FIS

Base Morning Technical Report

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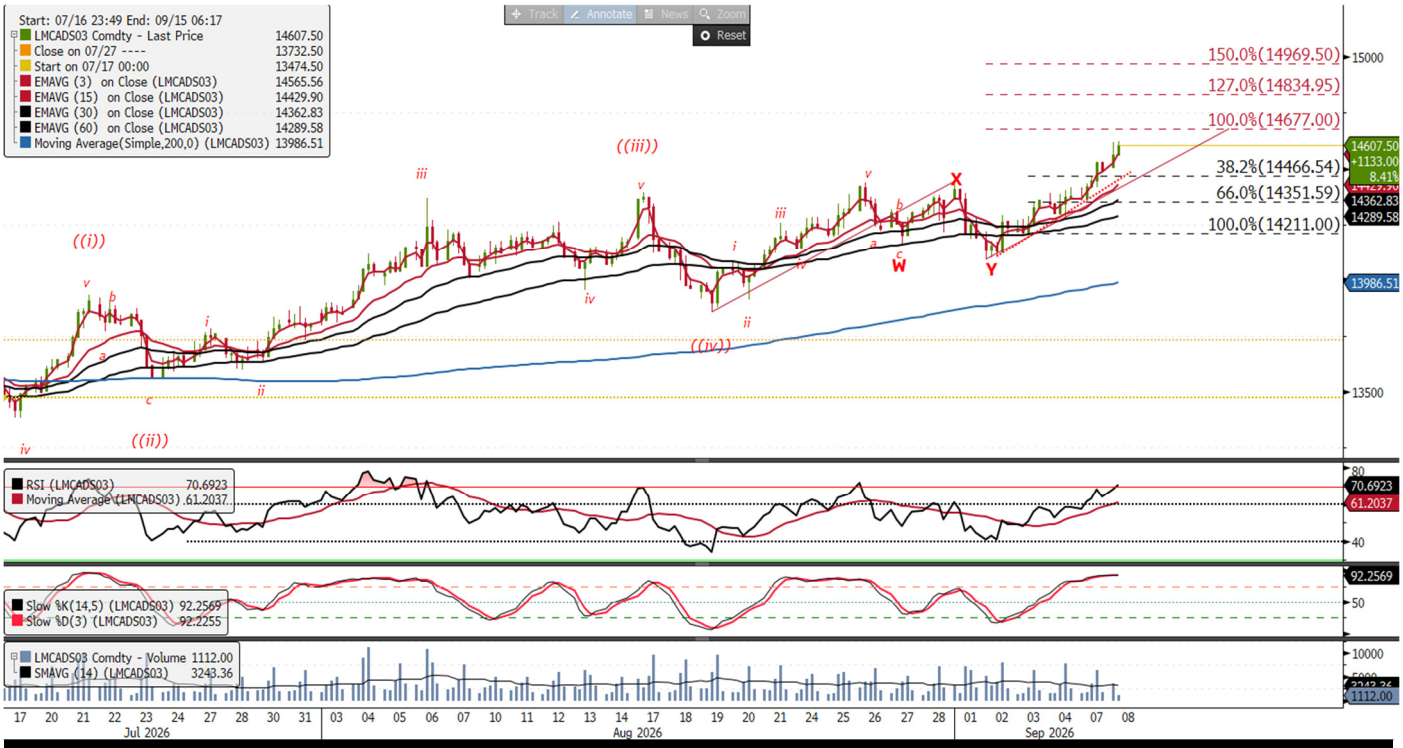
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(Bloomberg) -- Copper extended gains, hitting a record high for a second straight session, as tight near-term supplies and expectations the US will tariff imports of refined metal buoyed prices.

The industrial metal rose for a fourth day on the London Metal Exchange, touching an all-time peak of $14,617 a ton. Copper has rallied around 17% this year, supported by a long-term mismatch between constrained mine supply and growing demand from data centers, renewable energy equipment and power grids.

Shorter-term tightness has been amplified by a massive shift of refined copper toward the US, to capture higher prices due to the prospect of tariffs. The flows have drained stockpiles in LME warehouses. That triggered a severe squeeze last month and kept the futures curve in steep backwardation, a market structure that indicates a dearth of supply.

