

FIS European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	14250	12625	-11.4%
Cape Q2 24	18600	17775	-4.4%
Cape Cal 25	17775	17400	-2.1%

	Previous Close	Current Close	% Change
Pmx 1 month forward	13625	13200	-3.1%
Pmx Q2 24	15700	15250	-2.9%
Pmx Cal 25	12650	12400	-2.0%

	Previous Close	Current Close	% Change
Smx 1 month forward	12775	12675	-0.8%
Smx Q2 24	14750	14625	-0.8%
Smx Cal 25	12600	12575	-0.2%

	Previous Close	Current Close	% Change
Brent	78.63	80.2	2.0%
WTI	73.71	75.35	2.2%
Iron ore	129.65	128.85	-0.6%

Iron Ore

Source FIS/Bloomberg

Technically bearish this morning with our intraday Elliott wave analysis continuing to suggest that upside moves should be considered as countertrend, the futures were consolidating with the MA on the RSI indicating that momentum was still supported. We have seen a move higher in the Asian evening session with the futures closing the day at USD 131.20, USD 2.20 higher than this morning. Price is now testing the base of the Fibonacci resistance zone with momentum still supported. We maintain our view based on intraday Elliott wave analysis that the upside moves looks like it could be countertrend, if we do breach the USD 137.06 resistance, then it will warn that the probability of the futures trading to a new low is starting to decrease.

Copper

Technically bearish with a neutral bias this morning, upside moves were considered as countertrend based on our intraday Elliott wave analysis. We noted that the futures were at an inflection point as the futures were approaching the 200-period daily MA at USD 8,371 and the weekly at USD 8,374. The futures have rejected the moving averages meaning we have seen a small move lower, resulting in the RSI starting to cross its average. We maintain our view that upside moves should be considered as countertrend at this point.

Capesize

The index continues to move higher, but we are seeing a slowdown with price only USD 234 higher at USD 18,842. The Feb futures were weaker on the open with price closing the day USD 1,625 lower at USD 12,625. For more information on the technical, please click on the link. Capesize Technical Report 22/01/24 <https://fisapp.com/wp-content/uploads/2024/01/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-22-01-24.pdf>

Panamax

The index is another USD 240 higher today at USD 12,850. Like the Capes, the Feb futures came under selling pressure early on, before finding light bid support this afternoon to close the day USD 425 lower at USD 13,200. As noted in the morning report, the MA on the RSI continued to suggest that momentum was supported; however, we were testing the average and noted that if we moved below it, then price and momentum would become aligned to the sell side, which it has. We remain in a corrective phase but above the Fibonacci support zone, the RSI is below the average, but this is yet to turn lower, suggesting there is still some momentum support at this point. Key support is unchanged at USD 11,442.

Supramax

Having posted a couple of small positive numbers last week the index is USD 27 lower at USD 11,301 today. The Feb futures continue to consolidate below the 100-period MA (USD 12,896) with price closing the day USD 100 lower at USD 12,675. The MA on the RSI suggests momentum is supported but the RSI is testing the average, if we move below it on the open tomorrow, then price and momentum will be aligned to the sell side; likewise, if we close above and hold above it then we should break the USD 13,188 resistance; however, we remain cautious on moves higher due to a lower timeframe divergence that will come into play above USD 13,000. Bearish, but moving sideways.

Oil

Oil continues to find bid support with price USD 1.52 higher at USD 80.08. However, as stated on Friday and this mornings technicals, the futures are above the weekly 200-period MA with aggregate open interest supporting the move. However, there are two sides to this technical, if the lead indicator is price, then market bulls should pay attention to the technical, as the move higher is lacking strength and taking too long. This may change, but at this point, the price action leaves us unconvinced on this move higher.

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