



Base Morning Technical Report

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Metals

(Bloomberg) -- Domestic aluminum producers are seeking alternative sources of raw materials outside the Middle East, as deliveries from the Gulf regions remain uncertain, the country's aluminum lobby group said.

Yasushi Noto, executive director of the Japan Aluminium Association, said at a regular press conference in Tokyo on Monday

Alternative source countries could include New Zealand, Malaysia and India, according to JAA

NOTE: Japan is entirely dependent on imports for unwrought aluminum, with the Middle East accounting for around 30% of the country's total supply in 2025, according to JAA

The potential bottleneck in alternative procurement is whether the replacements meet the right specifications, including aluminum content: Noto

Copper Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	13,139	R1	13,173	Stochastic oversold	RSI below 50
S2	13,055	R2	13,497		
S3	12,803	R3	13,578		

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- The RSI is below 50 (44)
- Stochastic is oversold
- Price is below the daily pivot point USD 13,173
- Technical Outlook Previously: Neutral - Caution on upside moves
- Neutral on Friday, the futures were coming under light pressure. We continued to be cautious on upside moves due to the deep pullback and the negative divergence. A daily close below USD 13,193 would be below the low of the low of the last dominant daily bull candle, signaling sell side pressure was weakening, while below USD 13,139 the intraday technical would be bearish.
- The futures continue to come under pressure with price trading below USD 13,193; however, we are yet to see a daily close below it. We are between the EMA support band with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 13,173 with the RSI at or above 52 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: Sell side pressure is increasing.
- Price is trading below but has not closed below the USD 13,193 level; however, the failed swing high is our first warning that sell side pressure is on the increase. We also note that the RSI failed to hold above its moving average, this warns of momentum weakness. A daily close below USD 13,193, or a breach in the USD 13,139 fractal low will further support technical weakness. With price moving lower on the negative divergence, we maintain a cautious approach on upside moves at this point.

Aluminium Morning Technical (4-hour)



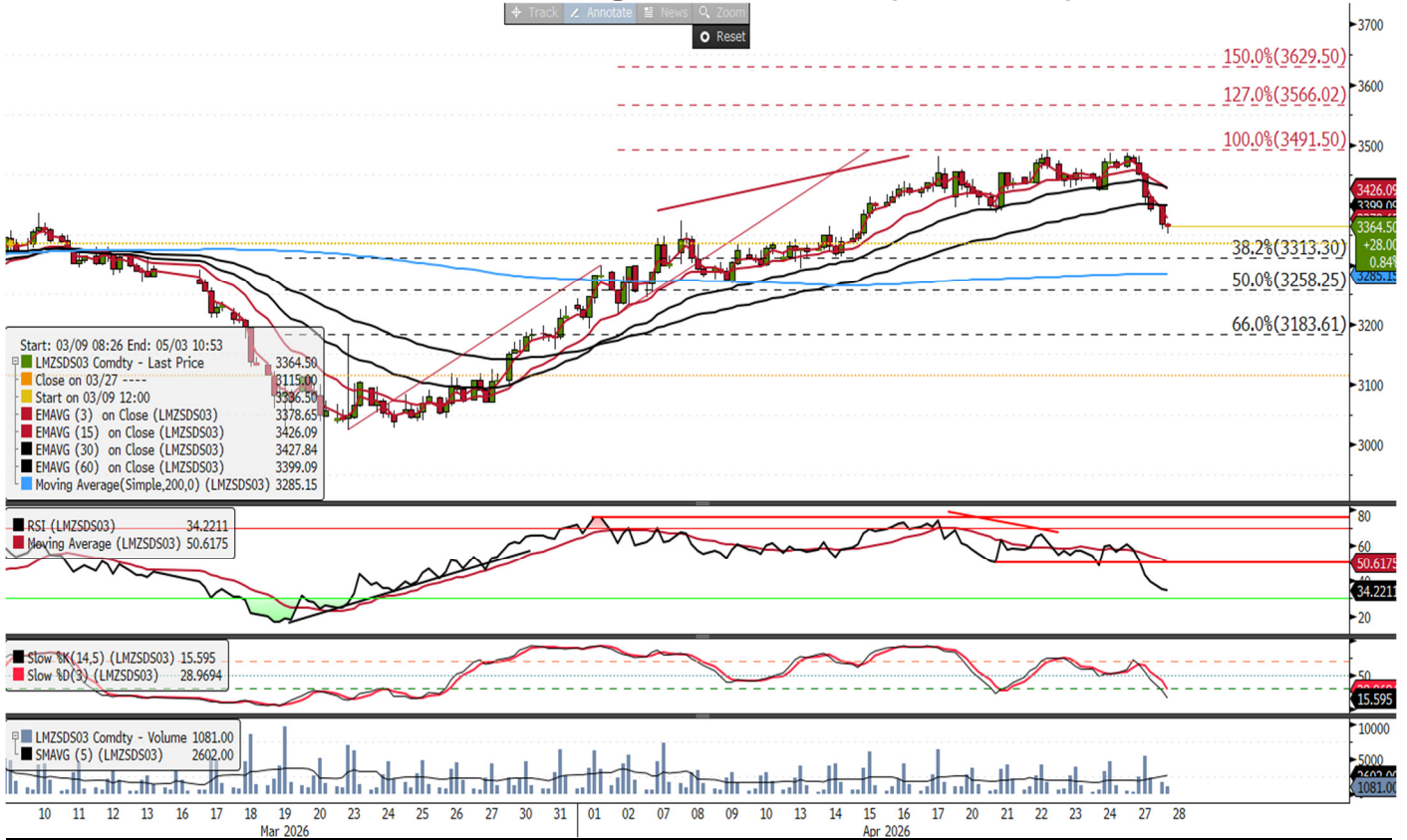
	Support	Resistance	Current Price	Bull	Bear	
S1	3,550	R1	3,555	Stochastic oversold	RSI below 50	
S2	3,435	R2				3,621
S3	3,408	R3				3,672

