

	Previous Close	Current Close	% Change
Cape 1 month forward	24000	25500	6.3%
Cape Q222	29041.5	31000	6.7%
Cape Cal 23	20775	21275	2.4%

	Previous Close	Current Close	% Change
Pmx 1 month forward	29325	30000	2.3%
Pmx Q1222	29500	30375	3.0%
Pmx Cal 23	17325	17375	0.3%

	Previous Close	Current Close	% Change
Smx 1 month forward	35750	34825	-2.6%
Smx Q2 22	34950	34250	-2.0%
Smx Cal 23	17400	17325	-0.4%

	Previous Close	Current Close	% Change
Brent	114.58	121.19	5.8%
WTI	111.3	114.29	2.7%
Iron ore	145.7	147.7	1.4%

Iron ore

Source FIS/Bloomberg

China placed its top steelmaking hub under lockdown to control a Covid outbreak, adding to supply uncertainties roiling the global industry and pushing up prices. Residents of Tangshan -- a city in the northern province of Hebei -- aren't allowed to leave their buildings under temporary curbs announced Tuesday evening. The area has long played a pivotal role in the world's biggest steel industry, churning out a significant chunk of the country's output (Bloomberg). The futures held key support yesterday with price moving higher today. From a technical perspective little has changed, upside moves above USD 154.55 will target the USD 156.88 resistance, above this level the futures will have a bullish bias. Downside moves below USD 142.93 will warn the USD 136.95 fractal support could be tested. On the daily chart the RSI is above 50 with the stochastic in oversold territory, momentum is warning the futures are vulnerable to a test to the upside. Technically neutral but holding key support levels.

#### Copper

The futures moved higher today as supply concerns around the base metal complex continue on the back of the Russian invasion of the Ukraine. The upside move on the intraday has resulted in yesterday the negative divergence failing, price remains below the USD 10,486 level leaving it technically vulnerable but intraday momentum is currently to the buyside. Price is now trading above yesterday rejection candle with the daily RSI above 50, if we close above USD 10,385 (yesterday high, price currently 10,383) then resistance levels could come under pressure tomorrow.

#### Capesize

The index produced another bear number today (USD 629 lower at USD 17,412) but the April futures are showing bull signals, suggesting we could be about to see some bullish price action. For more information on the technical please follow the link. Capesize Technical Report 23/03/22 <https://fisapp.com/wp-content/uploads/2022/03/FIS-4-PAGE-TECHNICAL-REPORT-CAPE-SIZE-23-03-22.pdf>

#### Panamax

Another bullish index today with price USD 1,451 higher at USD 28,144, meaning price has broken through two fractal resistance levels (7/10/21 and 10/03/22); however, the new high means we have a negative divergence in play, not a sell signal it does warn that we have the potential to see a momentum slowdown. Note, divergences can and do fail, but it will need to be monitored. In the futures we had a strong push higher with price testing but not trading above our key resistance at USD 30,725, the technical remains vulnerable below this level. As we go into the close the April contract is USD 700 higher at USD 30,025, tomorrow's pivot point is looking like it will be around USD 30,091 so we will need to see buying support on the open. Technically bullish, price has failed at the first attempt to break resistance, another big index tomorrow could be enough to put price back into bullish territory.

## Supramax

The index is USD 354 higher today at USD 33,171 with the negative divergence with the RSI still in play, it is now marginal at around 2 points. We noted yesterday that the trend in the futures was technically bullish supported by the Elliott wave cycle; however, momentum based on price had looked slow compared to the previous bull move. This has resulted in the futures producing a technical pullback today with the April contract USD 925 lower at USD 34,825. The carry on the futures over the index is now only USD 1,650. If we stay around these levels into the close then we will have a bearish engulfing candle pattern, warning we could see lower pricing tomorrow. Corrective moves lower that hold at or above USD 31,875 will support a bull argument, below this level the technical will have a neutral bias. Technically bullish but in a corrective phase.

## Oil

Russia plans to demand ruble payments for natural gas purchases from European nations, deepening its standoff with the west and potentially aggravating Europe's worst energy crunch since the 1970s. Gas prices surged more 30% after President Vladimir Putin ordered the central bank to develop a mechanism to make ruble payments for natural gas within a week at a meeting with his government. Putin's move showed a growing willingness on both sides to use Russian energy supplies as a weapon in the struggle between Moscow and the west over the war in Ukraine. The specifics of new arrangements weren't immediately clear, but by forcing payments in rubles, Putin could be attempting to prop up the ruble and replenish foreign currency holdings in Moscow to compensate for sanctioned reserves elsewhere (Bloomberg). This new turn of events has filtered through to the oil market, we have maintained our view that the downside move of USD 43.00 was a corrective wave 4, and it is looking to be the case. Price is USD 5.25 higher today at USD 120.71 having traded through our intraday resistance at USD 121.85. If we don't have Russian oil Europe has an energy crisis, if we do have it we finance the Russian economy, I don't know the answer but I am willing to go out on a limb and say that USD 139.13 will not be the high!

## Ed Hutton

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