European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	29000	28500	J	Pmx 1 month forward	21550	20500	0
Cape Q122	17750	16500	-7.0%	Pmx Q1 22	20625	19400	-5.9%
Cape Cal 22	22000	21000	-4.5%	Pmx Cal 22	19550	18850	-3.6%

	Previous	Current	% Change		Previous	Current	% Change
	Close	Close	% Change		Close	Close	% Change
Smx 1 month forward	24250	23750	-2.1%	Brent	79.5	82.38	3.6%
Smx Q1 22	21700	20750	-4.4%	WTI	76.49	78.69	2.9%
Smx Cal 22	19750	19125	-3.2%	Iron ore	94.55	97.05	2.6%

Data Source FIS and Bloomberg

Iron Ore

As noted yesterday the futures were likely to see further support in the market based on increasing margins. This has been the case with the Dec contract trading up to a high of USD 104.60. The futures are rallying on the back of a positive divergence but the longer-term EMA's on the daily technical remain well spaced, suggesting upside resistance levels should hold in the near-term as the trend is still considered to be stable. The move is attributed to speculation that China may step up steel input (Bloomberg). However, at this point buy signals we have been seeing have come from the intraday technical, price is now test-ing the 30–35 period EMA's (daily) which are currently holding, suggesting we could see some technical weakness in the coming days.

Copper

The futures continue to move higher on the back of Peruvian license suspension and China speculation with the futures now producing a higher high in the market. Based on price this means the technical is considered as bullish, based on the longer-period EMA's we remain neutral as they indicate a lack of trend in the market. The RSI is above 50 (53) but shorter period momentum indicators are starting to look overbought. Bullish based on price but not in trend with the potential to enter a corrective phase soon.

Capes

The index is up USD 1,421 to USD 33,631 but the futures have moved lower on the back of the bearish rejection candle yesterday. Weaker but only by USD 500 in the Dec futures with price holding in bull territory at this point; however, the close at USD 28,500 looks like it will be below tomorrows pivot point at USD 29,083. If this is the case, then we have the potential to see further weakness tomorrow. However, if we open above this level tomorrow then we could look to test the USD 32,250 high, upside moves above this level would be considered a technical buy (Larry Williams). Key support is at USD 23,917, if we hold above this level then it will support a bull argument, if broken the USD 19,625 low will be a target for market sellers.

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FERTS AGRI OIL WET FFAS DRY FFAS IRON ORE METALS AIR FREIGHT COAL

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Panamax

The index is showing signs that we could be about to base with the RSI at 17 on a long-term support. For more information, please follow the link. Note the initial report had the Cal 22 Capes on it, this has been resent with the correct chart. *CORRECTION* Panamax Technical Report 23/11/21 <u>https://fisapp.com/wp-content/uploads/2021/11/FIS-4-PAGE-TECHNICAL</u> <u>-REPORT-PANAMAX-23-10-21a.pdf</u>

Supramax

A small upside move in the index today with price up USD 86 to USD 24,671, price now needs to close above USD 24,689 to be considered as bullish. Price has moved lower on the futures with the Dec contract down USD 500 to USD 23,750, the move is on the back of the bearish rejection candle yesterday but has been subdued. Tomorrow pivot will be at USD 24,000 which could make for an interesting open, if price is above this level and holds above it, then we have the potential to test the USD 25,125 high from yesterday. If we open below it, then we could see further tests to the downside.

Oil

Yesterday we noted we could be in for a bull and bear fight between OPEC and selective governments over the release of strategic oil reserves. We plumped on the bull side, and I filled the car up, and this looks to have been the right call as the SPR release has been smaller than expected, resulting in the futures rallying 2.5 bucks to USD 82.18. this move is likely to be driven by CTA's so we will need to keep an eye on the open interest to see if there is a build. If there is then the futures will target the USD 91.00 level that we highlighted yesterday. Technically bullish providing we close around or above these levels.

Have a nice evening

Ed Hutton

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