

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	14625	14175	-3.1%	Pmx 1 month forward	10175	10600	4.2%
Cape Q1 24	8625	8575	-0.6%	Pmx Q1 24	8925	9175	2.8%
Cape Cal 24	14100	13950	-1.1%	Pmx Cal 24	10900	10925	0.2%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	11025	10950	-0.7%	Brent	85.21	82.71	-2.9%
Smx Q1 24	9025	9187.5	1.8%	WTI	80.92	78.44	-3.1%
Smx Cal 24	10875	10925	0.5%	Iron ore	123.75	122.3	-1.2%

Iron Ore

Source FIS/Bloomberg

High iron ore prices are hurting Chinese steel mills and are not “reasonable”, Guo Bin, president of China Mineral Resources Group, told an audience in Shanghai including executives from Australian iron ore miners. Elevated prices are driving low margins at mills, he said at event during China International Import Expo NOTE: CMRG was formed last year as a vehicle to negotiate and purchase iron ore imports on behalf of China’s state-owned steel mills. Global iron ore market will loosen over the medium term from its current tight balance, Guo said, citing supply increases from the Simandou mine in Guinea and China’s push to mine more ore. Guo urged joint effort to “improve” current pricing of mineral resources (Bloomberg). The December futures have entered a corrective phase with price now trading in the EMA support band, the RSI is now neutral at 50. Fibonacci support starts at USD 118.98 with key support is at USD 115.26, suggesting we have further downside within this corrective phase. However, intraday Elliott wave analysis does suggest that the move lower does have the potential to be counter-trend.

Copper

We noted in the morning technical that the new high in the futures meant that there was a negative divergence in play. Not a buy signal, warned that we had the potential to see a momentum slowdown, leaving us cautious on upside moves. The futures have entered a corrective phase with price trading below the USD 8,138 support, meaning the probability of the futures trading to a new high has now started to decrease. Bullish but with a neutral bias, we remain cautious on upside moves at this point.

Capesize

Another bullish index today with price USD 892 higher at USD 20,126. The December futures opened with early bid support before coming under pressure on the European open to trade to a low of USD 14,100; however, post index, we have seen light bid support with price closing at USD 14,350, down USD 275 on the day. Technically, we have intraday upside moves as counter-trend based on our Elliott wave analysis; however, the MA on the RSI does suggest that momentum is still supported at this point with price still above the USD 13,765 level. If we hold above this level, it will support a near-term bull argument, if broken, we target the USD 13,000 fractal low, making this the key level to follow.

Panamax

The index turned today with price USD 49 higher at USD 11,742. The December futures came under selling pressure early before finding bid support post index to close the day USD 425 higher at USD 10,600. For more information on the technical, please click on the link. Panamax Technical Report 07/11/23 <https://fisapp.com/wp-content/uploads/2023/11/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-07-11-23.pdf>

Supramax

We continue to see a slowdown in the index with price USD 14 lower at USD 12,066 today. The December futures opened weaker with price trading down to USD 10,800 on the open before finding light bid support post index, to close the day at USD 10,925, down USD 100 on the day. The technical remains bearish with upside moves considered as countertrend; however, like the rest of the intraday freight complex, the MA on the RSI is warning that momentum is supported at this point, making USD 12,443 the key resistance to follow. If broken, then the probability of the futures trading to a new low will decrease.

Oil

Oil fell below \$80 a barrel for the first time in more than two months as weak trade data from China and fresh doubts about whether the Federal Reserve has finished raising rates clouded the outlook for demand. West Texas Intermediate slipped as much as 3.2%, touching the lowest intraday price since Aug. 25. Crude is trading below its levels from before the Israel-Hamas war, which has failed to disrupt supplies from the Middle East. The dollar strengthened — potentially hurting demand for oil by making the commodity more expensive for importers — after Federal Reserve Bank of Minneapolis President Neel Kashkari said it's too soon to declare victory over inflation. He also said the risk of over-tightening monetary policy is preferable to doing too little, and that he's concerned that inflation could tick up again (| Bloomberg). Having rejected the 21-period EMA yesterday the futures traded back to a new low into the close. We had not considered a technical sell as price had risen on the back of a negative divergence with the RSI, the new low means we now have a longer-term divergence in play. We noted in the morning technical that by using Fibonacci projection levels on the daily chart it warned that we had the potential to trade as low as USD 81.94; however, due to the divergence in play we maintained a cautious view on downside moves. The futures have sold another USD 1.00 lower since this morning with price trading at USD 82.59 going into the close. We have a longer-term divergence in play that needs to be monitored, but in the near-term the RSI has now made a new low, implying upside moves on the intraday look like they will be countertrend.

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