

FIS European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	#N/A N/A	34750	#VALUE!
Cape Q322	#N/A N/A	36375	#VALUE!
Cape Cal 23	#N/A N/A	22625	#VALUE!

	Previous Close	Current Close	% Change
Pmx 1 month forward	#N/A N/A	27875	#VALUE!
Pmx Q322	#N/A N/A	27916.5	#VALUE!
Pmx Cal 23	#N/A N/A	17325	#VALUE!

	Previous Close	Current Close	% Change
Smx 1 month forward	#N/A N/A	30250	#VALUE!
Smx Q3 22	#N/A N/A	29750	#VALUE!
Smx Cal 23	#N/A N/A	17275	#VALUE!

	Previous Close	Current Close	% Change
Brent	119.72	119.55	-0.1%
WTI	118.87	118.71	-0.1%
Iron ore	144.4	145.24	0.6%

Iron ore

Source FIS/Bloomberg

The futures remain technically bullish and in trend with price above all key moving averages. Upside moves that trade above the USD 145.75 fractal resistance will target the USD 147.50 and USD 154.60 levels; however, a note of caution on the intraday technical as we have the potential to create a negative divergence with the RSI above USD 145.05. Not a sell signal it does warn that we have the potential to see a momentum slowdown and enter a corrective wave soon. A close below USD 144.36 will put price below the linear regression line, giving an early warning that upside momentum is slowing, whilst a close below USD 141.01 will indicate the futures have entered a corrective phase. Downside moves that hold at or above the USD 135.18 level will support a bull argument, below this level the futures will have a neutral bias. Technically bullish we are seeing warning signs that we could enter a corrective phase soon.

Copper

Copper rallied past \$9,800 a ton to the highest since April with sentiment across industrial metals bolstered by the latest signs that China is easing tough measures to fight the Covid-19 pandemic. In Beijing, authorities allowed public transport to restart in most areas and let offices and restaurants reopen. Single-digit case counts in the capital and in Shanghai on Sunday also pointed to relief from the curbs that have taken a huge toll on the economy and depressed demand for metals. Most base metals rallied in the US, buoyed by rising equities (Bloomberg). The futures did move higher on the open, but the intraday move failed to hold with price trading at USD 9,720 into the close, 85 bucks off the high. Price is above that daily EMA resistance band, but the RSI is at 52 with the stochastic in overbought territory, if the RSI moves below 50 then momentum is vulnerable to a test to the downside. Technically bullish with the RSI making new highs, suggesting downside support levels should hold if tested; corrective moves lower that hold at or above USD 9,527 will support a bull argument, below this level the futures will have a neutral bias.

Capesize

The index continues to weaken with price USD 1,408 lower at USD 22,866, below USD 16,933 the index will have a neutral bias. A bearish rejection candle on Friday has resulted in the futures closing USD 1,000 lower at USD 34,625 in the July contract. Downside moves that hold at or above USD 30,920 will support a bull argument, below this level the technical will have a neutral bias. A conflicting technical here, the moving average on the intraday RSI is sloping to the upside, suggesting support levels should hold in the near-term; however, the MA on the daily RSI is to the downside, indicating that any upside moves could struggle to trade above the USD 39,500 resistance if tested. Technically bearish with a neutral bias, key support is at USD 30,920.

Panamax

We are seeing a momentum slowdown in the index with price only USD 90 lower at USD 24,237 today. The July futures had a bearish day on Friday but a bullish open today; however, price failed to capitalize resulting in the futures closing only USD 375 higher at USD 27,875 on limited movement. Price today is within Friday's range meaning we have an inside day candle pattern. Technically neutral, an upside move above today's high (USD 28,250) will warn that resistance levels could be tested; likewise, below USD 27,750 could have bearish implications going forward. Technically bearish with a neutral bias, look for a breakout on the inside day for a short-term directional move.

Supramax

The index remains weak with price USD 479 lower at USD 29,529 today; however, the July futures have closed the day USD 500 higher at USD 30,250. The intraday technical is bearish with a neutral bias but momentum is warning the futures are vulnerable to a test to the downside, as the RSI is at 46 whilst the stochastic is overbought, if the RSI moves above and holds above 50 then the stochastic is considered as less relevant. Upside moves above USD 31,250 will mean the intraday technical is bullish, however key resistance on the daily chart is at USD 31,632, if it holds then the futures remain vulnerable to further tests to the downside. Another inside day candle pattern means we have a breakout range of USD 30,500 – USD 30,000 which should give us a short-term technical bias.

Oil

Brent remains technically bullish but in a corrective phase on the intraday chart. Downside moves that hold at or above USD 118.03 will support a near-term bull argument, below this level the futures will have a neutral bias. The intraday RSI is above 50 (52) with the stochastic in oversold territory, if the RSI can hold above this level, then momentum is vulnerable to a test to the upside, if the RSI moves below and holds below this level then the oversold stochastic is less relevant. The daily technical is bullish but in a corrective phase, downside moves on the higher timeframe chart that hold at or above USD 112.36 will support a longer-term bull argument, below this level the futures will have a neutral bias. Technically bullish, key near-term support is at USD 118.03 with longer-term support at USD 112.36.

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