

# FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	22750	25750	13.2%	Pmx 1 month forward	18750	19625	4.7%
Cape Q122	14250	15475	8.6%	Pmx Q1 22	17550	18250	4.0%
Cape Cal 22	19125	20225	5.8%	Pmx Cal 22	16800	17350	3.3%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	22550	23250	3.1%	Brent	80.21	80.98	1.0%
Smx Q1 22	18350	19750	7.6%	WTI	78.23	78.87	0.8%
Smx Cal 22	17625	18400	4.4%	Iron ore	88.95	86.3	-3.0%

Data Source FIS and Bloomberg

## Iron Ore

The futures moved to the downside overnight, but price remains in range above the USD 84.60 low. Technically we remain in a bearish trend with limited price action regarded as sideways. Downside moves that create a new low have the potential to create a positive divergence with the RSI, not a sell signal it does warn of the potential for a momentum slowdown. Margins have moved higher and now price at RMB 562, which would also support a momentum slowdown.

## Copper

The downside move in the futures resulted in price closing at USD 9,363, above the USD 9,360 support. Intraday price action did trade lower on the open, however the futures have rallied to close the E.U session at USD 9,489. A close on the U.S session above USD 9,572 is needed for momentum to be seen to be improving based on price; However, tomorrows pivot point is looking like it will be around the USD 9,430 level (this could change as the market is still live). If we hold above this level and close around these levels or higher, we could see further follow through in the tomorrow.

## Capes

Yesterday we noted two bullish signals in the market, the close above the high of the low candle with price above the pivot point. Price gapped up on the open in the Dec futures to close the day USD 3,000 higher at USD 25,750, tomorrows pivot point will be at USD 25,083 with intraday price and momentum aligned to the buy side. The intraday RSI is now above 50 with the 4-hour candle on the 50 period EMA at USD 25,725. Price is improving with the futures now targeting the USD 27,125 fractal resistance, above this level intraday (and daily) price is considered as bullish, warning the trend could be transitioning back to the buy side. If we open weaker and close on the intraday 4-hour candle below USD 25,083 then the USD 19,625 low will become a legitimate downside target. The index has had a bull day (Up USD 1,627 to USD 27,033) but is not yet considered to be bullish, a close above USD 29,090 tomorrow would signal that momentum is improving based on price.

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## Panamax

Having produced a bullish rejection candle yesterday the Dec futures opened above the daily pivot to close the day USD 875 higher at USD 19,625. The index however has had a bad day (USD 1,252 lower at USD 19,689) meaning the Dec futures and the index are now at an equilibrium. This poses a question about the upside move in the futures, price has broken an intraday trend resistance and is the lead indicator in the market; however, the stochastic is nearing overbought territory and the RSI is below 50, meaning momentum is vulnerable to further tests to the downside. At this point any upside moves should be considered as countertrend until we see some form of slowdown in the index, as any rally is likely to be unsustainable. Price could be in transition, but it is not supported by momentum or the index at this point.

## Supramax

A slowdown in the index yesterday supported by the bullish rejection candle in the Dec futures had warned of higher pricing today. The futures have moved USD 700 higher to close the day at USD 23,250, however the index is down USD 138 at USD 24,725, meaning we have not seen the bullish close that is needed for momentum to be improving based on price. We now need to see a close above USD 24,881 in the index. The close in the Dec futures above USD 23,177 has neutralized the current down move in the short term with intraday price and momentum aligned to the buy side; however, the longer-term intraday 4-hour EMA's remain well spaced suggesting the down trend remains stable, we do have the break in trend resistance that supports bullish price action, but at this point we will need to see more upside price action to convince.

## Oil

Yesterday's close was weak with the futures trading below the 60 period EMA, this is investor territory and they have entered the market to push price up from a low of USD 79.28, to USD 81.12. From a technical perspective we remain bullish, for more information please click on the link.

Have a nice Evening

Ed Hutton