Copper Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	14,466	R1	14,677	14,607.5	RSI above 50	Stochastic overbought
S2	14,351	R2	14,834			
S3	14,211	R3	14,969			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI is at 50 (70)
- Stochastic overbought
- Price is above the daily pivot point USD 14,467
- Technical Outlook Previously: Supported
- The futures remained supported yesterday having breached the USD 14,322 resistance, resulting in price trading at new highs. We had bullish momentum confirmation but the RSI was at 60, for upside continuation, the RSI would need to close and hold above this level. Technically supported, resistance levels were vulnerable.
- The RSI has reclaimed the 60 level signaling upside continuation. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 14,467 with the RSI at or below 59 would mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 14,351 would support a bull argument, below this level the technical would have a neutral bias.
- Technical Outlook: Downside moves considered as countertrend
- The futures are trading at new highs with the RSI reclaiming the 60 level and testing 70, indicating momentum is supported. Elliott wave analysis implies that downside moves should be considered as countertrend, providing the USD 14,351 support is not breached; if it is, then the probability of the futures trading at new highs would start to decrease. Market buyers should act with caution on a close and hold below the trend support line at USD 14,450, as it would signal an increase in sell side pressure.

Aluminium Morning Technical (4-hour)



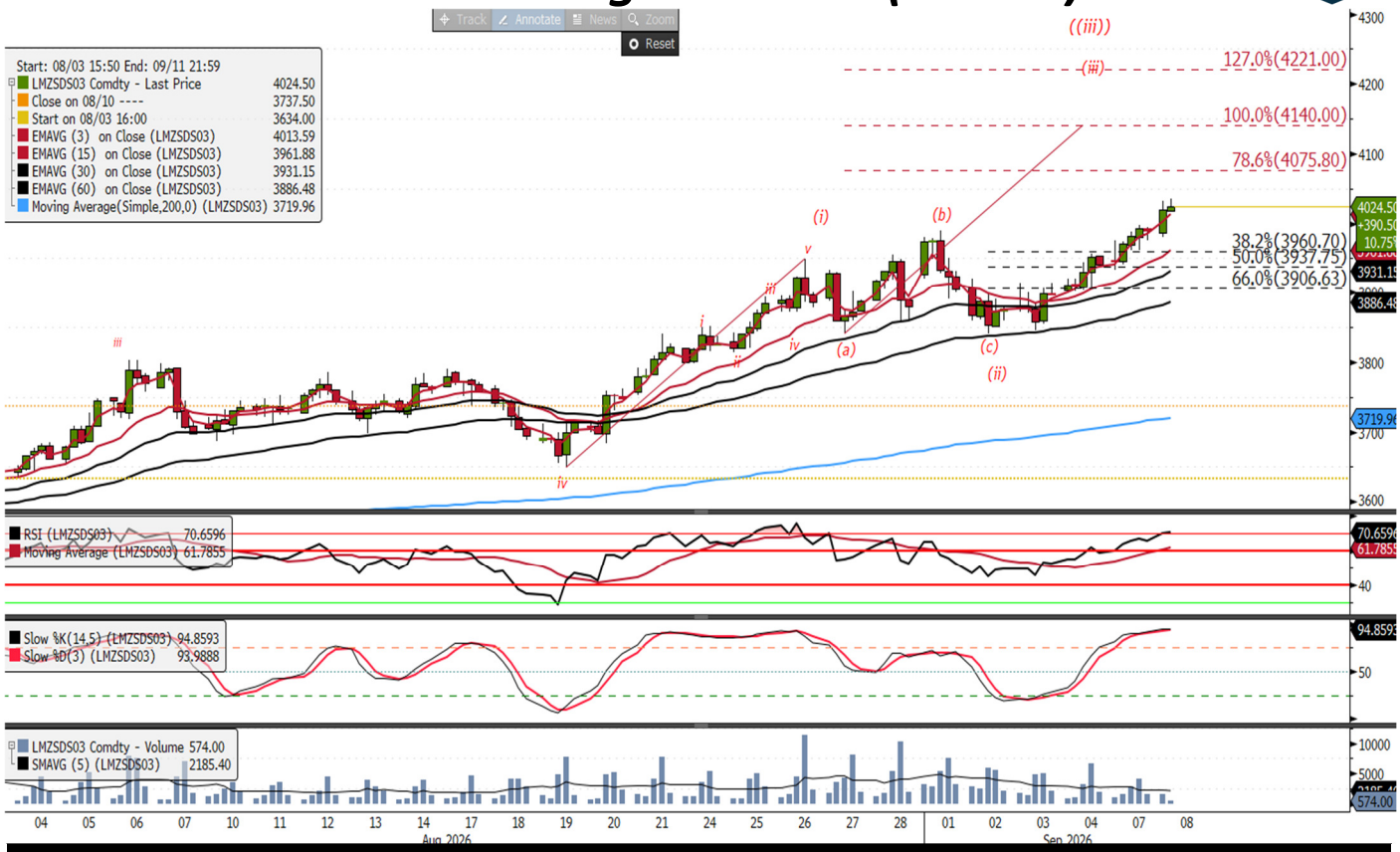
Support		Resistance		Current Price	Bull	Bear
S1	3,304	R1	3,340	3,327	RSI above 50	Stochastic overbought
S2	3,279	R2	3,353			
S3	3,263	R3	3,371			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (65)
- Stochastic is overbought
- Price is above the daily pivot point USD 3,304
- Technical outlook Previously: Supported
- The futures remained supported yesterday with price holding above the EMA support band and the Fibonacci support zone at that point. The RSI was starting to find resistance around the 60 level; if rejected, it would warn that support levels could come under pressure. As highlighted previously, we had the Elliott wave marked as an A,B,C due to a wave overlap on the daily timeframe; however, market sellers should act with caution if the RSI reclaimed the 60. Although supported, we maintain a note of caution on higher moves at that point despite the move above the USD 3,314 resistance.
