

# FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	13625	13600	-0.2%	Pmx 1 month forward	16600	16750	0.9%
Cape Q1 23	7250	7150	-1.4%	Pmx Q1 23	11675	11900	1.9%
Cape Cal 23	12825	12650	-1.4%	Pmx Cal 23	12450	12537.5	0.7%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	17375	17525	0.9%	Brent	92.38	93.28	1.0%
Smx Q1 23	12100	12550	3.7%	WTI	85.98	85.12	-1.0%
Smx Cal 23	12525	12687.5	1.3%	Iron ore	89.8	90.82	1.1%

Iron ore

Source FIS/Bloomberg

Iron ore prices should remain under pressure as China's property woes outweigh positive signs from its infrastructure sector, according to a note from Australia & New Zealand Banking Group Ltd. on Friday. ANZ cuts its short-term price target to \$85 a ton as Beijing is "pushing for crude steel production cuts in 2022," while environmental curbs in winter will also weigh "The likelihood of a rally in the short term continues to fall amid the weak economic backdrop," ANZ said, lowering its 12-month target to \$80 a ton (Bloomberg). A new low in the Asian day session followed by a move higher in the evening session is becoming a bit of a theme in the Nov contract. Technically in a bearish trend with price in divergence.

Copper

Federal Reserve officials are barreling toward another interest-rate rise of 0.75 percentage point at their meeting Nov. 1-2 and are likely to debate then whether and how to signal plans to approve a smaller increase in December. "We will have a very thoughtful discussion about the pace of tightening at our next meeting," Fed governor Christopher Waller said in a speech earlier this month. Some officials have begun signaling their desire both to slow down the pace of increases soon and to stop raising rates early next year to see how their moves this year are slowing the economy. They want to reduce the risk of causing an unnecessarily sharp slowdown. Others have said it is too soon for those discussions because high inflation is proving to be more persistent and broader (Bloomberg). The report in the wall street journal caused front and yields to soften a little, resulting in a move lower in the USD and a move higher in the copper futures. The technical remains bearish with a neutral bias at this point, upside moves above USD 7,695 will mean the intraday is bullish.

Capesize

The index continues to weaken, but at a more subdued pace with price USD 330 lower at USD 17,175. A Doji star yesterday signaled indecision in the market, whilst a higher open today failed to hold in the Nov contract resulting in the futures closing unchanged on the day at USD 13,600. The futures look to be forming a base on the intraday technical, but the weekly has closed on its lows, if we move lower on Monday, it will mean the daily technical is breaking its consolidation phase to the downside, warning sell side momentum could increase.

## Panamax

If you like triangle patterns, then the Panamax futures are one for you. The market is in consolidation. For more information on the technical, please click on the link. Panamax Technical Report 21/10/22 <https://fisapp.com/wp-content/uploads/2022/10/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-21-10-22.pdf>

## Supramax

The index is higher today, but only by USD 20.00 at USD 18,455, meaning it is too early to see if we are going to see a push to the upside. A very uninteresting day on the futures with the Nov contract closing the day at USD 17,525, USD 150 higher. We noted on the morning report on the 19/10 that we had an intraday stalemate between opposing rejection candle (USD 17,875 – USD 17,000), the futures are yet to break this range, suggesting these are the intraday levels to follow.

## Oil

The futures held above key support this morning, resulting in price moving to the upside, a weaker USD coming into the close is keeping the futures supported, meaning the futures are trading above the 1-hour 200-period MA (USD 92.84). If we can hold above the average then we have the potential to test the USD 94.77 high. Technically the intraday is bullish having held support whilst the daily is bullish but with a neutral bias. USD 94.77 is the levels to watch, if we trade above this level on Monday we could go on a bit of a run.

I'm on vacation next week.

Happy trading

Ed

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