



European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	8850	9887.5	11.7%	Pmx 1 month forward	11325	11575	2.2%
Cape Q1 23	6100	6550	7.4%	Pmx Q1 23	10650	10925	2.6%
Cape Cal 23	11862.5	12250	3.3%	Pmx Cal 23	11650	11975	2.8%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	11900	12400	4.2%	Brent	88.35	84.6	-4.2%
Smx Q1 23	10875	11125	2.3%	WTI	81.1	77.24	-4.8%
Smx Cal 23	11950	12125	1.5%	Iron ore	92.25	92.55	0.3%

Iron Ore

Source FIS/Bloomberg

We noted on the close report yesterday that although the intraday technical was bearish the futures were holding EMA support with momentum indicators warning the futures were vulnerable to a test to the upside. The Dec futures have traded back up to USD 96.00 before closing the day at USD 95.10. The technical remains bearish with price failing to trade above the USD 97.02 resistance, the futures remain vulnerable to further tests to the downside below this level and neutral above, only above USD 99.15 are we bullish. Technically bearish, the futures remain vulnerable to the downside at this point.

Copper

Copper and other commodities will enjoy a more favorable global economic environment by the middle of 2023 on expectations of a weaker dollar and enhanced risk appetite as China reopens from COVID-19 curbs, Goldman Sachs metals analyst Nicholas Snowden said Wednesday. Goldman sees the U.S. Federal Reserve pausing its monetary tightening by next year's Q2, weighing on the dollar and providing some relief to commodity prices. Dollar strength has accounted for at least two-thirds of the move lower in copper prices this year, despite a deficit in metal supply estimated at ~200K metric tons, Snowden said (Bloomberg). A bit of a nothing day in the futures, price tested the upside early on but failed to trade above the EMA band for the second day, resulting in the futures closing the EU session on the daily pivot at USD 8,000. Technically the intraday is bearish with key resistance unchanged at USD 8,347.

Capesize

A good performance in the index today with price moving USD 1,049 higher to USD 10,106. For more information on the technical please click on the link. Capesize Technical Report 23/11/22 <https://fisapp.com/wp-content/uploads/2022/11/FIS-CAPE-SIZE-4-PAGE-TECHNICAL-REPORT-23-11-22.pdf>

Panamax

The index is another USD 283 lower today at USD 11,844, on a positive now that is a slowdown on recent moves lower. The futures responded positively with the Dec contract closing the day USD 250 higher at USD 11,575, meaning we are getting closer to equilibrium, as the disparity is less than 300 between the futures and the index. From a technical perspective we remain bearish with the futures moving higher on the back of a positive divergence, key resistance is at USD 13,270, upside moves that fail at or below this level will leave the technical vulnerable to further tests to the downside, above this level we have a neutral bias. The divergence is warning we have the potential to see intraday resistance levels be tested; however, the longer term technical remains bearish as we remain above the August low.

Supramax

A positive number from the index today with price USD 40 higher at USD 12,796. As previously stated, this technical is bearish but has already traded below the August low with the futures now in divergence, suggesting caution. We did see a move to the upside in the Dec contract on the back of the positive divergence with price closing the day USD 500 higher at USD 12,400. Upside moves that fail at or below USD 13,145 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. We maintain our view that the Dec is not a technical sell at these levels, based on the wave count and the divergence.

Oil

A key oil gauge again flashed oversupply signals despite US crude inventories tightening, in the latest sign that the futures market is trading out of sync with typical physical cues. The US oil futures curve flipped into a bearish market structure known as contango for the second time this month as traders shrugged off a bullish government report showing supplies at the key Cushing, Okla., storage hub shrank to a two-month low. Typically, the spread between barrels for first- and second-month delivery move in tandem with Cushing inventories. But expectations that Russian oil will continue to flow despite European sanctions taking effect in December, as well as weakening demand in China, are prompting traders to exit bullish positions ahead of the US holiday (Bloomberg). Technically bearish the futures had seen a move to the upside on the back of the bullish rejection candle a couple of days ago. Resistance levels did come under pressure; however, the key level at USD 91.19 remained intact, resulting in a downside move today. We had expected the USD 91.19 level to be tested purely on the strength of the rejection candle, however this has not been the case. Downside moves that trade below USD 82.31 will have bearish implications going forward as the futures will be considered a technical sell (Larry Williams).

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