



# European Close

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	15550	14475	-6.9%	Pmx 1 month forward	13200	12475	-5.5%
Cape Q4 23	16825	16225	-3.6%	Pmx Q4 23	12800	12250	-4.3%
Cape Cal 24	14425	14125	-2.1%	Pmx Cal 24	11375	11100	-2.4%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	12025	11425	-5.0%	Brent	84.83	85.19	0.4%
Smx Q4 23	11900	11600	-2.5%	WTI	81.4	81.91	0.6%
Smx Cal 24	11175	11075	-0.9%	Iron ore	106.55	107.45	0.8%

Iron Ore

Source FIS/Bloomberg

Having sold lower in to the close on Friday on the back of a weakening Rebar, the Sep futures have found bid support having held above the EMA support band resulting in price trading to a new high. We remain technically bullish based on price but cautious on upside moves as the futures are in divergence with the RSI which is in a resistance zone. A close on the 4-hour candle below USD 104.20 will warn that support levels are vulnerable.

## Copper

Sideways action in the futures today with price moving sideways for the second session. We remain below the EMA resistance band having moved higher on the back of a positive divergence with the RSI, implying resistance levels are vulnerable. A close on the 4-hour candle above USD 8,316 would suggest that momentum based on price is increasing, further supporting a bull argument. Technically bearish, the MA on the RSI would suggest that momentum is starting to find buy-side support, meaning the futures are not considered a technical sell at this point.

## Capesize

Another bear index today with price USD 503 lower at USD 12,752. The Sep futures already had a neutral bias with the probability of price trading to a new high decreasing based on the deep pullback. A weak open today has resulted in fractal support being broken, the intraday technical is now bearish, supported by the RSI making a new low, suggesting upside resistance level should in theory hold if tested in the near-term.

## Panamax

The index has been slowing down for the last few days with price coming in USD 4.00 lower today. Having opened lower on Friday the futures found light bid support during the session; however, price opened weaker this morning with the Sep futures trading on their lows for the remainder of the day. Down USD 600 at USD 12,600, we are now trading in the Fibonacci support zone with the MA on the RSI implying momentum is weak at this point, suggesting support levels remain vulnerable in the near-term. However, intraday Elliott wave analysis continues to suggest that the corrective move lower looks to be countertrend, meaning we have a note of caution on downside moves.

## Supramax

Another positive index today with price USD 225 higher at USD 9,899. Having moved higher on Friday the RSI failed to close above its MA, resulting in technical weakness today. Like the Panamax the MA on the RSI implies momentum is weak, but the Elliott wave cycle would suggest that downside moves should be considered as countertrend, making USD 10,825 the key support to follow. If broken the probability of the futures trading to a new high will decrease.

## Oil

Oil tracked equities to a small gain amid thin summer trading and a fundamental picture that's locked in a stalemate between signs of tightening supplies and growing risks to demand. The nearest-term segment of the oil futures curve is signaling that supplies are being constricted amid production cuts from OPEC+ linchpins Russia and Saudi Arabia, though Iran's booming exports are helping satiate the market. Low crude-trading volumes have exacerbated swings, with aggregate open interest hovering near the lowest levels this year as investors travel for holidays (Bloomberg). The futures moved higher on the open with the MA on the RSI suggesting momentum was supported, leaving the USD 86.38 resistance vulnerable, if broken it would signal a deep pullback, meaning the probability of the futures trading to a new low will decrease. However, if our Elliott wave analysis is correct, then the current upside move looks to be a countertrend wave B, suggesting that resistance should in theory hold.

## Ed Hutton

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

EdwardH@freightinvestor.com

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at [freightinvestorservices.com](https://www.freightinvestorservices.com)