

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	26250	27750	5.7%	Pmx 1 month forward	29250	31125	6.4%
Cape Q222	28800	30250	5.0%	Pmx Q1222	28875	30400	5.3%
Cape Cal 23	21250	21375	0.6%	Pmx Cal 23	17600	18000	2.3%

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Smx 1 month forward	32125	35000	8.9%	Brent	118.05	122.47	3.7%
Smx Q2 22	30700	32950	7.3%	WTI	115	117.93	2.5%
Smx Cal 23	17525	17975	2.6%	Iron ore	156.4	167.65	7.2%

Data Source FIS and Bloomberg

Iron ore

Iron ore jumped to a seven-month high as signals from Beijing that it will take more steps to support growth aided the demand outlook. Futures in Singapore surged almost 8% early on Monday to near \$169 a ton after China targeted expansion of about 5.5% for 2022 at the National People’s Congress, which was at the higher end of many estimates. A second weekly drop in stockpiles of the steel-making ingredient at major ports also aided prices, which rose 15% last week on expectations for more construction (Bloomberg). The April futures have entered a corrective phase on a negative divergence but remain bullish above USD 156.05, below this level price will have entered a higher timeframe corrective wave 4. Downside moves that hold at or above USD 144.78 will support a longer-term bull argument, below this level the technical will have a neutral bias. If price holds above the USD 156.05 level, then we still have the potential to trade as high as USD 174.97 within this phase. Technically bullish, downside moves based on our wave analysis should be considered as countertrend at this point.

Copper

Energy prices and general market uncertainty pushed the futures up to a high of USD 10,845 in the Asian session. However, with oil retracing USD 20 from the morning highs we have seen an unwind in the futures in the U.S. session, with price down USD 393 at USD 10,280 on the day. The technical remains bullish but in a corrective phase, downside moves that hold at or above USD 10,151 will support a bull argument, below this level the futures will have a neutral bias. The technical is bullish but we are seeing some serious volatility on the intraday that could put the USD 10,151 support under pressure, only below USD 9,794 is the intraday technical considered to be bearish.

Capesize

Rising oil prices were seen to be the driving force behind the higher fixings in the C3 and C5 today, resulting in the futures trading to a high of USD 28,425. The carry between the April and the index remains a concern at over USD 13,000, however the index is USD 948 higher at USD 14,508 with the expectation that the carry could narrow in the coming days. Upside moves above USD 28,518 will target the USD 29,837 and USD 31,156 resistance levels. Likewise, downside moves below USD 24,250 will target the USD 23,345 – 20,322 Fibonacci support zone, corrective moves lower that hold at or above USD 20,322 will support a longer-term bull argument, below this level the futures will have a neutral bias. Technically bullish there is a negative divergence on the intraday technical that will need to be monitored.

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Panamax

The index continues to maintain bullish momentum with price USD 1,052 higher today at USD 24,777; above USD 25,781 the technical is bullish. The futures continue to move higher with price now above the USD 30,963 resistance level, meaning we now target USD 33,200. We had previously noted that downside moves should be considered as countertrend suggesting there is another bull wave to come after a corrective phase. At this point there have been no technical pullbacks in the April futures. Technically bullish, downside moves based on our intraday Elliott wave analysis should be considered as countertrend at this point.

Supramax

The April futures continue to move higher with price trading through our USD 34,587 target today supported by the index which is USD 587 higher, at USD 29,037. Like the Panamax futures the intraday Elliott wave remains bullish with downside moves considered as countertrend at this point. The April contract will close the day at USD 35,000 meaning we now target the USD 36,425 and potentially the USD 39,059 levels. Our momentum indicators are making new highs, meaning it looks like we are seeing a wave extension, if this is the case then we will expect to see price trade above the USD 39,059 level. Technically bullish, based on our wave analysis downside support levels should hold if tested.

Oil

Where do you start? Comments over the weekend regarding sanctions on Russian energy exports resulted in the futures trading to a high of USD 139.13 in the Asian session, a reactionary spike had market sellers looking to close the breakaway gap that formed on the open, the futures traded to a low of USD 119.04, to close the gap we needed to trade down to USD 118.04, it remains open. The intraday technical has entered neutral territory, but the wave analysis remains bullish, we are in a corrective wave 4 and are yet to see if this will become a complex correction. Either way we still see downside moves as being countertrend, implying we have not yet seen the high in the futures. Technically bullish, hold onto your hats, as there is little reason to see volatility clam down in the near-term.

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