

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	51750	48375	-6.5%	Pmx 1 month forward	37950	38375	1.1%
Cape Q4 21	54875	52375	-4.6%	Pmx Q4 21	36925	37025	0.3%
Cape Cal 22	28050	28175	0.4%	Pmx Cal 22	24700	25475	3.1%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	40750	41250	1.2%	Brent	83.38	83.24	-0.2%
Smx Q4 21	39500	40000	1.3%	WTI	80.56	80.51	-0.1%
Smx Cal 22	25900	25875	-0.1%	Iron ore	128.8	122	-5.3%

Data Source FIS and Bloomberg

Iron Ore

Price rejected the USD 138.77 level two days ago with price holding support at USD 124.48. However, further selling pressure overnight has produced a deep pullback below USD 121.10, suggesting the USD 112.60 support could be tested in the near-term. The drop in price is attributed to the waning demand. (Bloomberg) -- Iron ore extended losses on expectations the recent lift in demand from steel producers will fade as China imposes measures to curb output into next year. Price is now below the 200-period MA, if we stay below this average then the longer-term low at USD 90.00 could become a legitimate downside target.

Copper

Momentum was considered as bullish, but the intraday RSI had created a negative divergence with price warning we could see some form of technical pullback in the near-term. There has been no pullback, the futures are now at USD 9,686, indicating we are in the process of a range breakout. If we close above and hold above the USD 9,612 level then there will be an expectation of further moves to the upside, this would fit with our bullish Elliott wave cycle.

Capes

The expectation of a bad index today on the back of the weakening paper is now starting to follow through. The index is lower by USD 4,995, to USD 74,540, with the Nov futures closing the day just above the USD 47,500 support. For more information on the technical please follow the link. Capesize Technical Report 13/10/21 <https://fisapp.com/wp-content/uploads/2021/10/FIS-4-PAGE-TECHNICAL-REPORT-CAPE-SIZE-13-10-21.pdf>

Panamax

The futures open caught me by surprise this morning with price trading at USD 38,500 first thing, to put the futures above the daily pivot point. The upside move was short lived, we highlighted the near-term resistance would be between USD 38,831 and USD 40,500. Price traded to a high of USD 39,050 before closing the day at USD 38,375, on the daily pivot point. The index is seeing an increase in buy-side momentum (USD +474 to USD 34,288) suggesting the USD 34,999 resistance should be tested before the end of the week. For the Nov futures price seems to be consolidating with today's candle being an inside day, meaning tomorrow is all about the breakout. Above USD 39,050 would suggest upside continuation, below USD 37,950 would be bearish, for the record the Elliott wave cycle is bullish making it a higher risk sell.

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

For many, many days we have been calling this move a bullish wave 5, today the November futures traded above the USD 40,075 high to confirm this, price is now in divergence with the RSI warning we have the potential for a momentum slowdown. Buyside momentum in the index continues to increase with price USD 457 higher at USD 38,256. The Index also achieved a new high today giving further support to the futures. From a technical perspective, what looked like a wave 5 on the intraday is starting to look more like an extended 3, suggesting corrective moves lower should still be considered as countertrend. Bullish and in divergence but potentially not down yet!

Oil

Bank of American have joined the party and started banging the drum for oil prices to spike above USD 100, Joining FIS and Citi who have been calling for it to trade above USD 90.00, from a technical perspective the futures remain in a bullish trending environment in what looks to be an extended wave 3 meaning downside moves should be considered as countertrend. Price has started to move higher in the U.S session but is currently failing at the daily pivot point (USD 83.44). Technically bullish but in a corrective phase with the futures consolidating.

Have a nice evening

Ed Hutton