FIS

Base Morning Technical Report

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(Bloomberg) -- Copper declined with other base metals after stronger-than-expected US consumer prices spurred bets on more aggressive tightening by the Federal Reserve.

A risk-off tone is sweeping markets — with technology stocks bearing the brunt — after data on Wednesday showed US inflation running at the fastest pace in five months. Copper on the London Metal Exchange was down 1.1% to $14,338 a ton by 12:11 p.m. Shanghai time, heading for a third daily decline.

The US inflation print raises the odds of more interest rate hikes by the Fed in coming months to cool the economy, an outcome that's potentially negative for metals by hurting demand and raising manufacturing costs. Copper reached a record high last month but has since wavered amid uncertainty over the Fed's pathway.

"The US CPI data was well beyond forecasts, strengthening inflation expectations and pressuring copper prices," Guangzhou Futures wrote in a note. Other metals also fell on the LME, with aluminum touching its lowest since last year.

Copper is still up more than 15% in 2026 after a huge flow of metal to the US — ahead of anticipated import tariffs — left markets elsewhere underserved. But optimism over demand from artificial intelligence infrastructure has also spurred copper bulls, making the metal exposed to headwinds for that sector.

AI stocks were among the biggest losers on Thursday as investors rushed from risk. South Korea's equity benchmark fell 8% as investors grow nervous about the sustainability of spending on the technology.

Copper Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	14,317	R1	14,385	14,369		RSI below 50
S2	14,213	R2	14,430			
S3	14,080	R3	14,469			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA support band (Black EMA's)
- The RSI below at 50 (38)
- Stochastic is below 50
- Price is below the daily pivot point USD 14,538
- Technical Outlook: Negative RSI divergence
- The futures had traded at a high of USD 14,695 with the RSI failing to reclaim the 60 level. The new high meant that we had a negative divergence with price currently failing to close above the trend resistance line, meaning we are cautious on higher moves at those levels, the RSI was below 60 this also warned of potential momentum weakness. For upside continuation, price would need to close and hold above the resistance line on increased volume, supported by the RSI making new highs, failure to do so would leave price vulnerable to a move lower.
- The futures rejected the resistance line resulting in price closing below the trend support line at USD 14,430.We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 14,538 with the RSI at or above 55.5 would mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 14,573 would level the futures vulnerable to further tests to the down-side, above this level the probability of price trading at a new low would start to decrease.
- Technical Outlook: Downside symmetrical breakout
- The upside rejection on weakening momentum yesterday has resulted in price close below the trend support line, signaling a downside breakout from the symmetrical triangle, this warns that support levels are vulnerable. Price is below the intraday 200-period MA at USD 14,385 but testing the daily 200-peirod MA at USD 14,342. A daily close below the 50-period SMA would weaken the technical further; conversely, a close above the intraday 200-period MA would warn that market buyers are defending the average. However, the futures would need to close and hold above the trend resistance line at USD 14,430 to neutralize the downside breakout. Upside moves that reject the USD 14,430 level would leave price vulnerable to further tests to the downside.

Aluminium Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	2,937	R1	3,000	2,963.5	Stochastic oversold	RSI below 50
S2	2,900	R2	3,003			
S3	2,869	R3	3,034			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (21)
- Stochastic is oversold
- Price is below the daily pivot point USD 3,000
- Technical outlook Previously: Caution on downside moves
- Unchanged on the technical yesterday. Rhetoric was unchanged. The futures were consolidating above their lows on the positive RSI divergence, while moves below the USD 3,023 low would create a second divergence, meaning we maintain a cautious approach to lower moves at that point. Upside moves above the USD 3,094.5 fractal resistance would signal an increase in buyside pressure, warning the USD 3,110 resistance could be tested. We identify USD 3,110 as the key level to follow; if broken, then the probability of price trading at a new low would start to decrease. Conversely, a rejection of the USD 3,110 level would warn that the correction phase has the potential to become more complex, meaning we could be looking at a bearish Elliott wave extension.
- The futures have seen a strong beak to the downside, this has resulted in a bearish Elliott wave extension. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 3,000 with the RSI at or above 34 would mean price and momentum are aligned to the buy-side. Upside moves that fail at or below USD 3,034 would warn that support levels could come under further pressure, above this level the technical would have a neutral bias.
- Technical outlook: Sell side pressure increasing
- The move lower yesterday has signaled a bearish Elliott wave extension, while the RSI has broken near-term support, meaning we have bearish momentum confirmation. Above average volume supports the move lower, while the wave cycle warns that upside moves should be considered as countertrend. In theory, with this looking like it is a bearish impulse wave 3, we would now expect the USD 2,937 support to be breached. Key resistance is at USD 3,034, pullbacks above this level would reduce the probability of price trading at a new low.

Zinc Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	3,687	R1	3,730	3,704	Stochastic oversold	RSI below 50
S2	3,641	R2	3,828.5			
S3	3,602	R3	3,835			

Synopsis - Intraday

Source Bloomberg

- Price is below the EMA resistance band (Black EMA's)
- RSI is below 50 (41)
- Stochastic is oversold
- Price is below the daily pivot point USD 3,730
- Technical outlook Previously: Neutral (unchanged)
- Technically we remained in a corrective phase yesterday with price remaining within the range of the downside move from the 08/10/26 between USD 3,828.5 and USD 3,706. The RSI continued to hold above the 40 support having previously rejected the 60 resistance, implying near-term price action remained neutral. A close and hold below USD 3,706 would leave the USD 3,682 support vulnerable; however, throwbacks below this level would create a positive RSI divergence, meaning market sellers should be cautious on downside breakouts to new lows. Conversely, for upside continuation, we would need to see a close and hold above USD 3,828.5, supported by the RSI reclaiming and holding above 60, as this would also put price above the daily 50-period SMA at USD 3,827.
- The futures are testing the lower and of the range with price trading just below the USD 3,706 support. We are below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 3,730 with the RSI at or above 46.5 would mean price and momentum are aligned to the buy - side. Upside moves that fail at or below USD 3,884 would warn that support levels could come under further pressure.
- Technical outlook: support under pressure
- The futures are trading just below the USD 3,706 support with the RSI at 41, we are now below near-term support levels, warning momentum is starting to weaken. A close and hold below the USD 3.706 level with the RSI moving and holding below the 40 would signal sell side pressure is on the increase. If the current candle closes back above the USD 3,706 level, then the technical remains in consolidation.