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(Bloomberg) -- Copper fell with other metals as investors watched for the next major developments from the Middle East after peace talks stalled, with the US and Iran both vying for control of the Strait of Hormuz.

A key gauge of prices for London-traded metals hit a record high on Wednesday after US President Donald Trump said a ceasefire with Iran will remain in place indefinitely, while Washington waits for Iran to submit a peace proposal. Tehran says it has no plans to take part in negotiations imminently.

The US is maintaining a naval blockade on vessels transiting to and from Iran's ports to apply pressure on the Islamic Republic, while Tehran is obstructing most other international traffic through Hormuz. The continued disruption to shipping is keeping energy prices high and threatening global growth.

# Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	13,139	R1	13,381	RSI above 50	
S2	13,055	R2	13,504		
S3	12,803	R3	13,706		

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI is above 50 (52)
- Stochastic is above 50
- Price is below the daily pivot point USD 13,381
- Technical Outlook Previously: Downside moves considered as countertrend
- Unchanged on the technical yesterday. Near-term price action remained neutral with price in the symmetrical triangle, support and resistance lines were between USD 13,204 and USD 13,346. However, we continued to have a cautious approach to downside breakouts due to the positive reversal pattern in play.
- The futures have traded to new highs but the move has failed to hold. We are above 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 13,381 with the RSI at or above 58 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 12,309 will support a longer-term bull argument.
- Technical Outlook: Neutral
- The upside move to a new high has failed to hold due to a negative divergence with the RSI; while the subsequent pull-back below USD 13,255 means that the probability of the futures trading to a new high has begun to decrease. Corrections below USD 13,139 will take the technical into bearish territory. We are neutral due to the divergence and the depth of the pullback; probability of new highs has decreased, but this technical is not yet bearish.

# Aluminium Morning Technical (4-hour)



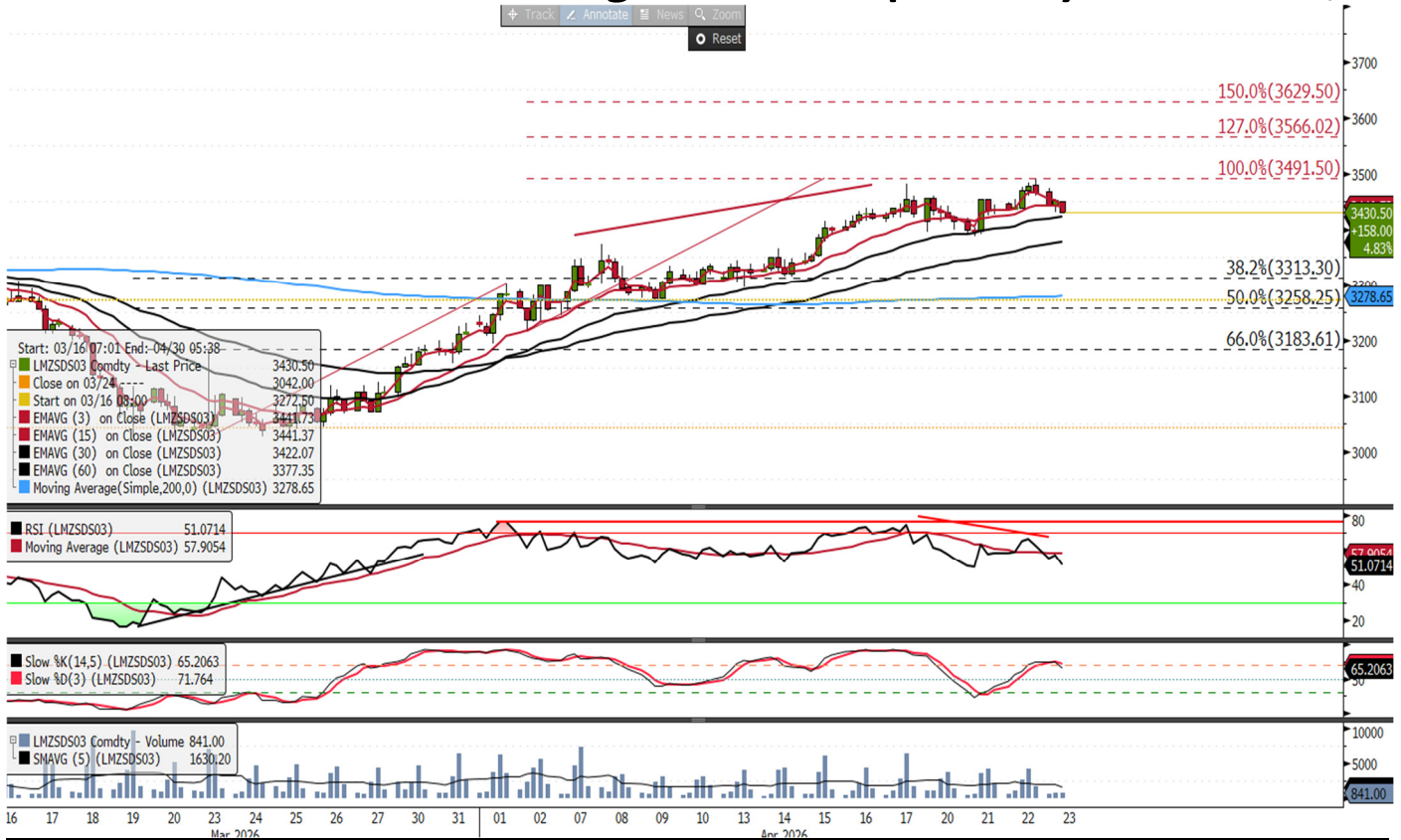
	Support	Resistance	Current Price	Bull	Bear
S1	3,595	R1	3,602	RSI above 50	Stochastic overbought
S2	3,550	R2			
S3	3,435	R3			

