

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	8750	8725	-0.3%	Pmx 1 month forward	13600	14175	4.2%
Cape Q2 23	14775	15000	1.5%	Pmx Q2 23	14875	15300	2.9%
Cape Cal 24	15275	15325	0.3%	Pmx Cal 24	13250	13225	-0.2%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	13800	14375	4.2%	Brent	83.23	82.63	-0.7%
Smx Q2 23	14875	15425	3.7%	WTI	76.45	76.1	-0.5%
Smx Cal 24	13550	13550	0.0%	Iron ore	126.75	122.9	-3.0%

Iron Ore

Source FIS/Bloomberg

Iron ore sank following an order by Chinese authorities to cut production in a major steelmaking hub in a bid to curb pollution. Futures of the steelmaking material declined as much as 3.4% Monday to near a two-week low after Tangshan sought measures to restrict production levels ahead of top annual political meetings slated to start in Beijing this weekend. Mills are ordering plants to cut sintering production by 30% to 50%, researcher Mysteel said in a report Monday, citing its own survey (Bloomberg). The March contract continues to come under pressure with the futures trading below the USD 124.15 support in the Asian day session, the technical although bullish now has a neutral bias. The MA on the RSI remains weak, suggesting upside resistance levels should hold if tested. However, price is currently testing and holding the daily 34-period EMA, implying we could potentially see some buying support around these levels.

Copper

Copper edged higher amid a wider rally in stocks and a slightly weaker dollar, after the metal earlier fell to the lowest price in seven weeks. Industrial metals have been under pressure from a dollar that's trading near the highest since early January, making commodities more expensive for other currency holders. Investors pricing in expectations of higher interest rates from the Federal Reserve are also dampening prices (Bloomberg). The trend remains technically bearish with the upside move rejecting the Fibonacci resistance zone. The RSI is testing its MA resistance which continues to suggest the upside moves look to be countertrend at this point. Key resistance to follow is at USD 8,998, the technical is bearish below this level and neutral above.

Cape v Pmx Technical Report

Cape v Pmx Technical Report 27/02/23 <https://fisapp.com/wp-content/uploads/2023/02/FIS-CAPE-V-PMX-3-PAGE-TECHNICAL-REPORT-27-02-23.pdf>

Capesize

The index is another USD 544 higher today at USD 5,815. The March contract has had a mixed day having opened lower, traded to a new high before closing unchanged on the day. For more information on the technical, please click on the link. Capesize Technical Report 27/02/23 <https://fisapp.com/wp-content/uploads/2023/02/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-27-02-23.pdf>

Panamax

We are now seeing a slowdown in price, but the index is still another USD 414 higher at USD 10,517. The futures opened flat, but we have seen another push in the March contract with price closing the day USD 575 higher at USD 14,175. The intraday technical is in divergence, not a sell signal it is a warning that we could see a momentum slowdown and will need to be monitored. However, intraday Elliott wave analysis continues to suggest that this upside move is part of an extended wave 3, for this reason we maintain our view that downside moves should be considered as countertrend.

Supramax

A hat-trick of bullish index's today is completed by the Supramax that has closed the day USD 596 higher at USD 11,553. The futures had started to consolidate with the MA on the RSI flattening out, warning buyside momentum could be weakening. However, like the Panamax we have seen another push higher in the March contract, meaning we remain on an extended intraday Elliott wave 3. The RSI remains above its MA but at 85 it is starting to look overextended; however, the futures are in a bullish trending environment, making it dangerous to sell into. With the RSI at new highs it supports the wave cycle, suggesting downside moves should be considered as countertrend at this point.

Oil

We noted on the morning technical that the futures were bearish with a neutral bias, supported by 4-hour momentum indicators. However, the 1-hour RSI was in divergence, not a sell signal it warned we could see a momentum slowdown, making USD 81.93 the key support to follow. The futures did enter a corrective phase with price trading to a low of USD 81.84 before finding some light buying support. The breach in the USD 81.93 level is now warning that the USD 80.40 is now vulnerable. If we do trade back above the USD 83.60 level from this morning, it will imply that buyside momentum based on price is improving, suggesting that USD 84.30 fractal resistance could be tested and broken.

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