

# FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	29600	29875	0.9%	Pmx 1 month forward	13975	14300	2.3%
Cape Q4 24	27700	28000	1.1%	Pmx Q4 24	13950	14225	2.0%
Cape Cal 25	21550	21675	0.6%	Pmx Cal 25	12625	12600	-0.2%
	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	14275	14475	1.4%	Brent	72.78	72.96	0.2%
Smx Q4 24	14100	14300	1.4%	WTI	69.25	69.45	0.3%
Smx Cal 25	12625	12700	0.6%	Iron ore	92.8	91.45	-1.5%

## Iron Ore

Source FIS/Bloomberg

Technically bearish but in divergence this morning, meaning we had a cautious view on downside moves. The October futures caught a bid in the Asian evening session with price trading to a high of USD 93.75, before seeing bids fade late on, resulting in the futures trading at USD 92.35 on the close. Technically we are cautious on downside moves; however, we have some food for thought this evening. When we look at the China BOF Steel Profit Index, we can see margins are at CNY – 504. Last time margins were this bad, the rolling front month futures were trading at USD 42.00. I am not saying that the futures are about to sell USD 50.00 lower, it just makes it very hard to find a bull argument. It does however make me think we may see a wave extension to the downside!

## Copper

We noted this morning that the futures were technically bearish; however, the MA on the RSI was starting to flatten, implying sell side momentum was slowing down. The futures have moved USD 166.50 higher to USD 9,126.5 this afternoon, meaning we are trading in the Fibonacci resistance zone. Our intraday Elliott wave analysis is suggesting that the upside move looks like it could be countertrend, making USD 9,214 the key resistance to follow. If we do breach this level, then the probability of the futures trading to a new high will start to decrease.

## Capesize

Having sold lower yesterday the index came in USD 509 higher today at USD 27,247. Bullish with downside moves considered as countertrend this week, the October futures held support yesterday, before trading above the USD 30,076 resistance on the open. The resistance break does warn that the USD 30,875 fractal high is now vulnerable. However, having opened with bid support, we have stagnated for the remainder of the session, to close USD 275 higher at USD 29,875. Technically, resistance levels remain vulnerable.

## Panamax

The index has been slowing for the last week with price coming in only USD 4.00 lower yesterday; however, we have seen a small acceleration to the downside today with price USD 53 lower at USD 10,310. The October futures are a bit of an enigma for me, they traded to a high of USD 14,575 on the open before closing the day USD 375 higher at USD 14,350. Technically the RSI is at resistance, on the lower timeframe the RSI is divergent, warning buy-side momentum has the potential to slowdown. We are now trading USD 4,040 above the index, technically, I cannot see why the futures are so supported, as from a technical perspective they look very vulnerable to a move lower from here. I am putting the support down to the Capes!

## Supramax

We have seen a slowdown in the index today with price only USD 58 lower at USD 13,968. The October futures opened with bid support this morning, having been in divergence on the close yesterday. We noted that there was still the potential for another move lower, but this was based on very low timeframe oscillators, meaning we did not consider the futures a technical sell at these levels. Having traded to a high of USD 14,575 on the open, we close the day USD 200 higher at USD 14,475. We remain cautious on downside moves.

## Oil

OPEC+ clinched a deal to pause its planned oil output hike for two months after prices plunged amid fragile demand. Key coalition members won't go ahead with the scheduled hikes of 180,000 barrels a day in October and November, according to delegates who asked not to be identified because the discussions are private. Oil prices jumped more than 1% (Bloomberg). Technically bearish with upside moves considered as countertrend this morning, the futures were finding bid support on the back of a positive divergence with the RSI. Having traded to a high of USD 74.20 the futures have come back under pressure into the European close, we are USD 0.41 higher on the day at USD 73.11. Technically, we have now entered the countertrend wave 4, meaning upside moves are still considered as countertrend, providing we do not trade below the USD 72.35 fractal low.

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