**Synopsis - Intraday**

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (54)
- Stochastic is overbought
- Price is above the daily pivot point USD 3,595
- Technical outlook Previously: Buyside pressure increasing
- We noted yesterday that our wave analysis had suggested that upside moves should be considered as countertrend; however, the holding of the daily Bollinger band support on the 200-period MA previously suggested we are seeing underlying support in the market, warning the USD 3,591 resistance could be tested and broken. If it was, then the probability of the futures trading to a new low will begin to decrease.
- The futures traded above the USD 3,591 resistance; however, price has seen a small back on the open today. We remain 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 3,595 with the RSI at or below 48.5 would mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 3,304 would warn that there could be a larger, bullish wave cycle coming into play.
- Technical outlook: Momentum support
- The upside move above USD 3,591 means that the probability of the futures trading to a new low has started to decrease, the RSI moving average also implies momentum support. The longer-term technical is bullish, downside moves are considered as countertrend. The straight closing on the 17/04 (then re-opening that weekend) has left the corrective wave cycle unclear. In theory, there is an argument to say it is incomplete. If we trade above the high of the strong bear candle from the 17/04 at USD 3,638.5 then it would have bullish implications (added to the momentum support); conversely, a close below the low of the last intraday dominant bull candle at USD 3,550 will warn of increased selling pressure. Right now, from a technical perspective, the lack of clarity suggest being on the sidelines for anything other than intraday swings.

# Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	3,387	R1	3,430.5	RSI above 50	Stochastic overbought
S2	3,313	R2			
S3	3,278	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (51)
- Stochastic is overbought
- Price is below the daily pivot point USD 3,463
- Technical outlook Previously: Negative divergence, cautious bull
- We noted yesterday that price had caught a bid but was yet to trade to a new high. Above USD 3,482 the futures would be in divergence with the RSI, not a sell signal, it warned that we could see a momentum slowdown, this needed to be monitored. Due to the divergence risk, we were cautious on upside breakouts. We maintained our view that downside moves should be considered as countertrend at that point.
- The futures have traded to a new high; however, due to the negative divergence with the RSI the upside move is struggling to hold. We are above 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 3,463 with the RSI at or above 58 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 3,183 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook. Negative divergence, cautious bull
- Unchanged, price has traded to a new high; however, due to the divergence in play we are currently cautious on upside moves. The longer-term trend is considered as bullish. Meaning downside moves are considered as countertrend. Price still has the ability to test the USD 3,491.5 fractal high in the near-term, but cautious is warranted if we do.