

FIS European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	8850	8525	-3.7%
Cape Q1 23	6275	6150	-2.0%
Cape Cal 23	12150	12100	-0.4%

	Previous Close	Current Close	% Change
Pmx 1 month forward	11850	11525	-2.7%
Pmx Q1 23	10700	10700	0.0%
Pmx Cal 23	11850	11675	-1.5%

	Previous Close	Current Close	% Change
Smx 1 month forward	12200	12175	-0.2%
Smx Q1 23	10650	10675	0.2%
Smx Cal 23	11850	11800	-0.4%

	Previous Close	Current Close	% Change
Brent	89.78	86.91	-3.2%
WTI	81.64	78.92	-3.3%
Iron ore	96.95	98.6	1.7%

Iron Ore

Source FIS/Bloomberg

Iron ore headed for a third weekly gain, its best run since March, after Chinese efforts to revive the property market raised optimism over the demand outlook. The steel-making ingredient climbed above \$98 a ton and is more than 8% higher this week. China's 16-point plan to rescue its crisis-hit real-estate sector may help to revive steel consumption even though concerns remain, including reports of some mills cutting production (Bloomberg). The Dec futures moved a little lower in the evening session due to price being in divergence with the RSI. The technical is bullish, but is not considered a technical buy at this point as there are warning signs we could see a pullback from here.

Copper

BHP Group Ltd.'s souped-up bid for a much smaller copper rival shows how the mining industry is increasingly confident about future demand for the metal, despite near-term economic gloom that's weighed on prices this year. Global copper prices have struggled in recent months under pressure from economic woes hitting US, Europe and China. BHP's sweetened offer for OZ Minerals Ltd. was 49% higher than the target's share price before a first bid was announced, for a company with just 7% of the mining giant's output of the metal (Bloomberg). The futures continue to come under pressure with the pullback too deep for our liking. On paper we are bullish with the futures in a corrective phase; however, we now have a neutral bias as the probability of the futures trading back to a new high above USD 8,600 are decreasing.

Capesize

The index continues to come under pressure with price USD 550 lower at USD 9,305. Very limited price movement in the futures today (USD 325) has left price holding above the USD 8,500 support. The RSI has made a new low, meaning the intraday divergence has failed. This could have bearish implications going forward; however, with the 100% Fibonacci projection level from the head and shoulders pattern at USD 8,500 we are conscious that we could see some short covering (or speculative) buying in the market around these levels, suggesting caution going forward. Monday's open should signal if we are to bounce or not.

Panamax

Downside momentum in the index is getting stronger again with price moving USD 507 lower today to USD 13,007. The Dec futures also came under pressure with price USD 325 lower at USD 11,525. The technical is bearish, the Supramax is trading to new lows, both look to be on a bearish Elliott wave 5, the difference being is the Panamax remains above the August low, suggesting the Panamax cycle is lagging. In theory, the rolling front month contract needs to trade below the USD 9,225 level.

Supramax

Downside momentum in the index is slowing with price USD 59 lower at USD 12,870. For more information on the technical please click on the link. Supramax Technical Report 18/11/22 <https://fisapp.com/wp-content/uploads/2022/11/FIS-SUPRAMAX-4-PAGE-TECHNICAL-REPORT-18-11-22.pdf>

Oil

The downside move in the futures this morning means that we are no longer showing a positive divergence with the RSI. This has had bearish implications for the futures with price trading USD 3.40 lower at USD 86.36. If we continue to stay at these levels going into the close then we are going to have a bearish weekly candle closing below the last 5 weeks of lows. If this is confirmed then we can expect the USD 83.65 fractal support to come under pressure sometime early next week. Technically bearish, the seller's argument is growing stronger.

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