

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	6425	6175	-3.9%	Pmx 1 month forward	9600	9575	-0.3%
Cape Q2 23	12850	12825	-0.2%	Pmx Q2 23	12825	13050	1.8%
Cape Cal 24	14925	14900	-0.2%	Pmx Cal 24	12825	12950	1.0%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	10800	11075	2.5%	Brent	85.14	83.16	-2.3%
Smx Q2 23	12900	13225	2.5%	WTI	78.49	76.41	-2.7%
Smx Cal 24	13025	13150	1.0%	Iron ore	124.53	126.54	1.6%

Iron ore

Source FIS/Bloomberg

Iron ore climbed to the highest level in two weeks as China boosted short-term liquidity by a record, improving demand prospects for the steel-making raw material. Copper was set for the first weekly gain in four. The central bank's move to pump the most ever short-term cash into the banking system shows its willingness to keep borrowing costs stable amid the government's commitment to bolster growth. The cash boost on Friday came after the bank's injection of funds via medium-term loans earlier this week. The monetary stimulus reinforced bets that China's government is intent on increasing support for the economy, which would help lift steel demand. There have been signs that consumption of metals from steel to copper is gradually recovering after manufacturers returned from the Lunar New Year break and the country abandoned growth-sapping Covid restrictions (Bloomberg). The futures have traded above the USD 125.72 resistance meaning the USD 128.95 high is now vulnerable, the futures are also above the EMA support band with the RSI above 50. Upside moves that trade to a new high will create a negative divergence, warning we have the potential to see a momentum slowdown on a new high, suggesting caution on upside breakouts. Downside moves below USD 119.90 will indicate the futures are in a corrective phase. This technical has looked vulnerable for the last two weeks, however with the rhetoric of supporting economic growth we are seeing price edge higher. The technical is back in bullish territory but the potential divergence on a new high will need to be monitored.

Copper

A surge in spot copper prices in New York has offered a painful reminder of the risks involved in betting against the metal when supply is running perilously thin. The price of copper for March delivery spiked sharply on Comex Thursday as market participants rushed to buy back short positions ahead of the contract's expiry next week. It's a sign that the US market is facing extremely tight supply dynamics even as investors across financial markets fret that stubborn inflation and higher interest rates will hit growth in the world's top economy (Bloomberg). The futures entered a corrective phase on the Asian open resulting in our key support at USD 8,880 being breached by USD 1.00, the technical although bullish now has a neutral bias. However, the RSI has found support on its moving average, resulting in the futures trading USD 90.00 above the day's low; above USD 9,000 will warn that the USD 9,062.5 fractal high from yesterday could be tested and broken. Bullish with a neutral bias, the futures are supported at this point; however, it is important to note that the EMA's are flat, indicating the market is not in a trending environment.

Capesize

The index is another USD 34 lower today at USD 2,246, meaning we are seeing a momentum slowdown based on price. With another negative index the March futures came under further pressure having consolidated for the last two days. Price is USD 250 lower at USD 6,175; however, we remain in divergence with the RSI, not a buy signal, it does warn we are vulnerable to a momentum slowdown. We are in trend with a potential downside target at USD 5,718. The index continues to highlight the dire state of the physical market, but with the divergence in play, we must highlight that the technical suggests caution.

## Panamax

The index is USD 56 lower at USD 5,966 with the RSI now testing support levels dating back to Sep 22. For momentum based on price to be aligned to the buy-side, we will need to see a close above USD 6,220. The March futures traded higher on the open but have come under light pressure in the afternoon session. We have conflicting momentum indicators here, as the MA on the RSI is sloping in an upward trajectory, suggesting momentum is supported at this point; however, the RSI is below 50 with the stochastic in overbought territory, meaning the same momentum indicators are warning we could see a test to the downside. This makes USD 9,207 the key level on the technical, if it holds then resistance levels will be vulnerable; if broken, then the USD 8,875 fractal low could be come under pressure.

## Supramax

Buy-side momentum continues to increase with the index another USD 383 higher today at USD 7,641. The March futures did open bid, and will close higher today, but price is USD 200 off the high, possibly as there is a USD 3,434 carry between the futures an index. There is optimism in the market, but also a sense of reality. The technical is bullish but there is only so far it can run without running into market sellers; if we do correct then USD 10,054 is the key support to follow, the futures are bullish above this level and neutral below. Bullish, but a correction into a rising market will do a lot to put the carry at a more sensible level, the RSI/MA combo would suggest key support should hold if tested in the near-term.

## Oil

Oil plunged in low-volume trading ahead of the US holiday weekend as hawkish signals from Federal Reserve officials added to concerns about a glut of crude piling up in storage. Oil is en route to its longest string of daily losses this year, weighed down by a significant increase in US crude inventories and a broader risk-off sentiment sparked by the prospect of continued rate hikes from the Fed. The aggregate volume of crude contracts changing hands also was low, exacerbating the move (Bloomberg). For more information on the technical please click on the link. FIS Technical – Brent April 23 17/02/23 <https://fisapp.com/wp-content/uploads/2023/02/FIS-Oil-Technical-Report-17-02-23.pdf>

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