

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	63625	57000	-10.4%	Pmx 1 month forward	38750	37250	-3.9%
Cape Q4 21	64000	58750	-8.2%	Pmx Q4 21	37500	36400	-2.9%
Cape Cal 22	28625	27100	-5.3%	Pmx Cal 22	24875	24025	-3.4%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	40250	39325	-2.3%	Brent	80.83	81.91	1.3%
Smx Q4 21	38800	38450	-0.9%	WTI	76.94	78.2	1.6%
Smx Cal 22	25050	24450	-2.4%	Iron ore	118	117.65	-0.3%

Data Source FIS and Bloomberg

Iron Ore

The DCE remains closed with little change on the offshore contract.

Copper

The headline on Bloomberg 'Copper Gains as Investors Weigh Growth Momentum and China Return'. - Copper led gains in most base metals as investors weigh global growth prospects before key U.S. jobs data and the return of Chinese traders. From a technical perspective the USD basket is lower today, the copper futures are back trading above the 200-period MA but in a neutral range whilst intraday price is testing the USD 9,253 resistance. Upside moves above this level will target the USD 9,379 high, if we fail at the resistance price could be vulnerable to further tests to the downside, with a near-term target at USD 8,992.

Capesize

If the index does not collapse tomorrow, then then the November futures could find itself in a bit of a pickle. The Nov contract is down USD 8,125 to USD 55,500 whilst the index is up USD 83.00 to USD 86,953, a differential of USD 31,453. Price remains above the USD 53,883 support keeping the technical bullish with the Elliott wave cycle suggesting this is a countertrend move. If support is broken the next key level is the USD 47,500 fractal, below this level the technical is considered as bearish. Down USD 8,125 in the Nov contract, USD 31,453 below the index, but still holding in bull territory. Extraordinary, tomorrow's index is going to be interesting!

Panamax

With the Cape market calming down there is a more realistic expectation in the physical market from owners that their offers are not going to be paid. The downside momentum in the index is starting to pick up with price USD 177 lower today, at USD 33,617. The Nov futures opened higher but below the daily pivot point this signaled momentum weakness. Price is moved USD 1,500 lower in the November contract to USD 37,250, whilst the October contract which had been supported purely on sentiment, is USD 1,250 lower at USD 35,500. The October remains USD 1,500 above the monthly average. The pullback in the November contract is now considered as deep meaning the technical is neutral/bullish, price will need to open above USD 37,958 to be above the daily pivot point. The RSI is at 49 with the stochastic oversold, leaving the technical vulnerable to a test to the upside.

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at www.freightinvestorservices.com

FIS European Close

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

Supramax

Like the rest of the freight complex the futures moved lower today (Nov -925 at USD 39,325) despite the index moving higher (USD+176 to USD 37,445). From a technical perspective the correction looks to be countertrend. For more information, please follow the link Supramax Technical 07/10/21 <https://fisapp.com/wp-content/uploads/2021/10/FIS-4-PAGE-SUPRAMAX-REPORT-07-10-21.pdf>

Oil

Yesterday we maintained our bullish view despite the sell off. Price moved lower on the open to trade down USD 79.08, however the 1-hour 200-period MA held resulting in the futures rallying over USD 3.00, to USD 82.29. The upside move is driven by the U.S assurances that it has no plans for now to tap reserves (Bloomberg). As noted, the weakening USD basket will also have been a factor. Near-term resistance is at USD 83.84 with a potential upside target from our technical report at USD 91.23

Have a nice Evening

Ed Hutton