the RSI at or above 61 will mean price and momentum are aligned to the buy side; likewise, a close below this level with the RSI at or below 56.5 will mean it is aligned to the sell side. Downside moves that hold at or above USD 3,143 will support a near-term bull argument, below this level price will re-enter bear territory.
- Technical outlook. Resistance vulnerable
- The downside move held the intraday 200-period MA yesterday with price moving higher on the positive reversal pattern with the RSI, implying the USD 3,374.5 fractal high is vulnerable. As highlighted previously, a close and hold below the average, or a breach in the USD 3,215.5 fractal support will signal an increase in sell-side pressure, warning the USD 3,143 support could be tested. This remains the key level on the technical, as corrective moves below this level will reduce the probability of price trading to a new high.