

# FIS 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	20000	18975	-5.1%	Pmx 1 month forward	13950	13550	-2.9%
Cape Q4 23	17975	17125	-4.7%	Pmx Q4 23	13150	12975	-1.3%
Cape Cal 24	14675	14325	-2.4%	Pmx Cal 24	11412.5	11400	-0.1%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	13925	13450	-3.4%	Brent	96.71	95.54	-1.2%
Smx Q4 23	12950	12700	-1.9%	WTI	93.68	92.5	-1.3%
Smx Cal 24	11300	11400	0.9%	Iron ore	116.35	118.55	1.9%

Iron Ore

Source FIS/Bloomberg

The October futures have seen buyside support today as we enter Golden week in China. We noted in the close report yesterday that we considered upside moves to be countertrend; however, the MA on the RSI had started to turn higher, warning that we had momentum support starting to creep in, making USD 119.08 the key resistance to follow. The resistance has now been breached going into the holiday, meaning the technical now has a neutral bias. With light liquidity expected over the next week the technical will become less reliable, for this reason, unless there is a significant move we will not be producing a TA comment or report until the DCE reopens.

Copper

Technically bearish yesterday with the RSI in divergence the futures looked to be on a wave 5 of an extended wave 3. The futures have moved higher on the back of the divergence with price breaching the USD 8,219 resistance, meaning the near-term technical has a neutral bias. However, the Elliott wave cycle remains bearish below USD 8,359 and neutral above. The intraday upside move today has RSI support, suggesting downside moves have the potential to be countertrend in the near-term.

Capesize

The index turned today with price USD 689 lower at USD 18,975. As noted in the close report yesterday the index had moved higher whilst the October futures moved lower, warning upside moves could slow down over the coming days. The futures opened below the daily pivot point and the previous day's low this morning, resulting in price selling USD 1,025 lower to close at USD 18,975. Technically, the futures remain bullish above USD 18,565 and neutral below, if we open tomorrow below the daily pivot point (which looks like it will be at USD 19,133) then we could see the USD 18,565 and USD 18,250 support levels come under pressure. Likewise, if we open above the pivot then we will have intraday resistance between USD 19,706 – USD 20,194.

Panamax

Having moved higher yesterday the index came in USD 15.00 lower today at USD 14,048. As noted previously we had a note of caution in the October futures, as price had broken the USD 14,300 support with the index and futures trading at an Equilibrium. The futures sold lower again with price closing at USD 13,550, down USD 400 on the day. The MA on the RSI would suggest that momentum is weak, warning upside resistance levels could hold if tested. Tomorrow's pivot point is at 13,650, if we open below this level then we target the USD 13,100 – USD 12,800 support zone. Likewise, an open above this level will warn we could see a test to the upside, with intraday resistance between USD 13,900 and USD 14,200.

## Supramax

The index continues to come under pressure with price USD 262 lower today at USD 14,237. We noted yesterday that we had a small note of concern, as the downside move had the potential to break our key support at USD 12,915 on the roll into November if we moved much lower. The October has come under further pressure to close the day USD 475 lower at USD 13,450 meaning the Nov contract is now trading on our key support level. If we open below USD 13,558 tomorrow, then the USD 12,915 support could be broken; likewise, an open above this level will warn that we could have an intraday test to the upside. However, the MA on the RSI would suggest that momentum remains weak at this point with intraday resistance between USD 13,800 and USD 14,075.

## Oil

Having rallied nearly USD 6.00 in the last couple of day we have seen the futures enter a corrective phase today with price trading USD .75 lower at USD 95.82 going into the European close. Technically we remain bullish but in a corrective phase with key support at USD 93.80, the futures are bullish above this level and neutral below. Intraday Elliott wave analysis continues to suggest that we have the potential to trade as high as USD 100.46 in the near-term. However, the upside move today is warning of technical resistance with the potential to produce a dark cloud cover pattern if we remain at these levels. A close on the daily chart below USD 94.10 will be below the low of the last dominant bull candle, implying the USD 93.80 support could fail.

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](http://freightinvestorservices.com)