

FIS European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	19950	20100	0.8%
Cape Q4 23	18250	18100	-0.8%
Cape Cal 24	14775	14700	-0.5%

	Previous Close	Current Close	% Change
Pmx 1 month forward	14550	14175	-2.6%
Pmx Q4 23	13812.5	13391.5	-3.0%
Pmx Cal 24	11650	11525	-1.1%

	Previous Close	Current Close	% Change
Smx 1 month forward	14750	14450	-2.0%
Smx Q4 23	13550	13287.5	-1.9%
Smx Cal 24	11500	11375	-1.1%

	Previous Close	Current Close	% Change
Brent	93.41	94.06	0.7%
WTI	89.88	90.58	0.8%
Iron ore	116.05	114.95	-0.9%

Iron Ore

Source FIS/Bloomberg

Iron ore took a heavy knock in the week's opening session and suffered further declines on Tuesday, eroding what's been a surprise quarterly gain. Now, the steelmaking commodity looks set for further weakness in 4Q. On the demand side, the property-sector crisis that's convulsed leading importer China appears to be rumbling on, as exemplified by the troubles at China Evergrande Group. It's significant that a rough gauge of mills' profitability points to them making losses at present. That usually portends weaker iron ore prices. In addition, officials may order steel-output cuts in 4Q to curb emissions. On the supply side, miners are hurling vast quantities of dirt, suggesting a seaborne market that's in surplus. Among the indicators, flows from Australia's Port Hedland — the nation's biggest bulk-export gateway — just set a record for the month of August (Bloomberg Markets Live). The October futures continue to trade around the USD 114.71 support with the MA on the RSI continuing to suggest that momentum is weak at this point. We maintain our view that upside moves look like they will be countertrend based on the RSI making new lows.

Copper

Copper in London traded at the widest contango since at least 1994 as inventories expand and demand concerns persist amid a slowdown in global manufacturing (Bloomberg). The intraday Elliott wave analysis this morning continued to suggest that support levels were vulnerable; however, the MA on the RSI had started to flatten. The futures traded to a low of USD 8,068 before finding light bid support with price trading at USD 8,108 going into the European close. Technically we remain bearish intraday Elliott wave analysis continues to suggest that upside moves should be considered as countertrend.

Capesize

A strong index today with price USD 2,045 higher at USD 19,855. The October futures opened with decent buy-side support, but we remained in divergence with the RSI, warning we had the potential to see a momentum slowdown. Having traded to a high of USD 20,875 on the open the futures have sold lower, with price closing the day USD 150 higher at USD 20,100. Technically we are bullish; however, we now have a bearish rejection candle on the daily chart with tomorrow's pivot point looking like it will be at USD 20,316. If we open below this level then we could see Fibonacci support levels come under pressure, whilst a close on the 4-hour candle below USD 19,625 could signal recent market longs to exit. We are moving lower on the back of a negative divergence with a rejection candle which would suggest market longs should be cautious, as the technical is warning that support levels are starting to look vulnerable.

Panamax

The index came in USD 76 higher at USD 13,908 today; however, the futures have suffered on the back of the Cape move. We had been worried this morning that the support in the larger vessels could keep the futures above the USD 14,300 support. However, the sell off this afternoon means that the futures have closed the day USD 375 lower at USD 14,175. Technically the intraday is now bearish. For more information on the technical, please click on the link. Panamax Technical Report 26/09/23 <https://fisapp.com/wp-content/uploads/2023/09/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-26-09-23.pdf>

Supramax

The index is USD 165 lower today at USD 14,734, in theory, momentum based on price is aligned to the sell side; however, the crossover is today and by only 10 bucks, meaning we will wait for confirmation tomorrow. Technically we are unchanged with the futures looking like we are in a corrective wave 4, suggesting in theory, we still have one more bull wave to the upside. Key support to follow is at USD 12,915, if broken, then the probability of the futures trading to a new high will decrease. The October contract has closed the day USD 300 lower at USD 14,450 with tomorrow's pivot point looking like it will be at USD 14,541. If we open below this level we could come under further pressure; likewise, an open above this level that holds above it will warn resistance levels could be tested.

Oil

Oil traded to a low of USD 91.80 today before catching a bid this afternoon, with price trading USD .78 higher at USD 94.07 going into the European close. There is nothing showing on Bloomberg Headlines at this point, suggesting the move is potentially just technical. I.E., the bullish wave 5 that we have been waiting for. The move above the USD 93.67 resistance would suggest that the USD 95.96 resistance is now vulnerable.

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