FIS

Base Morning Technical Report

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(Bloomberg) -- Copper has the scope to rise to a record early next year as US tariff concerns combine with supply challenges at mines and resilient global demand, according to ANZ Group Holdings Ltd.

The industrial metal stands to benefit from an influx of supplies into the US on speculation the Trump administration may introduce a levy, analysts Soni Kumari and Daniel Hynes said in a note. Investment in electric vehicles and new-energy infrastructure will also support consumption, just as supplies face pressure in South America, they said.

Copper — used in pipes and wiring — has risen 15% this year and is near a record high set in late January. Speculation about a potential US tariff on refined imports has drawn record volumes into US-based warehouses, curtailing supplies available in the London Metal Exchange network.

“Tariff-driven metal flows into the US continue to distort the global copper balance,” the analysts said, noting that American prices were above those on the LME, opening up arbitrage flows. “Most inventories are sitting in the US, tightening the market outside.”

Three-month copper futures traded near $14,245 a ton on the LME on Thursday. Prices have the scope to rise toward $14,500 by year-end and have potential to reach $15,000 in early 2027, ANZ said.

Copper Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	14,200	R1	14,322	14,252		
S2	14,164	R2	14,441			
S3	14,055	R3	14,600			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI is at 50 (50)
- Stochastic below 50
- Price is above the daily pivot point USD 14,200
- Technical Outlook Previously: neutral
- We noted yesterday that the futures looked to be seeing a flat correction with price breaking fractal support on the move lower. Key support levels to follow were USD 14,055 and USD 13,993. We highlighted USD 13,993 as an area of interest, as this is a 161.8% Fibonacci projection of W from the peak at X. The 100% Fibonacci projection level was at USD 14,164.5, market sellers should be cautious on a close and hold above this level, as it would warn buyers are potentially looking for a higher timeframe bull cycle to emerge, or at least to test the USD 14,322 resistance. Points of interest on the wave cycle that warn there is a chance that we could be entering a higher timeframe corrective phase. Note, these observations are based on the assumption that my wave cycle was correct; we were looking at the cycle phase that started on the 24/06/26. Wave 1 was longer than my wave 3 count; as wave 3 could never be the shortest wave, this meant that this phase of the cycle would be capped at a maximum upside at USD 14,802. However, more importantly, we had a double top forming at USD 14,441.5. Prechter and Frost noted in their book the Elliott wave principle that wave 5 projections had a tendency to be related to the length of wave 1 with a Fibonacci relationship of 61.8%, 1, 161.8% or variations of this (i.e. 2.618% etc). 14,441 on my current wave 5 was exactly 61.8% of our wave 1. We have reacted to an important resistance, we now had to wait to see if support held.
- A high volume bull support candle has put price back above the USD 14,164.5 level. We are above all key moving averages with the RSI neutral at 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 14,200 with the RSI at or above 51 would mean price and momentum are aligned to the buyside. Likewise, a close below this level with the RSI at or below 46.5 would mean it is aligned to the sell side Upside move that fail at or below USD 14,322 would leave the futures vulnerable to further tests to the downside.
- Technical Outlook: Supported
- Neutral yesterday, the move lower halte3d due to the RSI holding the 40 level, this has been followed by a dominant high volume intraday bull candle that has closed above the USD 14,164.5 level. If the futures trade above the USD 14,322 resistance, then the probability of the futures trading at a new low will start to decrease; conversely, a close and hold below the USD 14,164.5 level would leave the USD 13,993 support vulnerable. We are seeing evidence of support in the market; however, more upside is needed to signal bullish continuation.

Aluminium Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	3,270	R1	3,314	3,296	RSI above 50	Stochastic overbought
S2	3,263	R2	3,340			
S3	3,250	R3	3,384			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (60)
- Stochastic is overbought
- Price is below the daily pivot point USD 3,270
- Technical outlook Previously: Supported
- Having broken the symmetrical triangle to the upside yesterday the futures had seen a daily close above the daily 200-period MA at USD 3,274. If we held above the daily 200-period MA it would signal an underly support in the market, warning the USD 3,314 resistance could be tested and broken. Conversely, failure to hold above the daily average would suggest we lacked buyside intensity. Although supported we now need to see the RSI reclaim the 60 level for upside continuation.
- The futures moved higher putting price above the EMA support band, the RSI is above 50 while price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 3,270 with the RSI at or below 56.5 would mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 3,314 would leave price vulnerable to further downside moves
- Technical outlook: Supported
- On the buyside, we have see n an intraday move higher with volume support that has resulted in the RSI moving above the 60 level. On the sell side, we have lacked upside momentum in the Asian day session with price producing a small rejection candle below our key resistance at USD 3,314. Price is supported and above the daily 200-period MA at USD 3,249; however, we are yet to see an increase in buyside intensity and remain below the USD 3,314 resistance. For up-side continuation, we are going to need to see a sustained move that holds above the USD 3,314 support, as the move higher is looking like an A-B-C structure. Market bulls should act with caution if the RSI fails to hold above the 60 level.

Zinc Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	3,875	R1	3,990	3,877	Stochastic oversold	RSI below 50
S2	3,856	R2	4,025			
S3	3,817	R3	4,075			

Synopsis - Intraday

Source Bloomberg

- Price is between the EMA support band (Black EMA's)
- RSI is below 50 (48)
- Stochastic is oversold
- Price is above the daily pivot point USD 3,875
- Technical outlook Previously: Caution on upside moves
- The move below USD 3,859.5 yesterday suggested that we were in a corrective phase. On the buyside, the wave B did trade at a new high, signaling underlying support within the broader trend; throwbacks that hold at or above USD 3,765 will warn that there was a larger bull cycle in play. On the sell side, we had a lower low supported by bearish momentum confirmation, implying caution on upside moves in the near-term. Bullish confirmation would only comes from a move above the USD 3,990 level at this point, preferably with an RSI making new highs.
- Having traded at a low of USD 3,840.5 the futures have seen light bid support. We are between the EMA support band with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 3,875 with the RSI at or above 55 would mean price and momentum are aligned to the buyside; likewise, a close below this level would mean it is aligned to the sell side. Downside moves that hold at or above USD 3,765 would support a longer term bull argument bull argument.
- Technical outlook: Caution on downside breakouts
- If this is a flat Elliott wave correction, then our lower timeframe wave count does suggest that the USD 3,840.5 support is vulnerable in the near-term. However, a downside breakout will complete a lower timeframe 5-wave pattern, warning the corrective phase has potentially completed, meaning breakouts to new lows should be treated with caution. Intraday upside moves above USD 3,951 would signal an increase in buyside pressure, warning we could be in the early stages of a new bull phase.