

FIS European Close

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	30000	29175	-2.8%	Pmx 1 month forward	13750	13600	-1.1%
Cape Q4 24	28225	27650	-2.0%	Pmx Q4 24	13900	13750	-1.1%
Cape Cal 25	21800	21675	-0.6%	Pmx Cal 25	12725	12600	-1.0%
	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	14600	14175	-2.9%	Brent	77.28	74.15	-4.1%
Smx Q4 24	14525	13975	-3.8%	WTI	73.65	70.81	-3.9%
Smx Cal 25	12750	12575	-1.4%	Iron ore	96.95	93.45	-3.6%

Iron Ore

Source FIS/Bloomberg

Technically bearish in the October futures this morning, the MA on the RSI implied that momentum remained weak. We noted that the 1-hour RSI was in divergence, warning that we had the potential to see a momentum slowdown; however, we maintained our view that upside moves looked like they could be countertrend. The futures traded to a low of USD 92.70 before closing the session at USD 93.80, USD 0.40 lower than this morning. We remain cautious on downside moves at these levels, but maintain our view that upside moves look like they could be countertrend.

Copper

Goldman Sachs Group Inc. exited a long-term bullish position on copper and slashed its price forecast for 2025 by almost \$5,000, citing shrinking demand in China. The bank has been one of the biggest cheerleaders of the industrial metal, but the increasingly disappointing economic recovery in China will delay an expected rally, analysts including Samantha Dart and Daan Struyven said in an emailed note. They expect prices to average \$10,100 next year, compared with a previous target of \$15,000 a ton championed by former analysts Jeffrey Currie and Nicholas Snowden (Bloomberg). Technically bearish with momentum suggesting that support levels were vulnerable. The futures have traded below the USD 9,120 support, taking the technical into bearish territory; and the USD 8,965 level, warning that it the probability of there being a larger, bullish Elliott wave cycle in play has started to decrease. Due to the strength of the pullback, upside moves now look like they will be countertrend. The 1-hour RSI is now in divergence, warning we could see a momentum slowdown, leaving the technical vulnerable to an intraday move higher in the near-term.

Capesize

The index is another USD 839 higher at USD 27,774 today. We noted this morning that the October futures were in the early stages of a corrective phase; however, the pullback was not yet deep enough to confirm it was an Elliott wave correction. The MA on the RSI had suggested that momentum was supported, but the RSI was below its average, implying caution as we were seeing signs of weakness. We have continued to come under pressure with price closing USD 875 lower at USD 29,125; the pullback is still yet to confirm on our lower timeframe oscillators that it is the Elliott wave correction that we are looking for, but it is marginal. A move lower on the open tomorrow should signal that we are in a corrective wave 4. We maintain our view based on intraday Elliott wave analysis that downside moves look like they could be countertrend.

Panamax

Downside moves continue to slow with the index only USD 45 lower at USD 10,367 today. Very little price action in the October futures today, the index is slowing and could soon turn higher; however, the futures are trading at a 3.5k premium with the RSI at resistance, suggesting there will be further downside within this corrective phase. For more information on the technical, please click on the link. Panamax Technical Report 03/09/24 <https://fisapp.com/wp-content/uploads/2024/09/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-03-09-24.pdf>

Supramax

The index continues to come under pressure with price USD 112 lower at USD 14,147. We were technically bearish in the October futures this morning with the MA on the RSI implying that we had light momentum weakness. We noted in the close report last night that price action had turned neutral, having rejected resistance but held support, with our Elliott wave analysis suggesting that upside moves look like they will be countertrend. However, the futures needed to trade below the USD 14,481 support for downside continuation, until we did, we had a note of caution. The futures sold below USD 14,481, resulting in a move below the USD 14,175 fractal support. The technical is still bearish, but we now have a positive divergence in play. Not a buy signal, it is a warning that we could see a momentum slowdown, which will need to be monitored.

Oil

Oil plummeted — erasing its gains for the year — after a deal to restore supplies from Libya turned traders' attention back to concerns about tepid global demand for crude. Global benchmark Brent dropped as much as 4.3%, diving below \$75 a barrel and touching the lowest intraday price since mid-December 2023. The plunge came after a Libyan central banker said a deal that would revive the OPEC nation's output appears imminent (Bloomberg). We were bullish with a neutral bias this morning, the MA on the RSI indicated that momentum remained weak, whilst the break in RSI support created by the roll implied that upside moves could be countertrend, meaning we maintained our view that support levels remain vulnerable. The futures have sold USD 3.42 lower with price at USD 74.10 going into the European close. The new low below USD 75.05 means that the daily RSI is in divergence, warning sell side momentum could slow down. The Elliott wave cycle is warning we could also see a slowdown; however, it is looking very vulnerable to a downside wave extension, so we are cautious on making a big call here, other than that intraday momentum is looking overdone to the downside.

Written by **Ed Hutton**, FIS Senior Technical Research Analyst

EdwardH@freightinvestor.com

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