

# FIS European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	30500	29625	-2.9%
Cape Q222	28600	28250	-1.2%
Cape Cal 23	22000	22000	0.0%

	Previous Close	Current Close	% Change
Pmx 1 month forward	28100	27750	-1.2%
Pmx Q1222	27575	27625	0.2%
Pmx Cal 23	16250	16250	0.0%

	Previous Close	Current Close	% Change
Smx 1 month forward	31500	31750	0.8%
Smx Q2 22	31050	30950	-0.3%
Smx Cal 23	16125	16075	-0.3%

	Previous Close	Current Close	% Change
Brent	107.29	104.39	-2.7%
WTI	101.2	99.42	-1.8%
Iron ore	159.7	160.55	0.5%

Iron ore

Source FIS/Bloomberg

We noted on the technical last night that the futures are in a bullish trending environment; however, the upside move based on time and price was weak. With China now on holiday we have seen a small correction in the May futures with price closing USD 2.30 lower at USD 159.00. The technical is still bullish, potentially supported by the expectation of stimulus via a rate cut this month, but the momentum is warning market longs should be cautious.

## Copper

A Doji star yesterday signalled indecision in the market following the rejection candle for two days ago, downside price action today has failed to hold near the USD 10,234 low with price is USD 82.00 lower at USD 10,293 however the downside candle is unconvincing. Price continues to be bullish with a neutral bias due to the opposing bull and bear rejection candles. The weekly candle is also neutral for the second week running.

## Capesize

The index continues to produce positive numbers with price USD 867 higher today at USD 15,460; however, we are not seeing the sort of numbers that we will need to keep the May futures supported as they are trading at USD 29,625. The futures remain technically bullish with price holding above the USD 28,780, below this level the futures will have a neutral bias. Intraday price did push higher this morning before moving lower on the weaker than expected index. Technically bullish, price is not considered a technical buy due to the USD 14,000 carry with the index making it vulnerable to a downside move.

## Panamax

The index is USD 613 lower today at USD 26,324, signalling a slowdown in price, this was not enough to create bullish price action in the May futures, but it was enough to stop the market moving lower. Price is USD 350 lower, but the day's range is only USD 250, indicating indecision in the market due to the daily technical testing the EMA support levels. Upside moves the close above USD 29,000 will warn that resistance levels could be tested. Due to price being on the EMA band support the market is not considered a technical sell at this point.

## Supramax

The index continues to weaken with price USD 582 lower at USD 30,301. However, in the May futures we continue to see price hold above the EMA support with the RSI above 50 and the stochastic oversold. This is not a buy signal at this point, but it does mean the futures are not a technical sell, a close above USD 31,750 will warn that resistance levels could be tested. Technically bullish but in a corrective phase with the futures looking like they are forming a base. However, this could be because China will be on holiday on Monday and Tuesday.

## Oil

Several U.S. allies will join President Joe Biden's unprecedented deployment of oil stockpiles in an effort to ease the economic damage from high energy prices. Members of the International Energy Agency agreed on Friday to make another round of releases from their emergency fuel reserves, said Hidechika Koizumi, the director of the international affairs division at Japan's trade ministry. The timing and volumes of the releases from each country will be decided at a later date. Biden said on Thursday that his administration will sell 1 million barrels of oil a day from U.S. crude stockpiles for six months to ease the surging cost of gasoline in the wake of Russia's invasion of Ukraine -- something he described as "Putin's price hike." The president said he expects allies in the IEA to agree to release an additional 30 million to 50 million barrels from their own reserves. In addition to Japan, the U.K. will also tap its stockpiles, according to two people familiar with the matter (Bloomberg). The futures remain in a corrective phase with the daily technical testing the EMA support band, this is a natural area of support. The issue is the close on the weekly candle, it is not a bearish engulfing candle, but it may as well be, unless we rally into the U.S close then there is a good chance that the USD 102.35 support will be tested and broken next week, suggesting the USD 96.93 fractal support could also be tested. The Elliott wave cycle leans to the buy side, suggesting this is a countertrend move, but we are seeing added outside influence to suppress prices which could change the psychological footprint of the market. My bullish hat is starting to look neutral based on this weekly candle.

## Ed Hutton

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