

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	14325	13000	-9.2%	Pmx 1 month forward	10125	9800	-3.2%
Cape Q1 24	8175	7750	-5.2%	Pmx Q1 24	8387.5	8300	-1.0%
Cape Cal 24	13700	13500	-1.5%	Pmx Cal 24	10562.5	10425	-1.3%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	11375	10200	-10.3%	Brent	87.42	85.7	-2.0%
Smx Q1 24	8812.5	8650	-1.8%	WTI	81.35	81.49	0.2%
Smx Cal 24	10625	10550	-0.7%	Iron ore	121.65	121.55	-0.1%

Iron ore

Source FIS/Bloomberg

The November futures traded to new highs in the Asian day session before drifting USD 1.00 lower into the European close. Technically we remain in a bullish trending environment with downside moves considered as countertrend at this point. The lower timeframe intraday RSI remains in divergence which will need to be monitored, as it is warning that we still have the potential to see a momentum slowdown.

Copper

It was a mixed technical in the morning report today. The recent upside move to a new high had been replicated by the RSI, implying downside moves should in theory be countertrend. However, a rejection candle followed by a Doji in the last 2 sessions (daily chart) meant we had seen a slowdown in the recent upside move, as the futures were trading in the daily EMA resistance band. Indecision suggested a cautious approach as the bullish intraday technical had resistance above it. This explains today's price action, as we see different timeframe traders opposing each other. Intraday bulls have pushed the futures higher, but the move has failed to hold, as technical sellers on the daily chart have entered the market resulting in the futures trading USD 50.00 off their high. Technically we should move higher; however, I do not think it is a technical buy into the daily resistance.

Capesize

The index is another USD 999 lower today at USD 15,751. The futures rolled into the Dec contract yesterday, but this has not changed any part of the technical, other than the fact we are at lower levels. The RSI is trading below a support zone, meaning we are making new lows as we are now at 24.23. However, this does not mean that because the RSI is oversold the market must be a technical buy. The reality is that in a bear market, the RSI should make new lows and is unlikely to trade above or hold above the 45 level. The new low on the RSI would suggest that that momentum is weak, meaning upside moves should be considered as countertrend at this point.

Panamax

The index continues to soften with price USD 405 lower at USD 12,062 today. The futures opened down but remained stable to close the day in the Dec contract USD 300 lower at USD 9,825. From a technical perspective, we are in a bearish trending environment with the MA on the RSI implying momentum remains weak, whilst intraday Elliott wave analysis would suggest that upside moves look like they will be countertrend at this point.

Supramax

The Supramax completed the set today with price USD 173 lower at USD 12,311. We noted in the morning technical that upside moves should be considered as countertrend based on the intraday Elliott wave cycle. However, we did have a note of caution as the futures were 13% below the 21 period EMA, warning we could be a little overextended to the downside, and vulnerable to a mean reversion back to the averages. The futures are 50 bucks higher; it is the averages that have started to drop, meaning we are now only 10% below the 21 period EMA going into the close. We are still a little over extended, meaning we could still see a small move higher, or we consolidate, and wait for the averages to catch up. Either way, any move higher at this point does look like it will be against the trend.

Oil

Today has been a bit of a textbook from a technical point of view. As noted in the morning report, the trend was bearish but the roll into Jan had left a bearish gap in the market. We highlighted that markets do not like a gap and could try and close it, warning we could see an intraday test to the upside. The futures rallied USD 1.74 (from our morning report) to try and close the gap but failed by .16 cents. Going into the close we are trading back just above this morning's levels. Technically we remain bearish still.

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

EdwardH@freightinvestor.com

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