- The futures have traded at a new high and remain supported. 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 3,304 with the RSI at or below 58.5 would mean price and momentum are aligned to the sell-side. Downside moves that hold at or above USD 3,241 would indicate underlying support, implying the move higher is bullish impulse.
- Technical outlook: Negative divergence
- The new high mean the RSI is divergent, warning buyside momentum could slow down. We also note that the futures are advancing on declining volume, suggesting the move higher lacks buyside energy, momentum and volume indicate caution is warranted on higher moves at these levels. Countering this is the resilience of the move higher and our Elliott wave count; due to a daily timeframe wave overlap, we had this upside move as being a corrective phase within a bearish move. This maybe the case, we are vulnerable to a move lower based on momentum and volume, but the resilience and move above the USD 3,328.5 fractal high are making me question the structure of this cycle. I think we are vulnerable to a move lower in the near-term; on the broader trend I am becoming neutral due to the lack of clarity.

Zinc Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	3,971	R1	4,075	4,024.5	RSI above 50	Stochastic overbought
S2	3,960	R2	4,140			
S3	3,937	R3	4,221			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (70)
- Stochastic is overbought
- Price is above the daily pivot point USD 3,971
- Technical outlook Previously: Buyside pressure increasing
- The move above the USD 3,951 resistance yesterday indicated that buyside pressure was increasing, warning resistance levels remained vulnerable. Lower timeframe Elliott wave analysis suggests that downside moves should still be considered as countertrend, while the RSI had reclaimed the 60 level. We noted that market bulls should act with caution on moves below the USD 3,902.5 support, as it will warn that market sellers were in control.
- The futures have traded at new highs, we are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 3,971 with the RSI at or below 59.5 would mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 3,906 would support a bull argument, below this level the technical would have a neutral bias.
- Technical outlook: Downside moves considered as countertrend.
- The RSI has breached the 70 level signaling momentum strength, we also have bullish momentum confirmation, suggesting downside moves should be considered as countertrend. This is supported by our Elliott wave analysis that indicates that throwbacks that hold at or above USD 3,906 will support a bull argument; below this level the probability of the futures trading at a new high would start to decrease.