

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	19250	18750	-2.6%	Pmx 1 month forward	22125	22950	3.7%
Cape Q122	17125	17500	2.2%	Pmx Q1 22	22350	23200	3.8%
Cape Cal 22	22550	23250	3.1%	Pmx Cal 22	21350	22050	3.3%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	23375	23750	1.6%	Brent	74.01	74.76	1.0%
Smx Q1 22	22875	23575	3.1%	WTI	71.27	72.15	1.2%
Smx Cal 22	21500	22000	2.3%	Iron ore	127.15	126.05	-0.9%

Data Source FIS and Bloomberg

Iron Ore

The futures have traded above the USD 123.90 meaning the technical is bullish. However, we have seen some profit taking as we approach the holiday period. For more information on the technical please follow the link. Iron Ore Offshore 22/12/21 <https://fisapp.com/wp-content/uploads/2021/12/FIS-Technical-Iron-Ore-22-12-21.pdf>

Copper

The upside move in the futures continues to support a V shaped technical recovery with price trading above the USD 9,545 level today, upside moves above the USD 9,677.5 will be considered as bullish. The driving force has come from a third day amid positive signs over the outlook for the treatment of Covid-19 and for President Joe Biden's roughly \$2 trillion economic agenda. The U.S. Food and Drug Administration is poised to authorize a pair of pills from Pfizer Inc. and Merck & Co. to treat Covid-19 as soon as this week, adding to the arsenal of coronavirus treatments. Pfizer's pill, Paxlovid, and Merck's molnupiravir are intended for higher-risk people who test positive. Patients take a series of pills at home over several days, and the treatments could ease the load on stretched hospitals with U.S. cases set to soar through the winter (Bloomberg). Downside moves that close below USD 9,512 tomorrow will warn that momentum is weakening based on price, indicating we could potentially enter a corrective phase.

Capes

The index continues to come under pressure with price USD 1,725 lower at USD 20,363, we are technically bearish and in trend. However, the RSI is showing a positive divergence with price, not a sell signal it does warn of the potential for a momentum slowdown. For the futures it has been another sedate day, price is technically bearish and lower, but remains in a range above the USD 18,125 low with price moving sideways for the 6th consecutive day.

Panamax

A bull day in the index with price USD 664 higher, however for momentum to be considered as bullish based on price we will need to see a close above USD 20,692 tomorrow. The futures based last week and turned higher this week, the technical is bearish but momentum is bullish based on price. Price has closed higher due to the futures gapping up on the open, but the close is at the low of the day warning of the potential for further weakness tomorrow. A close below USD 21,597 would indicate that momentum is weakening based on price, warning that the USD 19,375 fractal low could be tested, below this level the futures will target the USD 17,250 low.

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Supramax

We noted last week that downside momentum was gaining pace having seen some bearish closes. Price remains weak with the index USD 505 lower at USD 25,705. The Jan futures have been moving higher for the last few days, if you are looking at a line chart price is USD 375 higher on the close, however this is USD 500 off the day's high and in the bottom half of the daily range, warning there is some weakness in the market. As noted last week with the seasonality on the index pointing to the downside with upside moves having the potential to be limited, we maintain this view as we expect further downside in the index in the near-term.

Oil

The daily technical remains bearish but the futures are near weekly support levels with momentum leaning to the buy side, warning that market sellers need to remain alert for reversal signals. For more information on the technical please follow the link Brent Daily technical 22/12/21 <https://fisapp.com/wp-content/uploads/2021/12/FIS-Technical-Oil-Report-22-12-21.pdf>

Have a nice Evening

Ed Hutton