



# European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	19250	19125	-0.6%	Pmx 1 month forward	17750	17875	0.7%
Cape Q422	19575	19925	1.8%	Pmx Q422	17900	17800	-0.6%
Cape Cal 23	16000	16250	1.6%	Pmx Cal 23	13700	13575	-0.9%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	19125	18750	-2.0%	Brent	96.53	97.14	0.6%
Smx Q4 22	18350	18025	-1.8%	WTI	90.54	91.55	1.1%
Smx Cal 23	13850	13725	-0.9%	Iron ore	110.3	109.45	-0.8%

Iron Ore

Source FIS/Bloomberg

The futures dipped a little on the PPI numbers in the Asian day session before moving higher (briefly) in the evening session. Technically little has changed in the September contract, our wave analysis would suggest the current upside move is part of larger bear cycle, whilst the near-term futures are consolidating with the moving averages flat, indicating a lack of trend in the market.

Copper

U.S inflation data had the USD index in a tailspin today, with traders taking a reality check on just how aggressive the Fed will need to be on rate hikes. This gave the copper futures a needed boost with price trading at USD 8,086 into the close. The technical remains in divergence, warning of the potential for a momentum slowdown; however, we now need to see if there will be upside continuation and a divergence failure, or a downside move as the market re-balances. A cautious bull, as this divergence with the RSI will need to be monitored closely.

Capesize

The futures gapped higher on the open however as noted on the morning report price traded below the opening values early on, warning that we could trade below the USD 19,300 level and close the breakaway gap, this proved to be the case. For more information on the technical please follow the link. Capesize Technical Report 10/08/22 <https://fisapp.com/wp-content/uploads/2022/08/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-10-08-22.pdf>

Panamax

We noted yesterday that with the futures trading at a premium to the index we could see the index turn positive soon. We are not there yet but we are seeing a momentum slowdown based on price with the price only USD 59 lower at USD 16,049. A bullish open failed to hold with the September contract following the cape lower; however, price did stabilize after the index to close the day USD 125 higher at USD 17,875. As previously noted, I think we have entered a countertrend Elliott wave 4, which in theory would suggest we have potentially further upside within this move.

## Supramax

A bit of a slowdown in the index, but nothing significant yet with price coming in USD 243 lower at USD 17,754. Like the rest of the freight complex, we opened with a positive number before trading lower. The September futures have closed the day at USD 18,750 which is below the small trend support highlighted in the morning technical, warning the USD 18,180 support level could be tested. If broken, then we should in theory test the USD 16,500 low. We maintain our bearish view as the RSI is still below 50 with the stochastic in overbought territory.

## Oil

Oil prices fluctuated between gains and losses in another volatile session as the market weighed growing US crude stockpiles and Russian flows against nascent signs of recovery in gasoline demand.

West Texas Intermediate futures edged forward to little changed from yesterday's close. Prices fell as much as 3% earlier in the session after Russia's pipeline operator Transneft PJSC said it resumed oil flows via the Druzhba line toward Ukraine and US government data showed both crude inventories and production rose last week. Offsetting bearish factors, US inflation rose at a slower-than-expected pace, potentially relieving pressure on the Federal Reserve to raise interest rates further, while gasoline demand appeared (Bloomberg). The intraday technical is bearish based on the lower low this morning; however, the inflation data means we are back in positive territory for the day. From a technical perspective we have potentially seen wave completion to the downside; but until we see some significantly higher numbers than USD 97.00 this technical remains vulnerable. We are a cautious bull, the technical itself is not yet bullish.

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