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (43)
- Stochastic is oversold
- Price is below the daily pivot point USD 3,589
- Technical outlook Previously: Neutral
- We lacked clarity on the wave cycle on Friday and noted that price was holding the EMA support band; however, the RSI was below its average. We also note that the RSI had rejected the 60 level; this warned that momentum could be weakening, indicating caution (Cardwell). As highlighted previously, if we traded above the high of the strong bear candle from the 17/04 at USD 3,638.5, then it would have bullish implications; conversely, a close below the low of the last intraday dominant bull candle at USD 3,550 would warn of increased selling pressure.
- The futures failed to trade above the USD 3,638.5 level with price seeing a small move lower. We are below the EMA support band with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 3,589 with the RSI at or above 53 would mean price and momentum are aligned to the buyside. 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 weakness
- Although price has not closed below the USD 3,550 level, we did form a second dominant bull candle on the 27/04, this had a low of USD 3,592.5. The close below this candle is warning we have seen an increase in sell side pressure, while a 4-hour close below USD 3,550 will further reinforce a weakening technical. The RSI has rejected the 60 level with the RSI moving average moving lower; the momentum weakness means we are currently cautious on upside moves, as support levels are vulnerable.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	3,387	R1 3,423	3,364.5	Stochastic oversold	RSI below 50
S2	3,313	R2 3,491			
S3	3,278	R3 3,556			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (34)
- Stochastic is at oversold
- Price is on the daily pivot point USD 3,423
- Technical outlook Previously: Conflicting momentum
- The move lower on Thursday had resulted in the RSI breaking near-term support; however, price had not. This was known as a positive reversal pattern and warned that resistance remained vulnerable in the near-term. The caveat, a new high would create a second positive divergence, suggesting caution on upside breakouts. Conversely, the futures will need to sell below the USD 3,387 fractal support for the reversal pattern to fail. Resistance was vulnerable, the risk reward would be limited, neutral.
- The futures traded to a high of USD 3,487 on the positive reversal pattern, but failed to breach the USD 3,491.5 fractal high. Price has since sold lower with the positive reversal pattern failing. We are below the EMA support band with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 3,423 with the RSI at or above 53 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. Increase in sell side pressure.
- Having failed to make a new high due to the negative divergence with the RSI, the positive reversal pattern has now failed, signaling an increase in sell side pressure. The RSI moving average implies momentum weakness, while the move below the USD 3,387.5 fractal support means the intraday technical is bearish based on price. However, our Elliott wave analysis does suggest that downside moves should be considered as countertrend, making USD 3,183 the key support to follow; if breached, then the probability of further bullish impulse moves will begin to decrease.