



European Close

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	9625	9550	-0.8%	Pmx 1 month forward	12050	12650	5.0%
Cape Q1 23	8350	9225	10.5%	Pmx Q1 23	12200	12625	3.5%
Cape Cal 23	13200	13400	1.5%	Pmx Cal 23	13000	13350	2.7%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	11500	11800	2.6%	Brent	76.15	76.78	0.8%
Smx Q1 23	11650	11750	0.9%	WTI	71.46	72.07	0.9%
Smx Cal 23	12925	13200	2.1%	Iron ore	109.04	111.52	2.3%

Iron ore

Source FIS/Bloomberg

Iron ore rose to the highest level in almost four months on signs Chinese authorities will announce more support for the property sector at a key meeting next week. Futures advanced in Singapore, extending a rally from a 45-month low at the end of October to almost 50%. The steelmaking ingredient has been buoyed by a steady stream of policies favorable to the real-estate industry in the world's most-populous nation (Bloomberg). The Jan contract continues to move higher with price above all key moving averages supported by the RSI above 50. Technically bullish we have closed the week at USD 111.40, we maintain a near-term upside target at USD 115.15.

Copper

The cliché is that when China sneezes, commodities catch a cold. Logically, then, when it's feeling better the commodity complex should too: Industrial metals like copper, aluminum and iron ore have staged an impressive rally recently as signs that China is preparing to reopen become more obvious. This time, however, there are a few wrinkles that should give investors pause: especially the still-dire state of the nation's housing market, which constitutes the single largest source of global demand for metals like iron ore (Bloomberg). The technical remains bullish with price tracking the rising trend line for the last couple of session, a weak EU close has seen price reject the trend resistance but we remain above our key support at USD 8,422. Technically bullish with near-term resistance at USD 8,673, it remains unclear whether we have started a new intraday bull cycle or wave extension, suggesting a little bit of caution is need at this point.

Capesize

The index has been moving higher for the last few sessions with price up USD 375 at USD 12,875 today. The technical seems to be behaving, having broken to the upside from the symmetrical triangle the Dec futures have now traded above our USD 12,719 near-term target with the futures closing the week at USD 12,875. We now look to test the 100% projection from the symmetrical at USD 13,325. Technically bullish, there is a minor divergence in play that will need to be monitored.

Panamax

The index came in USD 23.00 lower today at USD 13,591; a close below USD 13,519 will mean momentum based on price is weakening. This is going a little against the paper market, the technical look to be bearish/neutral but resistance levels are looking vulnerable. For more information on the technical please follow the link. Panamax Technical Report 09/12/22 <https://fisapp.com/wp-content/uploads/2022/12/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-09-12-22.pdf>

Supramax

The index is seeing little price movement at the moment, having shown a small up day we are back with small down days with price USD 11.00 lower at USD 16,672. The lack of movement in the index is filtering through to the futures, price moved lower, tested the USD 12,500 support before moving marginally higher today. The technical has neutral bias and not very interesting, we will be moving over to the Jan contract as of Monday.

Oil

Russia may cut its oil production in response to the G-7 cap on the price of its crude, President Vladimir Putin said. A decision on Russia's response will be made within the next several days, he told reporters in comments broadcast on state Rossiya 24 TV, providing no further details. The cap will not have any negative consequences on the nation's budget as the \$60 a barrel threshold introduced by western countries is close to the current market price of Russian crude, Putin said (Bloomberg). Technically bearish with the futures in divergence this morning we have seen price moves sideways for the day. Upside moves should be countertrend with a medium-term downside target at USD 65.00. this is based on our wave analysis, if there are any more developments with Russia this could obviously change, but if the wave count is correct then this will be a massive area of interest, as it is the most traded area over the last 5 years.

Ed

Written by **Ed Hutton**, FIS Senior Technical Research Analyst

EdwardH@freightinvestor.com

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com