

# FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	19500	19125	-1.9%	Pmx 1 month forward	18075	18125	0.3%
Cape Q422	18083	17675	-2.3%	Pmx Q422	17150	17375	1.3%
Cape Cal 23	13625	13750	0.9%	Pmx Cal 23	12275	12412.5	1.1%

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Smx 1 month forward	18475	18750	1.5%	Brent	90	90.54	0.6%
Smx Q4 22	17575	17850	1.6%	WTI	83.05	83.61	0.7%
Smx Cal 23	12700	12850	1.2%	Iron ore	95.35	98.35	3.1%

Iron ore

Source FIS/Bloomberg

Iron ore rose, snapping a six-day loss, on signs that construction activity in China is reviving (Bloomberg). The October futures continue to move higher with price above the 8-21 period EMA's; however, the RSI is neutral at 50 whilst the stochastic is overbought. If the RSI moves below 50 then momentum is vulnerable to a test to the downside, if the RSI holds above 50 then the stochastic is less relevant. Upside moves that fail at or below USD 100.86 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.

## Copper

The world's top copper trader is cautious about the short-term outlook for the crucial industrial metal as Europe faces the risk of power shortages this winter. While Trafigura Group remains bullish on copper's long-term prospects, Europe's energy crisis poses a short-term risk for prices as the industry weighs the potential for shutdowns, said Graeme Train, the trading house's head of metals and minerals analysis (Bloomberg). We noted on the morning report that the futures although bearish we had a support zone below and a resistance zone above, warning we have the potential to move sideways. The futures moved lower, held support and are currently flat on the day.

## Nola Urea

A little bit different from the norm, we have a Nola Urea technical for your perusal today. Nola Urea Rolling Front Quarter (Q4 22) 22/09/22 <https://fisapp.com/wp-content/uploads/2022/09/FIS-Nola-Urea-Q4-22-22-09-22.pdf>

## Capesize

The index has moved lower today with price down USD 760 at USD 16,000. A mixed day in the October futures with price gapping lower on the open, the downside moves held above the USD 16,558 support (low USD 17,250 before moving higher post index). The futures closed the bearish window to finish the day USD 450 lower at USD 19,050, meaning we have closed USD 1,000 above the opening price. The technical remains bullish, however above USD 20,125 the futures will create a second negative divergence, not a sell signal it does warn we have the potential to see a momentum slowdown.

## Panamax

The index continues to weaken with price USD 206 lower at USD 16,647 today. Like the capsize futures we moved lower in the October contract on the open before finding support post index. Technically the intraday remains bearish/neutral below USD 18,750, and bullish above. Downside move below USD 16,875 will break a fractal support warning the USD 15,250 level is vulnerable; likewise, upside moves above USD 19,300 have the potential to create a negative divergence with the RSI, not a sell signal it will need to be monitored as it warns we have the potential to see a momentum slowdown. If the futures can open above and hold above the USD 17,708 level on the open, then price and momentum have the potential to be aligned to the buy side, if we open below this level the USD 16,875 support will be vulnerable.

## Supramax

The index is USD 351 higher again today at USD 18,008, near-term resistance is at USD 18,319, below this level the index remains vulnerable to further tests to the downside, whilst above it we have a neutral bias. The October futures have traded above the USD 18,875 high to close the day at USD 19,025; however, the new high has created a negative divergence with the RSI meaning we do not consider the market a technical buy as we see this upside moves as countertrend.

## Oil

Having moved lower on the back of the FOMC yesterday price moved higher on the Asian open and the E.U. morning session, to take the futures into neutral territory. However, a rising USD basket in the U.S afternoon session has resulted in the futures coming under pressure this afternoon. We are still up on the day but USD 2.50 off their high, technically we remain bearish, but in reality the futures are consolidating with sideways action for the last five sessions.

Written by **Ed Hutton**, FIS Senior Technical Research Analyst

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