

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	22125	22425	1.4%	Pmx 1 month forward	27875	27750	-0.4%
Cape Q222	28716.5	29575	3.0%	Pmx Q1222	28625	28575	-0.2%
Cape Cal 23	21550	22250	3.2%	Pmx Cal 23	16650	16750	0.6%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	32000	31750	-0.8%	Brent	111.42	113.15	1.6%
Smx Q2 22	32150	32200	0.2%	WTI	105.16	107.14	1.9%
Smx Cal 23	16350	16475	0.8%	Iron ore	154.45	160.25	3.8%

Iron Ore

Source FIS/Bloomberg

Iron ore rose for a fourth straight day in Singapore on optimism that Chinese demand will bounce back quickly from Covid-19 outbreaks that are currently crimping steel production in the country. The lockdown imposed in the northern Chinese steel-making hub of Tangshan last week has stifled output, with some blast furnaces being idled. However, expectations are building that consumption will recovery quickly. "Demand remains muted at this time with limited transport capacity for supplies to move into Tangshan," Holly Futures said in a note. Restocking efforts are expected to pick up pace when the outbreak eases, it said. Permits for the haulage of iron ore into Tangshan are now being issued, Huatai Futures said in a note. That could indicate the transport bottlenecks may be soon cleared. Prospects for a de-escalation of the war in Ukraine are also buoying markets in general and aiding sentiment (Bloomberg). The upside above the USD 156.88 resistance indicating that the technical was bullish with a bullish bias, price in the May (and April) contracts have now traded above the USD 160.69 resistance levels, we now target the USD 167.15 fractal resistance. Corrective moves lower that hold at or above USD 150.148 will support a bull argument. Bullish.

Copper

Copper is a commodity heavyweight to watch closely in the quarter to come even as bond investors try to fathom would-be recession signals and the Fed lumbers into meaningful action like a grumpy grandpa woken from his nap. For the metal, there's scope for gains here. The global copper market is tight. In China, exchange-tracked holdings follow a seasonal pattern, rising through to March and then falling away. Right now, stockpiles are at their lowest level for this time of year in at least a decade. While some industrial activity may be lockdown-affected, these holdings are scant. Elsewhere, LME inventories are close to the lowest since 2005. Other factors are at play. The war in Ukraine still risks crimping Russian flows. While the LME says without formal sanctions, the nation's metal remains welcome for delivery, transport services are disrupted. Of note recently, Goldman popped up with a warning that price gains were in store (Bloomberg). Bullish rhetoric is being met by resistance in the futures today, early gains pushed the futures up to a high of USD 10,520 before intraday selling pushed price down to USD 10,374 (Up 57) into the E.U close. If price stays around these levels then we will have a bearish rejection candle that would leave the technical vulnerable to further tests to the downside. We still have the U.S session ahead of us so we still have time for a recovery on the intraday but at this point we look vulnerable.

Capesize

The index has turned today with price USD 59 higher at USD 13,655, a close above USD 15,183 would warn that momentum is improving based on price. For more information on the technical please follow the link. Capesize Technical Report 30/03/22 <https://fisapp.com/wp-content/uploads/2022/03/FIS-4-PAGE-TECHNICAL-REPORT-CAPESIZE-30-03-22.pdf>

Panamax

The index is USD 906 lower today at USD 27,787 meaning we are at an equilibrium with the futures. Downside moves that hold at or above USD 26,030 will support a bull argument, below this level we will have a neutral bias. The April futures are lower with price trading down to USD 27,200 in the morning session before closing the day at USD 27,750, USD 125 lower on the day. The futures continue to hold the longer period EMA's (30-60) which is a natural area of support. At this point we remain corrective and need to see a bullish close above USD 28,500, if we do, we could see resistance levels be tested, at this point we look to be consolidating a little.

Supramax

The index is USD 772 lower today at USD 31,629 meaning we have broken a fractal support, indicating we are in bearish territory. The futures however remain resilient with price holding the longer period EMA's on the daily chart. Yesterday we had a small bullish rejection candle in the April contract warning the market could be supported, a weak open resulted in price trading below the previous days low before moving high. The close in the futures are USD 250 lower at USD 31,750, if we close above USD 32,000, we will have a bullish close that could signal resistance levels could be tested. Is this the tail wagging the dog? If the futures move higher, it could be a leading indicator to the physical market which is currently weak, seasonality on the index would suggest we could come under pressure until mid-April which brings into question the two small rejection candles on the EMA support, suggesting the next few days in the paper could be important.

Oil

Oil rose with the Kremlin reporting there's been no breakthrough in peace talks while the Ukraine says Russia is deploying reinforcements, dashing hopes for an end to the war. Futures in New York traded around \$108 a barrel on Wednesday. Russia said peace talks in Istanbul yielded no breakthroughs, according to Kremlin spokesman Dmitry Peskov. Ukrainian President Volodymyr Zelenskiy said that Russia is sending new forces as attacks continue on Kyiv. The war is taking its toll on Russian production, which fell below 11 million barrels a day in the second half of March. Supply is starting to show a "significant decline relative to the beginning of the month," consultant OilX said in a note (Bloomberg). Little has changed from a technical point of view, the futures are USD 3.07 higher at USD 113.30, the technical remains neutral on the back of yesterdays pullback. If we close above USD 114.83 then we will have a bullish close, warning that upside resistance levels could be tested, as this will be above the mid-point of the bearish candle on the 28/03. Technically neutral, the futures need to produce a bullish close soon otherwise the rejection candle could come under pressure.

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