

FIS European Close

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

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	47375	48875	3.2%	Pmx 1 month forward	35450	35925	1.3%
Cape Q4 21	39833.5	41216.5	3.5%	Pmx Q4 21	34250	34500	0.7%
Cape Cal 22	24862.5	25150	1.2%	Pmx Cal 22	22325	22300	-0.1%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	37875	38575	1.8%	Brent	75.85	77.22	1.8%
Smx Q4 21	36425	37175	2.1%	WTI	72	73.35	1.9%
Smx Cal 22	22600	22925	1.4%	Iron ore	107.7	109.85	2.0%

Data Source FIS and Bloomberg

Iron Ore

There are signs that we could be seeing a sentiment change in iron ore on the back of the construction season. The intraday October futures pulled back to the USD 140.45 level before closing the E.U. session at USD 109.80. We are still in a key resistance area with price vulnerable below the USD 120.36 level, however, if we trade above the USD 111.95 high then this will be our near-term upside target. The aggregate open interest did drop on the DCE on the 22/09/21 suggesting we have seen some short covering in the market, if we move higher and continue to see an OI drop then it could gain momentum. Still bearish, but price and OI could be in the process of turning.

Copper

Yesterday we noted that the volatility expansion would suggest that we had the potential to see a consolidation day, or even a small sell off. As of 16.45 U.K. time the futures are down USD 6.00 at USD 9,280, meaning we have a Doji candlestick that represents indecision in the market. The stochastic at 47 is bearish but near neutral, with the Stochastic in oversold territory, if a downside move tomorrow fail to hold then expect higher pricing in the coming days based on momentum, if we trade above the USD 9,385 level then there is another round of accumulation in play.

Capesize

The index has now traded above our USD 60,063 target (+USD 1,968 to USD 61,683) meaning we now target the USD 65,376 and USD 72,145 levels. For the October futures it was a momentous day on the basis we traded up to the USD 50,000 level, meaning the futures have made a higher high in the market. From a technical perspective price has now achieved the minimum requirement for wave completion with the futures dipping into our target zone between USD 48,987 and USD 52,160. The trend is bullish and the technical is bullish, our Elliott wave counts are warning we could be nearing cycle completion (of this phase). The October futures failed to hold and have closed the day at USD 48,875, tomorrows pivot point will be USD 49,083, suggesting caution on the open. If we open below the pivot and fail to hold onto any upside moves, we might just have to work a full Friday, as it could potentially get very nervous out there. However, if the physical continues to perform and the futures rally on the open it should signal a relatively quiet day ahead. Late sellers have pushed this down, but really it will be all about the open!

FIS European Close

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

Panamax

The Index is USD 300 higher at USD 34,611 whilst the October futures continue to follow suit, price is up USD 475 to USD 35,925. The October contract did trade to a high of USD 36,375 in the morning session on the back of the Capesize rally, however the futures continue to find good selling pressure at higher level suggesting we are seeing either some distribution in the market, or outright short selling. The Elliott wave cycle still suggests we should trade above the USD 37,750 high; however, the market is really seeing a momentum slowdown with upside moves continually coming under pressure. At this point the cycle remains bullish and it looks like we will get the new high, the market however looks to be betting on it failing to hold!

Supramax

A Supramax technical today, I will not bore you twice, please follow the link. Supramax Technical 29/04/21 <https://fisapp.com/wp-content/uploads/2021/09/FIS-4-PAGE-SUPRAMAX-REPORT-23-09-21.pdf>

Oil

I think it was around the 14th of Sep when price was below USD 74.00 that we called the breakout target at USD 76.93. Today that number has been achieved, the market made it work for it but the downside moves that held support on the 20/21 of Sep gave the bulls the confidence to trade the textbook breakout. Where do we go from here? Well, if we go above the USD 77,84 level then we must assume that we are looking at some form of cycle extension in the wave 5, which would suggest higher pricing from here. The technical looks bullish and is potentially on wave 3 of wave 5, we have achieved a 100% price projection of the range meaning we now target the USD 78.17-USD 78.95 in the near-term with the potential to trade up to USD 80.20.

Have a nice Evening

Ed Hutton