

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	20175	20000	-0.9%	Pmx 1 month forward	17950	19200	7.0%
Cape Q422	18425	18500	0.4%	Pmx Q422	17250	18150	5.2%
Cape Cal 23	13675	13681.5	0.0%	Pmx Cal 23	12325	12625	2.4%

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Smx 1 month forward	18675	19500	4.4%	Brent	83.94	85.94	2.4%
Smx Q4 22	17500	18375	5.0%	WTI	76.34	78.3	2.6%
Smx Cal 23	12662.5	12950	2.3%	Iron ore	95.65	97.3	1.7%

Iron ore

Source FIS/Bloomberg

Iron ore rose for the just the second time in 10 sessions as a rally in the dollar paused, and on optimism Chinese stimulus will improve demand. The steel-making ingredient traded near \$96 a ton in Singapore as a gauge of the dollar fell for the first time since early last week. A weaker greenback makes commodities priced in the US currency cheaper for most buyers (Bloomberg). The futures trade up to and rejected the channel resistance resulting in price closing the evening session around the morning levels. A close above the upper channel (USD 97.64) will warn the USD 99.25 and USD 100.86 resistance levels could be tested. Likewise, a close on the 4-hour candle below USD 96.70 will warn that the USD 95.00 – USD 94.20 fractal support zone could come under pressure.

Copper

A bit of a quiet day in the copper futures with price trading up to USD 7448.5 before failing at the 15 period EMA. The futures have started to roll over to the downside, suggesting the USD 7,292 – USD 7,233 support zone could come under pressure. However, downside moves that trade to new lows have the potential to create a positive divergence with the RSI, not a buy signal it does warn that we could see a momentum slowdown. Upside moves on the 4-hour candle that can close above and hold above the USD 7,402 level will warn that resistance levels could be tested in the near-term.

Capesize

The index is lower today by USD 291 at USD 17,916. A close below USD 17,045 is now needed for momentum to be seen to be weakening based on price. For more information on the technical, please click on the link. Capesize Technical Report 27/09/22 <https://fisapp.com/wp-content/uploads/2022/09/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-27-09-22.pdf>

Panamax

The recent downside move in the index had been weak, resulting in price closing USD 55 higher today at USD 16,646. A close above USD 16,672 will signal that momentum is improving based on price. Having opened weaker with price below the trend support the futures moved higher on the back of the positive index with the October contract closing the day up USD 1,250 at USD 19,200, putting the future back above the trend line. Momentum and price are both positive; however, above USD 19,300 the futures will create a negative divergence with the RSI, not a sell signal it does warn we have the potential to see a momentum slowdown and will need to be monitored. The technical is bullish, momentum is vulnerable with the wave analysis suggesting this upside move should be considered as countertrend. If we hold above USD 18,500 on the intraday, then we have the potential to test the USD 19,800 and then USD 20,683 in the near-term, with further resistance between USD 21,507 – USD 21,603. Ultimately the technical remains vulnerable below USD 23,184 and neutral above .

Supramax

We had little action in the futures this morning with price waiting to see if the index would hold in bullish territory, which it did. Having showed signs that momentum could be slowing yesterday the index rose another USD 145 to USD 18,376 today. The October futures responded positively with price trading USD 825 higher, to close the day at USD 19,500. The futures are going to need to push in the morning as we are now in divergence with the RSI, not a sell signal it does warn we have the potential to see a momentum slowdown. The divergence is marginal so a strong open could cause the divergence to fail. Technically we are bullish with an expectation that this current wave should exhaust somewhere between USD 20,120 and USD 20,590. If we fail to trade above USD 20,120 then the probability that we could see a more sustained correction will increase; likewise, if we start trading above USD 20,590 then buyside momentum will be seen to be increasing, suggesting we could test the longer-term Fibonacci resistance levels that start at USD 21,715 will come under pressure.

Oil

Russia's energy conflict with Europe escalated dramatically as three pipelines were wrecked in suspected sabotage and Gazprom PJSC warned that another key route bringing gas to Europe is at risk. As the damaged pipelines caused massive bubbling gas leaks in the Baltic Sea, German and US officials said the incident looked like sabotage. Denmark and Norway moved to step up security around their energy assets and Germany said "critical infrastructure" had become a target. While the pipelines were already out of action, the hit raises the stakes in the fight between Moscow and Ukraine's allies in Europe and makes it more likely Europe will have to survive this winter without any Russian gas at all (Bloomberg). Gas has been the focus today, however the oil markets have been surprisingly calm. The futures were already rallying on the back of a positive divergence with the RSI; as noted on the morning technical, price was testing the midpoint of the bear channel, if it closed above and held above it then it would warn the upper channel at USD 87.65 could be tested. The futures traded to a high of USD 87.15 meaning we failed to test the resistance before correcting. However, going into the close price is holding above the channel midpoint warning price is currently supported.

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