

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	7650	7625	-0.3%	Pmx 1 month forward	10625	10525	-0.9%
Cape Q2 23	13150	13275	1.0%	Pmx Q2 23	13100	13125	0.2%
Cape Cal 24	15025	15150	0.8%	Pmx Cal 24	13125	13125	0.0%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	10400	10450	0.5%	Brent	84.5	86.43	2.3%
Smx Q2 23	12550	12750	1.6%	WTI	78.06	79.75	2.2%
Smx Cal 24	13125	13150	0.2%	Iron ore	123.97	124.72	0.6%

Iron ore

Source FIS/Bloomberg

The futures found buying support in the Asian day session with the March contract trading up to a high of USD 125.20 before moving lower in the evening session. The technical is unchanged, bullish with a neutral bias with key resistance at USD 125.72.

Copper

Technically the futures are unchanged. Price is currently rejecting the intraday EMA resistance band with price and momentum now aligned to the sell side. Downside moves that trade below USD 8,808 will create a positive divergence with the RSI, suggesting caution on new low breakouts. The futures are also trading into the EMA support band on the daily technical, which alongside the potential divergence would imply that this current downside moves could be nearing exhaustion.

Capesize

Back in the green today for the index with price moving USD 281 higher at USD 4,033. The march contract however has come under pressure, having initially traded to a high of USD 8,250 the futures have sold lower to close the day at USD 7,625, down USD 25 on the day. The technical is now considered as bearish with the USD 7,150 support vulnerable. We do remain cautious on this downside move just because the MA on the RSI continues to slope higher, warning momentum is still supported at this point. If we trade to a new low the futures will create a positive divergence with the RSI, not a buy signal it does warn we have the potential to see a momentum slowdown. Technically bearish, momentum is showing signs that the downside move is weakening.

Panamax

Somehow when cutting and pasting onto the app yesterday I managed to lose the Panamax comment. Fortunately, nothing has really changed, the momentum slowdown in the index means we have now seen price move another USD 34 higher today at USD 6,443. In the futures yesterday we had a dark cloud cover pattern on the daily chart, warning that we could price come under further pressure today. The March is USD 100 lower at USD 10,525, meaning we didn't really get the follow through that I was expecting. Technically we are bearish with wave analysis suggesting we should have one more move to the downside. Momentum, like the Capes is supported at the moment; however, we remain vulnerable to downside moves below USD 11,960, above this level the technical becomes neutral.

Supramax

The Supramax is another USD 86 lower today at USD 6,909, but we are now seeing a momentum slowdown based on price. Without getting all religious on you, the March futures were a little bit biblical today. We were given a bullish start, but it was soon taketh away (Job 1:21, Robin Hood 1991). Price traded to a high of USD 10,725 before closing 25 bucks above opening values, meaning we have rejected the upside with wave analysis suggesting we should trade lower. However, like the rest of the freight complex momentum is giving some warning signs that price is supported, whilst new lows will give us a positive divergence. A theme that we are seeing on all front month contracts.

Oil

Russia plans to cut its oil output by 500,000 barrels a day next month, following through on a threat to retaliate against western energy sanctions and sending oil prices sharply higher. The move threatens to renew turmoil in the oil market, which had so far taken disruption to Russian supplies in stride. It further tightens supply constraints from OPEC+, which Saudi Arabia had already led into a 2 million barrel-a-day production cut last year in an effort to buoy prices. Delegates from the group signaled they won't take any action to fill in the gap created by Russia (Bloomberg). It looks like Putin will be destroying my technical at this rate. But for what it is worth, I wrote one anyway. FIS Technical – Brent April 23 10/02/23 <https://fisapp.com/wp-content/uploads/2023/02/FIS-Oil-Technical-Report-10-02-23.pdf>

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