



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	17150	16475	-3.9%	Pmx 1 month forward	13650	13750	0.7%
Cape Q1 24	10150	10175	0.2%	Pmx Q1 24	10650	10937.5	2.7%
Cape Cal 24	14900	14850	-0.3%	Pmx Cal 24	11700	11775	0.6%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	13525	13400	-0.9%	Brent	80.62	82.78	2.7%
Smx Q1 24	10375	10525	1.4%	WTI	75.84	78.04	2.9%
Smx Cal 24	11575	11625	0.4%	Iron ore	128.35	130.7	1.8%

Iron Ore

Source FIS/Bloomberg

Iron ore resumed gains — after falling for the first time in eight sessions on Friday — on expectations for more Chinese stimulus and that previously announced measures will start filtering through to the market. The steel-making staple rose as much as 2.2% in Singapore after jumping by more than 14% over the previous four weeks. Pledges by Beijing to issue more sovereign debt, with the funds partially earmarked for construction, and to provide low-cost financing for affordable housing have driven the rally (Bloomberg). The Dec futures have moved higher after the Chinese Government announced a white list of 50 developers for financial support; however, as noted this morning, an upside move above USD 131.415 would create a negative divergence with the RSI, suggesting caution on upside breakouts. We have traded to a new high, resulting in the futures creating the divergence with the RSI. It could be that the stimulus will result in divergence failure, but from a technical perspective, at this point, we remain cautious on upside moves.

Copper

We noted this morning that there was a lack of clarity on the technical as the futures looked like they had completed a bullish wave cycle on the 16/11. Having corrected but held key support we had traded to a new high, meaning we are either looking at a new bull cycle, or wave extension. The futures have continued to move higher, but the lower timeframe Elliott wave cycle is still unclear; however, the 4-hour divergence has failed, suggesting we could be looking at a larger bull cycle whilst the MA on the RSI has started to turn higher. Key support is now at USD 8,261, we are bullish above this level and neutral below.

Capesize

The index came in USD 466 lower today at USD 22,447, below USD 21,884, momentum based on price will be aligned to the sell side. We noted in the morning report that we were bearish with a neutral bias with the MA on the RSI starting to turn lower, implying buyside momentum was slowing. If we closed below and held the 55-period EMA (USD 16,429) it would warn that support levels could come under pressure. The futures have continued to move lower to close the day at USD 16,475, meaning we are just above the average. For more information on the technical, please click on the link. Capesize Technical Report 20/11/23 <https://fisapp.com/wp-content/uploads/2023/11/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-20-11-23.pdf>

Panamax

Another good index today with price USD 367 higher at USD 15,899. We noted in the morning report that we were technically bullish with downside moves considered as countertrend; however, the MA on the RSI continued to warn that buyside momentum was slowing down, whilst a move above USD 13,775 would create a negative divergence with the RSI on the 1-hour chart. Not a sell signal, the lower timeframe technical was suggesting caution on upside breakouts. The futures have traded to a high of USD 13,900 with price closing the day up USD 100 at USD 13,750. The intraday technical is now in divergence, suggesting caution on upside moves in the near-term.

Supramax

The index is another USD 139 higher today at USD 13,389. We have seen another limited day of price action in the Dec futures, we traded to a high of USD 13,575 on the open, resulting in the 1-hour chart producing a negative divergence with the RSI, warning we could see a momentum slowdown. We continue to maintain our view that downside moves look like they will be countertrend due to the recent high of the RSI, with the expectancy that the USD 13,650 fractal high will eventually be broken, based on the Panamax Elliott wave cycle failing. However, right now, we have a note of caution, as upside moves could fail to hold in the near-term.

Oil

We were a cautious bear this morning as the futures were testing key resistance having moved higher on the back of a positive divergence with the RSI. A lower timeframe Elliott wave cycle warned that we could potentially see one more test to the downside, but the MA on the RSI had turned higher, indicating sell side momentum had slowed down. The futures remain bearish but have traded higher, meaning that the probability of the futures trading to a new low has started to decrease. The MA on the RSI continues to suggest that momentum is supported, the strength of the upside move would indicate that the USD 83.97 fractal high is vulnerable and looks like it could be tested and broken.

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