

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	27250	25875	-5.0%	Pmx 1 month forward	26500	25375	-4.2%
Cape Q222	30000	29000	-3.3%	Pmx Q1222	26700	25750	-3.6%
Cape Cal 23	20825	20375	-2.2%	Pmx Cal 23	16625	16625	0.0%

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Smx 1 month forward	31500	31250	-0.8%	Brent	106	99.96	-5.7%
Smx Q2 22	29800	29750	-0.2%	WTI	102.04	96.31	-5.6%
Smx Cal 23	16600	16450	-0.9%	Iron ore	146.15	137.6	-5.9%

Source FIS/Bloomberg

Iron Ore

Iron ore futures fell for a sixth day as coronavirus outbreaks in China threatened to disrupt the country's economic recovery, while crude steel production dropped. The steelmaking ingredient was on track for its longest losing streak since September, tumbling below \$140 a ton as widespread lockdowns in China hit demand prospects in the biggest market. Steel mills in Shandong and Jiangsu provinces are being impacted by logistics and transportation hurdles, researcher Mysteel reported. The Covid outbreak in China has resulted in a weak recovery in downstream consumption for ferrous materials and dampened the expectations for the demand from property and construction sectors," Lu Ting, analyst at Shanghai Metals Market said (Bloomberg). The April contract traded through the USD 140.62 support, resulting in a downside move to USD 136.95 before finding support in the evening session. The intraday technical remains bearish, upside moves that fail at or below USD 156.88 remain vulnerable to further tests to the downside, above this level price will target the USD 167.15 fractal resistance. Key support remains at USD 132.15, if broken the daily technical is bearish. The futures will close the day around the USD 142.20 level; however, the RSI is below 50 as is its moving average suggesting that any upside move could be countertrend.

Copper

Speculators have decreased their bullish LME copper bets by 6,438 net-long positions to 47,369, weekly bourse data on futures and options show. The net-long position was the least bullish in more than six weeks. Long-only positions fell 10,519 lots to 286,124 in the week ending March 11. The long-only total was the lowest in almost two months (Bloomberg). The futures continue to hold above the USD 9,794 level having traded to a low of USD 9,820 today. If you read the morning report on lead you will have seen that the bullish Elliott wave cycle there had failed, warning we could see more failures in the rest of the base sector. Technically neutral it does seem to be a case of when, not if the key support is broken.

Capesize

The disparity gap between the index and the April futures continues to narrow, the index is USD 312 higher today at USD 23,413 whilst the futures are another USD 1,375 lower at USD 25,875. This is a big drop in the disparity which was over USD 14,000 early last week. From a technical perspective the futures remain in a corrective phase with a neutral bias on the intraday; however, the daily technical remains in bull territory above USD 21,232 and neutral below. From a technical perspective we are seeing the futures close the day below the USD 26,037 level, this is the 55-period EMA and often a good indicator for the intraday trend. If we close below it, and hold below it, we could see the futures come under further pressure; if we rally above the average on the open, then market shorts will need to be cautious, as it could signal that the bulls are willing to support the market around these levels. A precarious close with the index slowing down, the daily technical is approaching the first of our Fibonacci supports at USD 25,346.

Panamax

The index is in full corrective mode today with price USD 1,314 lower at USD 25,125, market buyers will want to see a number less than USD 1,314 tomorrow, otherwise the April futures could be in real trouble. The uncertainty in the futures is now clear to see as price is at an equilibrium with the index, having sold off USD 1,375 to close the day at USD 25,125. We had concerns on Friday with the weekly chart producing a bearish rejection candle which had the potential to damage the Elliott wave cycle. The technical is still bearish but now has a neutral bias due to the sell off, below USD 22,750 it will create a lower low and be bearish. The RSI and its moving average are below 50 suggesting that upside resistance levels should hold if tested in the near-term; however, the RSI is starting to turn higher warning that we could be seeing early signs of buying support.

Supramax

The index is technically bullish but starting to produce weaker numbers with price USD 357 lower today at USD 31,913, below USD 31,865 momentum will be seen to be weakening based on price. Like the Panamax, the April futures are trading at an equilibrium to the index warning of indecision; however, unlike the Panamax the futures are marginally lower today (USD 250) with price USD 500 of their low. With the RSI and its MA below 50 it would suggest that upside resistance levels could hold in the near-term, again like the Panamax we are seeing the RSI turn higher warning that market buyers could be entering the market around these levels. Technically bullish but with a neutral bias due to the depth of the pullback.

Oil

Oil prices tumbled below \$100 a barrel on Tuesday, setting prices up to settle at their lowest levels since the initial days of the Russian invasion of Ukraine nearly three weeks ago, as investors reassessed the huge run-up in prices seen in recent weeks. Price action. Market drivers. China's widespread lockdowns are spooking the market, "given its resulting impact on energy demand -- as well as the uncertainty it brings about further lockdowns," Matt Smith, lead oil analyst, Americas, at Kpler told MarketWatch. China's southeastern manufacturing hub of Shenzhen, near Hong Kong, has been locked down due to a COVID outbreak, in addition to a COVID lockdown in the northeast of the country (Bloomberg). The futures continue to move lower with price trading to a low of USD 97.44 before trading back up to USD 102.34, as we enter the E.U close price is at USD 100.50. The intraday Elliott wave cycle is bullish/neutral with price in a corrective phase; however, we do have a positive divergence still in play warning of the potential for a momentum slowdown. Corrective, based on the depth of the pullback we are in theory in a bear market, but until we trade below USD 90.12, I will not be convinced.

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