

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	16325	17025	4.3%	Pmx 1 month forward	14325	14650	2.3%
Cape Q4 23	16450	16750	1.8%	Pmx Q4 23	13650	13825	1.3%
Cape Cal 24	14150	14325	1.2%	Pmx Cal 24	11550	11750	1.7%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	14675	14725	0.3%	Brent	92.19	93.48	1.4%
Smx Q4 23	13700	13775	0.5%	WTI	88.85	90	1.3%
Smx Cal 24	11425	11625	1.8%	Iron ore	119.45	121.3	1.5%

Iron ore

Source FIS/Bloomberg

Iron ore hit a five-month high, as steel mills ramp up production amid a seasonal pickup in construction after summer. Prices have rallied more than 6% this week, as Chinese authorities' recent efforts to bolster the ailing steel-intensive property sector appear to have paid some dividends. Still, data showing steel stockpiles increased in early September compared with late August may be a signal that the increased demand period has had a soft start (Bloomberg). The October futures have closed the day at USD 121.30 with both the intraday 1-and-4-hour charts in divergence with the RSI. Technically we are a cautious bull; however, the futures are looking like they have the potential to enter a corrective phase soon. For more information on the technical, please click on the link. Iron Ore Oct 23 (rolling Front Month) 14/09/23 <https://fisapp.com/wp-content/uploads/2023/09/FIS-Iron-Ore-Technical-14-09-23.pdf>

Copper

Copper steadied as a stronger dollar countered a move by China's central bank to bolster stimulus efforts. The greenback rose after a slew of US data, including producer prices and retail sales, pointed to persistent inflationary pressures in the economy. Copper trimmed earlier gains following the prints, under pressure from the currency it's priced in. The data followed a move by the People's Bank of China to lower the reserve requirement ratio for most banks by 25 basis points. It was the second such cut this year, adding to the relatively moderate stimulus the country has implemented so far (Bloomberg). Technically bearish with a neutral bias this morning, we noted that resistance levels remained vulnerable as the futures looked to be rolling over to the buy side. We traded to a high of USD 8,491, meaning the USD 8,496 fractal resistance remains in place. We maintain our view that the upside resistance could be tested and broken at this point.

Capesize

Another good index today with price USD 794 higher at USD 12,537. The October futures opened with buy side support resulting in price trading to a high of USD 17,325. However, price remained in divergence with the RSI on the intraday chart, creating an intraday rejection candle, post index we have seen another small move up again with the futures looking like they will close USD 800 higher on the day at USD 17,125. Going into the close, it looks like the negative divergence could be about to fail, if it does, we target the USD 17,700 and USD 18,825 levels. We need to close at this level or higher and open above tomorrow's pivot point (USD 17,025), if we do, then we should in theory move higher.

Panamax

The index is USD 171.00 higher at USD 13,445, but we are now seen a momentum slowdown based on price. Having sold lower yesterday the October futures have been supported for most of the session to close USD 400 higher at USD 14,725. However, up on the day, we have failed to make a new high with price in divergence with the RSI. We maintain our view that the futures are not considered a technical buy at these levels, but accept we could still trade up to our upside target of USD 15,515. If the Capesize catch a bid on the open, then Panamax in theory should remain supported.

Supramax

Another good index today with price USD 436 higher at USD 13,155. The October futures opened with light bid support but have closed unchanged on the day. The index has moved higher, but the futures have not, this is warning that we could be about to enter a corrective phase. However, if our intraday Elliott wave analysis is correct, then any downside move should be considered as countertrend in the near-term.

Oil

Investors are pushing up expectations for shorter-term US inflation as oil prices rise, even as the bond market signals confidence in the Federal Reserve's ability to restore price stability. Front-end inflation expectations, which are highly influenced by energy prices, have jumped in the bond market. US crude oil is trading at its strongest level since last November, above \$90 a barrel. Its steady rise from below \$80 in late August has rippled through the inflation market. The two-year breakeven rate has jumped to 2.27% from 2% so far this month and is trading at its highest point since April. A measure of expected inflation over the next five years is above 2.3%, marking the upper end of a range since late July (Bloomberg). The futures remain supported but in divergence with price closing the day USD 1.73 higher at USD 93.61. We noted on the morning report the USD 93.59 will be an area of interest in the technical. We also noted on the daily technical this afternoon that although we look to be on an Elliott wave 5, we think it is part of a larger wave cycle (wave 3). For more information on the technical please click on the link. FIS Technical – Brent Nov 23 14/09/23 <https://fisapp.com/wp-content/uploads/2023/09/FIS-Oil-Technical-Report-14-09-23.pdf>

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