



European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	14575	15725	7.9%
Cape Q4 23	15075	15900	5.5%
Cape Cal 24	13750	14050	2.2%

	Previous Close	Current Close	% Change
Pmx 1 month forward	13550	13625	0.6%
Pmx Q4 23	13025	13208.5	1.4%
Pmx Cal 24	11625	11750	1.1%

	Previous Close	Current Close	% Change
Smx 1 month forward	13475	13850	2.8%
Smx Q4 23	12675	12900	1.8%
Smx Cal 24	11375	11500	1.1%

	Previous Close	Current Close	% Change
Brent	90.05	90.27	0.2%
WTI	86.74	87.14	0.5%
Iron ore	115	116.25	1.1%

Iron Ore

Source FIS/Bloomberg

Iron ore climbed for a third day to near the highest since April after a major miner said the outlook for China's steel-intensive property sector was looking "more encouraging." Vale SA, the world's No. 2 iron ore producer, still sees reasons to be positive about the steel demand outlook despite challenges facing its top customer China, according to an investor presentation from Marcello Spinelli, vice president of iron ore. He referred to high operating rates at mills and low inventories of both iron ore and steel in the country. The comments come amid positive demand signals from China's ongoing autumn construction period. Authorities have eased real estate lending requirements in some major cities in a bid to prop up the ailing property sector. Meanwhile, inventory levels at major Chinese steel mills plunged 11.5% in late August compared with mid-August, according to data from China Iron and Steel Association (Bloomberg). Technically bullish in the morning report we did not consider the futures a technical buy, as upside moves have the potential to be limited due to the divergence in play. The Futures have moved lower in the evening session (USD - 1.2 at USD 115.05) but remain in the small consolidation phase with price holding above the Fibonacci support zone. We maintain our view that the futures are not considered a technical buy at these levels.

Copper

Copper slid as poor industrial data from Germany hit risk sentiment across markets. Futures for the industrial metal declined as much as 1.1% on the London Metal Exchange, tracking a broader move lower in the European stock markets. Data showed German factory orders fell more than twice as much as expected in July, spurring concerns about the health of the region's top economy (Bloomberg). As noted on the close report last night and the morning technical, the new low in the RSI warned that the current upside moves that we were seeing had the potential to be countertrend. The futures had opened with bid support; however, the downside move this afternoon has resulted in the USD 8,373 level being broken, meaning the technical is now bearish.

Capesize

Another flip in the index today with price coming in USD 307 higher at USD 8,573. We noted on the close report last night that a bearish Harami pattern on the daily chart was being countered by the intraday RSI above 50 whilst price was holding above the 55-period EMA. The futures needed to hold the average to stop the Harami coming into play. We opened, tested the average which held, resulting in the October futures closing the day USD 1,150 higher at USD 15,725. Price and momentum are now bullish, warning that the USD 16,025 high from two days ago looks like it will be tested and broken. However, we have a small note of caution on any upside breakout, as the 4-hour RSI looks like it will be in divergence above USD 16,025, warning we could see momentum slowdown. If the divergence fails, then the USD 17,700 fractal high will start to look vulnerable. The technical picture is at an inflection point, the daily RSI has held the 50 level, but market buyers will want to see the intraday momentum indicators support any upside move from here.

Panamax

The index is USD 134 lower today at USD 11,856; however, the daily RSI is at 64 whilst the stochastic is below 50, momentum is suggesting caution on this downside move as the stochastic will soon be oversold. Despite the weaker index, the October futures have held today (USD +100 at USD 13,650). However, the intraday RSI remains below its MA at this point, meaning we need to see more from the intraday momentum indicators if they are to support a bull move. Our technical view remains unchanged with intraday Elliott wave analysis continuing to suggest that the USD 14,350 high remains vulnerable.

Supramax

Another strong index today with price USD 314 higher at USD 11,401. For more information on the technical, please click on the link. Supramax Technical Report 06/09/23 <https://fisapp.com/wp-content/uploads/2023/09/FIS-SUPRAMAX-4-PAGE-TECHNICAL-REPORT-06-09-23.pdf>

Oil

Oil traded near nine-month highs as investors digested a decision by OPEC+ leaders Saudi Arabia and Russia to extend supply curbs through the end of the year. The strategy from Riyadh and Moscow aims to drain inventories further and was felt across the entire oil market complex. West Texas Intermediate's December-December timespread, a favored trade of oil hedge funds, strengthened to the highest since late 2022. The global benchmark, Brent, traded near \$90 on Wednesday, having closed at the highest since November a day earlier. Still, in the near term, crude is at risk of a pullback, after its 14-day Relative Strength Index settled in overbought territory (Bloomberg). The futures were correcting this morning in what looked to be a counter-trend move based on our intraday Elliott wave cycle. Price has held the 8 - period EMA with the futures finding bid support into the close. Upside moves above USD 91.15 will create a negative divergence with the RSI, warning we could see a momentum slowdown. However, the pullback today is not considered as deep enough to have been the corrective wave that we were looking for, meaning we maintain a bullish bias with downside moves considered as countertrend at this point.

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