

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	30275	29500	-2.6%	Pmx 1 month forward	14225	13750	-3.3%
Cape Q4 24	28250	27850	-1.4%	Pmx Q4 24	14225	13950	-1.9%
Cape Cal 25	21650	21525	-0.6%	Pmx Cal 25	12675	12600	-0.6%
	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	14275	14000	-1.9%	Brent	71.47	71.05	-0.6%
Smx Q4 24	14075	13875	-1.4%	WTI	68.16	67.85	-0.5%
Smx Cal 25	12625	12550	-0.6%	Iron ore	92.2	92.35	0.2%

Iron Ore

Source FIS/Bloomberg

Iron ore sank below \$90 a ton for the first time since 2022 as industrial commodities faced sustained pressure from tepid Chinese demand and gathering worries over global growth. Futures for iron ore have fallen by more than a third this year as an unresolved steel crisis in China threatens demand for the raw material. But there are broader headwinds, with base metals and crude oil also retreating in recent weeks as 2024 turns out to be a jittery year across the commodities complex. “Investors are shifting focus from US inflation to growth fears,” said Jia Zheng, head of trading at Shanghai Soochow Jiuying Investment Management Co. “China lacks significant stimulus support and the market is pessimistic.” (Bloomberg). We had a note of caution on downside moves in the October futures this morning, this was due to momentum support whilst in divergence with the RSI. However, we noted that there looked to be a higher timeframe Elliott wave extension in play, meaning upside moves should in theory be countertrend. We have moved higher on the divergence with price breaching the USD 93.07 resistance, meaning the near-term technical has a neutral bias. Going into the close we are a dollar higher than this morning at USD 92.70.

US HRC

US HRC Oct 24 09/09/24 <https://fisapp.com/wp-content/uploads/2024/09/FIS-US-HRC-Technical-09-09-24.pdf>

Copper

Copper climbed back above \$9,000 a ton on tentative signs that a months-long downturn in Chinese demand could be coming to a close. Prices rallied as much as 1.7% on the London Metal Exchange, supported by improvements in closely watched barometers in China. They include a drawdown in copper inventories, a monthly surge in electric-vehicle sales and a rise in the premiums that consumers pay to secure spot cargoes (Bloomberg). Technically bearish this morning, the futures had rejected the 200-period MA (USD 9,188) whilst price and momentum were aligned to the sell side. Our intraday Elliott wave analysis had suggested that upside moves looked like they could be countertrend. The futures traded to a low of USD 8,941 before catching a bid, to trade USD 69 higher at USD 9,065 going into the European close. The MA on the RSI is implying momentum is supported; however, based on our intraday Elliott wave analysis, we maintain our view that upside moves look like they could be countertrend, making USD 9,261 the key resistance to follow. If broken, then the probability of the futures trading to a new low will start to decrease.

Capesize

The index is another USD 400 higher at USD 28,232 today. The October futures sold lower this morning having opened below the daily pivot level, warning the USD 28,525 fractal support was starting to look vulnerable. However, our intraday Elliott wave analysis continued to suggest that downside moves looked like they could be countertrend. Post index the futures have found light bid support off the 21-period EMA (USD 29,376); however, we are still USD 775 lower on the day at USD 29,500. For more information on the technical please click on the link. Capesize Technical Report 09/09/24 <https://fisapp.com/wp-content/uploads/2024/09/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-09-09-24.pdf>

Panamax

The index turned today with price USD 76 higher at USD 10,385. The October futures sold below the USD 13,882 support on the open, meaning the futures are back in bearish territory. We have rejected the 200-period MA on the negative divergence with the RSI on the 1-hour chart, whilst also rejecting 4-hour RSI resistance. This is a warning that we have seen an increase in sell side pressure. Post index we have seen another move lower, meaning we are down USD 475 on the day, at USD 13,750. We remain cautious on upside moves at this point.

Supramax

Sell side pressure is now slowing with the index only USD 16.00 lower at USD 13,879. The October futures sold to new lows on the open before finding light bid support post index; however, bids have faded going into the close with price making new lows. As noted in the morning technical, the futures are now in divergence with the RSI, meaning although bearish, they are not considered a technical sell at these levels. Price is USD 275 lower on the day at USD 14,000.

Oil

The downside move into the close on Friday meant that the futures had entered a bearish Elliott wave 5, with a potential downside target at USD 68.52. We noted that there looked to be a higher timeframe Elliott wave cycle in play, meaning upside moves should in theory be countertrend; however, the futures were in divergence, suggesting caution on downside moves at these levels. Having traded to a low of USD 70.65 the futures have found light bid support into the close, with price currently trading at USD 71.18, USD 0.12 higher on the day. We remain cautious on downside moves at this point due to the divergence still being in play.

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