

# FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	28500	27875	-2.2%	Pmx 1 month forward	20500	23375	14.0%
Cape Q122	16500	16850	2.1%	Pmx Q1 22	19400	21700	11.9%
Cape Cal 22	21000	21400	1.9%	Pmx Cal 22	18850	19825	5.2%

  

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Smx 1 month forward	23750	26125	10.0%	Brent	82.18	82.11	-0.1%
Smx Q1 22	20750	22475	8.3%	WTI	78.5	78.31	-0.2%
Smx Cal 22	19125	19900	4.1%	Iron ore	94.4	96.1	1.7%

## Iron Ore

The Dec futures continue to move higher after China’s top economic official called for measures to stabilize housing prices (Bloomberg) the comments created a wave of buying as construction optimism outweighs the potential pollution curbs. The futures are now between the longer-period EMA’s which remain well spaced; however, after today’s comments we do have the potential to see these become compressed, rendering the bear trend less stable. At this point we remain stable, however if we push much higher this may not be the case.

## Copper

No corrective phase for copper today, just higher pricing with the intraday 4-hour candles looking like they could be in the early stages of a new bull trend. The RSI has now made a higher high meaning any negative divergence that was in play has now failed. The new high yesterday means the trend is now considered to be bullish suggesting we have further upside to come.

## Capes

The futures opened weaker to sell down to a low of 26,250 in the late Asian early European session. However, this put the Dec contract around USD 8,000 below the index which attracted market buyers looking for value. The index came in USD 1,937 lower at USD 31,694 resulting in a further round of buying in the afternoon session. Price has closed the day at USD 27,875, down USD 625 on the day. This will make for an interesting open as tomorrows pivot point will be at USD 27,500, if we hold above this level then we could see some early buying interest on the open. Likewise, if we open below it then we could see today’s low at USD 26,250 come under early pressure. For the index we need to hold above USD 30,875, below this level momentum will be seen to be weakening based on price which could kill off any potential bull moves.

## Panamax

We noted on the technical yesterday that the index RSI was on a long-term support dating back to 2019. Price is again moving higher to close above the USD 21,336 (Up USD 405 to USD 20,069) which has resulted in a very strong upside move in the Dec futures to close the day USD 2,875 higher at USD 23,375. This puts the Dec contract 16% above the index and around USD 700 above our daily volatility range resistance. On paper this would suggest the market is perhaps a little over cooked and we could see the market breath for a day (It is Thanksgiving after all) however the strong close would suggest there is further upside in this move.

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## Supramax

A Supramax technical for you today. Look for the potential mean reversal trade in the Dec contract. For more information on the technical please click on the link. Supramax Technical 24/11/21 <https://fisapp.com/wp-content/uploads/2021/11/FIS-4-PAGE-SUPRAMAX-REPORT-24-11-21.pdf>.

## Oil

Brent crude is subdued after yesterday's move higher. The futures did trade up to USD 83.00 before selling off 90 cents into the close. The release of strategic reserves was a bit of underwhelming yesterday, but with a U.S holiday tomorrow that is likely to roll into the weekend, market appetite seems to have waned. We may need to wait until next week to get a handle on the next move, we think higher but only time will tell. Happy thanksgiving to one and all.

Have a nice evening

Ed Hutton