

FIS European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	16500	16125	-2.3%
Cape Q1 24	#N/A N/A	12675	#VALUE!
Cape Cal 24	16675	16800	0.7%

	Previous Close	Current Close	% Change
Pmx 1 month forward	13300	12975	-2.4%
Pmx Q1 24	12350	12300	-0.4%
Pmx Cal 24	12650	12650	0.0%

	Previous Close	Current Close	% Change
Smx 1 month forward	13150	13000	-1.1%
Smx Q1 24	12050	12012.5	-0.3%
Smx Cal 24	12225	12275	0.4%

	Previous Close	Current Close	% Change
Brent	75.84	75.37	-0.6%
WTI	71.23	70.67	-0.8%
Iron ore	135.52	135	-0.4%

Iron Ore

Source FIS/Bloomberg

Iron ore declined after disappointing data from China underscored how its economic recovery has stalled, despite the recent stream of pledges made by Beijing to bolster stimulus. The steel-making staple retreated as much as 2% before paring some losses, as concerns deepened over a soft growth outlook and the prospect of deflation in China. Consumer prices sank at the steepest pace in three years, while producer costs tipped further into negative territory. Both sets of data were weaker than economists' forecasts (Bloomberg). The Jan futures sold lower in the Asian day session before finding light bid support. However, the daily technical is now in divergence with the RSI, implying caution on upside moves. For more information on the technical, please click on the link. Iron Ore Jan 24 (rolling Front Month) 11/12/23 <https://fisapp.com/wp-content/uploads/2023/12/FIS-Iron-Ore-Technical-11-12-23.pdf>

Copper

Technically bearish having rejected upside resistance this morning, we had a note of caution as the futures were holding above the USD 8,326 support. Momentum indicators were conflicting, as the MA on the RSI warned we were supported, but the RSI was below 50 with the stochastic in overbought territory. The futures sold to a low of USD 8,327 meaning we are currently holding above our key support level, with price trading at USD 8,355 going into the close. The technical is in balance at this point, as we have held key support and resistance but broken an intraday trend support on the way down. If we move higher, and close on the 4-hour candle above USD 8,437.5, then it will warn that resistance levels could come under pressure. Likewise, if we reject the trend resistance, then we will be vulnerable to further tests to the downside. Technically bearish, we have more emphasis on the resistance than the support, but with both holding there is an element of neutrality creeping in at this point.

Capesize

The index is another USD 1,155 higher today at USD 36,475, a close above USD 40,325 will mean that momentum based on price are aligned to the buy side. The futures were moving higher this morning; however, we were cautious on upside moves due to the RSI recently breaking support and making a new low, going into the close we are trading USD 375 lower at 16,125. For more information on the technical, please click on the link. Capesize Technical Report 11/12/23 <https://fisapp.com/wp-content/uploads/2023/12/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-11-12-23.pdf>

Panamax

The index is another USD 494 lower today at USD 17,102. The Jan futures opened supported before selling lower, resulting in price moving below the 8-period EMA. We remain bearish with upside moves considered as countertrend, the MA on the RSI continues to warn that momentum remains weak at this point. However, the MA is testing the moving average, if we start closing above it, then it will warn that sell side momentum could be slowing down, implying we could see a move higher in the near-term. Key resistance remains unchanged at USD 15,874, a move above this level will indicate that the probability of the futures trading to a new low has started to decrease.

Supramax

Momentum based on price is now aligned to the sell side with the index another USD 167 lower today at USD 16,564. The Jan futures opened above but closed below the 200-period MA (USD 13,494) with price closing the day at USD 13,000. The MA on the RSI continues to suggest that momentum is weak, warning that USD 11,750 fractal support is now vulnerable, providing we remain below the 200-period average. If we close above and hold above the average, it would suggest that sentiment could be changing to the buy side, warning we could see a move higher in the near-term.

Oil

The futures are trading at USD 75.84 into the close, meaning price is unchanged on the day. Technically we remain bearish with intraday Elliott wave analysis continuing to suggest that upside moves should be considered countertrend. However, as highlighted this morning, momentum continues to conflict as the MA on the RSI suggests that momentum is supported but the RSI is below 50 with the stochastic in overbought territory. Key resistance is at USD 80.96, if we trade above this level, then the probability of the futures trading to a new low will start to decrease.

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