

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	25250	26250	4.0%	Pmx 1 month forward	28175	29250	3.8%
Cape Q222	27841.5	28800	3.4%	Pmx Q1222	28150	28875	2.6%
Cape Cal 23	21000	21250	1.2%	Pmx Cal 23	17525	17600	0.4%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	30750	32125	4.5%	Brent	110.44	114.13	3.3%
Smx Q2 22	29550	30700	3.9%	WTI	108.05	111.61	3.3%
Smx Cal 23	17400	17525	0.7%	Iron ore	158.6	156.4	-1.4%

Data Source FIS and Bloomberg

Iron ore

As noted in last night's report and this morning's technical, the intraday pullback in the April futures looked to be counter-trend, suggesting there was another bull wave to come. Having initially sold of USD 7.00 price in the April futures has rallied in the Asian evening session, resulting in the futures moving from a low of USD 156.20 to a high of USD 162.20. The Elliott wave 5 is not confirmed until the futures trade above the USD 163.35, at this point the futures will have a potential upside target using the Williams approach of USD 179.87. If the futures fail to make a new high, then we remain in a complex corrective wave 4.

Copper

Commodities extended their massive rally as Russia's invasion of Ukraine continues to roil global markets and fuel fears of supply crunches. Prices from crude and aluminium to wheat soared, as raw materials stage their most stunning weekly surge since 1974 during the days of the oil crisis. Russia's growing isolation is choking off a major source of energy, metals, and crops, sparking fears of prolonged shortages and accelerating global inflation. Traders, banks, and shipowners are increasingly avoiding business with Russia because of the difficulty in securing payments, while shipping lines are shunning bookings from the region (Bloomberg). Copper was not exempt from this rally, having sold off in the E.U. session, price bounced around lunchtime, resulting in the futures trading to a high of USD 10,656. The technical remains bullish with downside moves considered to be countertrend, our near-term upside target at USD 10,706.

Capesize

The April futures traded to a high of USD 27,500 on the open but pulled back within the hour when the market had a reality check after realising it was USD 14,000 above the index, meaning it had to wait to see if price on the was on the turn. The index wasn't positive, but it has given enough hope to market bulls as the index was only USD 36 lower at USD 135,60. This killed off the afternoon session in term of price movement, as the carry remains to high to buy, but with the index potentially on the turn market longs were not ready to take profits. Technically bullish but will need index support soon otherwise we could see some profit taking.

Panamax

If you read the morning technical reports (they really are a fun filled blast) you will have seen that the futures achieved our upside target this morning. You will also have seen that there is potentially one more intraday bull wave to come, meaning downside moves should be countertrend. The index came in USD 768 higher at USD 23,725 meaning we have not yet seen a technical pullback in the futures; however, the carry is around USD 5,500 with price at technical resistance, meaning there has been limited movement in the afternoon session. Technically bullish, but at resistance.

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Supramax

The index continues to go from strength to strength with price trading above the USD 28,076 fractal resistance, the index is now bullish. In the futures it is the same story, price is on a bullish wave 5 with the futures USD 1,375 higher at USD 32,125. We have an upside target of USD 34,587, at this point it is looking like it will be achieved. If we pull back below USD 29,061 then I would suggest a note of caution as the futures will have a neutral bias.

Oil

The futures closed the mean reversion gap with the 21-period MEA this morning resulting in price trading from a low of USD 109.62 to a high of USD 115.77. The technical remains bullish, with the market rumour regarding Iran having some as Bloomberg cited, they inching closer to a nuclear deal. Price is lower coming into the close at USD 113.38 meaning we remain in a corrective phase. Will Iran oil be enough to fill the gap in the market? Unlikely, but it will take some pressure off. Elsewhere on Bloomberg we are seeing that Shell have bought Russian Urals at a USD 28.45 discount, highlighting the disparity between Russian oil and the rest of the world. We remain bullish but in a corrective phase in the futures.

Until next week

Ed