

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	9887.5	11075	12.0%	Pmx 1 month forward	11575	11800	1.9%
Cape Q1 23	6550	6475	-1.1%	Pmx Q1 23	10925	10900	-0.2%
Cape Cal 23	12250	12150	-0.8%	Pmx Cal 23	11975	12000	0.2%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	12400	12900	4.0%	Brent	84.65	84.84	0.2%
Smx Q1 23	11125	11150	0.2%	WTI	#N/A N/A	77.68	#VALUE!
Smx Cal 23	12125	12100	-0.2%	Iron ore	92.55	92.6	0.1%

Iron Ore

Source FIS/Bloomberg

Metals including copper, zinc and iron ore inched higher after China signalled it would take more steps to revive its economy and Federal Reserve minutes showed support for tapering interest-rate hikes. Copper climbed as much as 1.3% in London after China's State Council said Wednesday that monetary tools such as a cut to banks' reserve-requirement ratios will be used to maintain reasonably ample liquidity. The country is looking to stem the economic fallout from Covid lockdowns as cases reach a record high. In the US, minutes from the Fed gathering earlier this month showed several officials backed the need to moderate the pace of rate hikes (Bloomberg). Having held the USD 97.02 resistance in the Asian session the Dec futures witnessed some light buying support in the evening with price trading to a high of USD 96.70, suggesting resistance could be broken on the open tomorrow. The technical remains bearish neutral at this point with price needing to trade above USD 99.15 to take it into bullish territory.

Copper

Limited price action due to the US holiday with price closing small up on the day. The EMA's are now flat indicating a lack of trend with price below the Fibonacci resistance zone (USD 8,141 – USD 8,347). Technically bearish with the RSI below 50 whilst the stochastic is overbought, momentum is warning that the futures are vulnerable to a test to the downside. However, if the RSI moves above 50 the stochastic will be considered as less relevant.

Capesize

Another decent index today with price USD 1,373 higher at USD 11,479. Technically bearish yesterday we remained cautious on downside moves below USD 8,525 due to the positive divergence. The futures have gapped higher on the open with price opening at USD 10,725, above the USD 10,604 resistance, meaning although bearish we now have a neutral bias. The depth of the pullback would suggest that the lower timeframe Elliott wave cycle could fail here, upside moves above USD 11,675 will mean the technical is bullish. Downside moves that hold at or above USD 10,255 will support a near-term bull argument, below this level we target the USD 8,525. Technically bearish with a neutral bias, the probability of seeing another test of the USD 8,525 low is decreasing due to the strength of the upside move.

Panamax

The Panamax index had warned that momentum based on price was slowing down yesterday, resulting in price moving USD 15 higher to USD 11,859. We had already noted that the futures were vulnerable to an intraday upside move on the morning report yesterday due to the positive divergence with the RSI, price has moved marginally higher but remains below the Fibonacci resistance zone. USD 13,270 remains the key resistance at this point with the futures bearish below and neutral above, this level needs to hold if we are to see further tests to the downside. Technically bearish with the RSI below 50 whilst the stochastic is overbought, momentum is warning the futures remain vulnerable to a move to the downside, providing the RSI holds below 50 (currently 46), above 50 the stochastic is considered as less relevant.

Supramax

The index turned positive yesterday with price moving another USD 114 higher today to USD 12,910. From a technical perspective we have been a cautious bear for a few days with the futures no longer considered a technical sell on yesterday morning's report. The futures have now started moving higher with the Dec contract up USD 500, to close the day at USD 12,900. However, we did trade above the USD 13,145 resistance this morning, meaning the technical now has a neutral bias. We maintain our view that the futures are not considered a technical sell at this point.

Oil

The European Union paused efforts to approve a package of emergency measures to curb the fallout from high natural gas prices as member states struggled to resolve a deep split over a push to cap the cost of gas. Energy ministers holding an extraordinary meeting in Brussels agreed on the content of several emergency measures, but will delay formal approval until mid-December, EU energy chief Kadri Simson told reporters, with a group of countries pushing to toughen the price-cap plan (Bloomberg). The futures remain technically bearish having rejected the USD 91.19 resistance; however, there has been little price action today due to the US holiday.

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