

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	12450	13075	5.0%	Pmx 1 month forward	13150	12550	-4.6%
Cape Q2 24	19450	20500	5.4%	Pmx Q2 24	15600	15375	-1.4%
Cape Cal 25	17550	17800	1.4%	Pmx Cal 25	12525	12500	-0.2%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	12400	12250	-1.2%	Brent	82.46	83.02	0.7%
Smx Q2 24	14975	14850	-0.8%	WTI	76.98	77.94	1.2%
Smx Cal 25	12425	12375	-0.4%	Iron ore	135.6	133.15	-1.8%

Iron ore

Source FIS/Bloomberg

World No. 2 iron ore supplier Vale SA delivered a bigger-than-expected increase in production last quarter in a result that may undermine prices of the key steelmaking ingredient. The Brazilian mining giant is accelerating production, posting its best December in five years, after investing in its prized Amazonian operations and improving performance at its oldest mines in the country's southeast. Production was up from both a year ago and the previous three months, with full-year output ahead of guidance. The bumper haul may generate some headwinds for the iron ore market, which has been fairly resilient to a slow-down in China, the biggest buyer. Prices have rallied by more than a third since mid-August, leading some analysts to forecast a decline in 2024. Still, top producer Rio Tinto Group sees increased stimulus fueling a gradual recovery in China (Bloomberg). Technically bearish in the morning report with price below the EMA support band and the weekly pivot level, whilst the MA on the RSI indicated that momentum was weak, warning support levels could come under pressure. The March futures have sold another USD 1.50 since this morning to close at USD 131.65. With price holding below the 200-period intraday moving average whilst momentum remains weak, we maintain our view that support levels continue to look vulnerable.

US HRC Mar 24

US HRC Mar 24 30/01/24 <https://fisapp.com/wp-content/uploads/2024/01/FIS-US-HRC-Technical-30-01-24.pdf>

Turkish Scrap Feb 24 30/01/24

Turkish Scrap Feb 24 30/01/24 <https://fisapp.com/wp-content/uploads/2024/01/FIS-Turkish-Scrap-80-20-Technical-30-01-24.pdf>

Copper

We noted in the morning report that momentum remained weak; however, if our interpretation of the intraday Elliott wave cycle was correct, then we had seen a wave 3 extension, meaning downside moves should be considered as countertrend. The futures have found buyside support today with price trading to a new high at USD 8,600. In theory, we have a potential upside target at USD 8,690 based on wave projection; however, the new high has created a negative divergence with the RSI. Not a sell signal, it is a warning that we have the potential to see a momentum slowdown and will need to be monitored. Bullish but with a note of caution.

Capesize

The index continues to weaken with price USD 1,207 lower today at USD 15,130. We had bearish close in the Feb futures yesterday, whilst the MA on the RSI had started to weaken this morning with price below the 55-period EMA. Based on this, we maintained our view that support levels could be tested and broken. The futures held above the USD 11,644 support resulting in the price closing the day USD 625 higher at USD 13,075. We remain below the 55-period EMA (USD 13,406) and the weekly pivot level (USD 13,608). However, it does mean we have a piercing line pattern on the daily candle, although not a buy signal, it is warning that the market is supported. If we close above the 55-period average and weekly pivot level, then resistance levels could come under pressure. However, if we reject this resistance zone, we could see the futures give back today's gains fairly quickly, making USD 13,406 – USD 13,608 the key area to follow.

Panamax

Having turned yesterday, the index is USD 450 lower today at USD 13,389. The Feb futures turned on the 24/01 and have continued to move lower since. Today has been no different with the futures closing the day USD 600 lower at USD 12,550. For more information on the technical, please click on the link. Panamax Technical Report 30/01/24 <https://fisapp.com/wp-content/uploads/2024/01/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-30-01-24.pdf>

Supramax

The index has been slowing for the last few days with price coming in USD 45 lower at USD 11,666 today. We noted in the morning report that the futures were trading below the daily 200-period MA (USD 12,254), if we closed below it, then it would warn that the USD 11,506 support could be tested and broken. However, if we closed above and held above it, then market sellers should be cautious. We have closed on the average (USD 12,250) with price forming a Doji cross, indicating indecision in the market, making for a cautious open.

Oil

Technically bullish in the morning report, the MA on the RSI warning that momentum was showing signs of weakness. However, we noted that the RSI high on the 26/01 alongside the continued increase in AOI suggested that downside moves had the potential to be countertrend in the near-term. The futures traded to a low of USD 81.34 before finding bid support this afternoon, resulting in the futures trading back above the weekly pivot level (USD 81.77) with the futures trading at USD 83.08 as of 16.50 GMT. One point of note, if we do trade above USD 84.80 then there is a good chance that the intraday technical will be in divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown and will need to be monitored.

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