

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	7800	7625	-2.2%	Pmx 1 month forward	11600	10875	-6.3%
Cape Q2 23	12875	12725	-1.2%	Pmx Q2 23	13400	12850	-4.1%
Cape Cal 24	15100	15075	-0.2%	Pmx Cal 24	13250	13175	-0.6%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	11700	11275	-3.6%	Brent	82.84	82.83	0.0%
Smx Q2 23	13125	12800	-2.5%	WTI	76.41	76.47	0.1%
Smx Cal 24	13200	13200	0.0%	Iron ore	126.4	124.64	-1.4%

Iron ore

Source FIS/Bloomberg

Iron ore fell for a third day as stubbornly high Chinese steel inventories suggested a hoped-for rebound in demand after the Lunar New Year break isn't materializing. Futures of the steel-making ingredient dropped as much as 3.8% in Singapore before paring some losses. Total stockpiles of hot-rolled coil in China were 26% higher as of Thursday than before the holidays, according to a Shanghai Metals Market report. That follows data from Steelhome released over the weekend that showed sharp jumps in Chinese inventories of hot-rolled coil and rebar (Bloomberg). The futures are now in a corrective phase with price trading below the EMA support band for the first time in over two months. In terms of time this is also the longest pullback since October and if we trade below 121.54 it will be the deepest in price also. Technically we are pulling back on a negative divergence with the futures considered as bullish neutral. We have technical warning flags, 3 maybe 4 that would suggest we go lower from here.

Copper

The futures gapped up on the open after the dollar came under pressure on the FOMC comments; however, we had concerns on the morning technical as the downside moves yesterday had traded below the low of the bullish rejection candle from the 31/01, implying technical weakness. We also highlighted on the morning report that markets like to try and close gaps, warning market sellers could look to see if there was genuine support at lower levels. The gap has been closed, the technical is bullish with a neutral bias with price now trading near the middle of the days range.

Capesize

The index is another USD 449 lower today at USD 3,688. On a positive note, the sell side momentum has to slowdown soon, if we maintain this rate, it will be at zero in 8 days! The March futures have consolidated for most of the day with price closing USD 125 lower at USD 7,675. We were a cautious bear due to a minor divergence in play on the morning report; however, we noted that if the divergence failed the futures would target the USD 7,535 and USD 7,150 support levels. The divergence has failed, so we do have the potential to test support in the near-term. Upside moves that close above USD 8,250 will warn that resistance levels are vulnerable.

Panamax

The index continues to weaken with price USD 368 lower today at USD 7,558. We were a cautious bear in the March futures this morning due to a divergence on the 1-hour chart. We did note that the 4-hour RSI was making new lows suggesting upside moves should be considered as countertrend at this point. There has been no technical pullback yet, the lower timeframe divergence has failed. We remain bearish with upside moves still considered as countertrend. I can't think of anything bullish to say other than that the RSI is at 29!

## Supramax

The index continues to move higher, but buy-side momentum is already slowing as price is only USD 48 higher today at USD 7,529. We had a cautious open in the March futures due to the lower timeframe divergence that was in play. However, post index the futures came under pressure to close the day USD 425 lower at USD 11,275, meaning the intraday divergence has now failed. Key support now comes from the rolling front month chart at USD 9,986. For more information on the technical please click on the link. Supramax Technical Report 20/02/23 <https://fisapp.com/wp-content/uploads/2023/02/FIS-SUPRAMAX-4-PAGE-TECHNICAL-REPORT-02-02-23.pdf>

## Panamax v Supramax spreads today

PMX v Smx Technical Report 02/02/23 <https://fisapp.com/wp-content/uploads/2023/02/FIS-PMX-V-SMX3-PAGE-TECHNICAL-REPORT-02-02-23.pdf>

## Oil

Oil struggled to find a bid after the Federal Reserve's recent comments spurred traders to shun energy and pour money into interest-rate sensitive stocks. West Texas Intermediate fell as much as 1.9% to trade below \$75 a barrel, breaking out of a recent pattern of following moves in the equity market. After the Federal Reserve said on Wednesday that it had made progress in taming inflation, equity traders have piled into tech stocks and other interest-rate sensitive investments. That has left crude struggling for traction as the commodity's fundamentals aren't improving fast enough to change traders' sentiment (Bloomberg). The oil technical remains bearish with price now below the 200-period MA. However, we have seen buying support in the afternoon session meaning price is flat on the day going into the close. With the daily technical rejecting the USD 89.50 resistance, we have now seen a breach in the USD 81.51 level, further supporting a sellers argument. You will see more of that on tomorrow's afternoon technical.

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