

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	8725	10500	20.3%	Pmx 1 month forward	14175	16225	14.5%
Cape Q2 23	15000	17200	14.7%	Pmx Q2 23	15300	16575	8.3%
Cape Cal 24	15325	16000	4.4%	Pmx Cal 24	13225	13775	4.2%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	14375	16300	13.4%	Brent	82.44	83.91	1.8%
Smx Q2 23	15425	16700	8.3%	WTI	75.76	77.19	1.9%
Smx Cal 24	13550	13850	2.2%	Iron ore	122.9	124.15	1.0%

Iron Ore

Source FIS/Bloomberg

Iron ore advanced after Monday's slump as investors assessed the outlook for demand recovery ahead of what is typically China's peak annual consumption period. Futures of the steelmaking material rose as much as 1.4% after contracts closed 3.2% lower in the previous trading session amid concerns that steel-production curbs ordered by the government will suppress demand. Investors are awaiting fresh signals that China will bolster support for the construction and steel industries at this week's Two Sessions political gathering in Beijing. Despite recent curbs, the replenishment of iron ore stockpiles is expected to remain strong, lending support to prices, Holly Futures wrote in a note. While sales of finished steel products have picked up recently, a recovery in demand depends on supportive macroeconomic policies, it added (Bloomberg). We have seen a stabilization in price in what could just be a bit of a book balance after the move lower yesterday; however, it is worth nothing that in the last 30 days USD 124.00 – USD 123.00 is the most heavily traded area, making it a potential support zone. Technically the March contract is bullish with a neutral bias but the RSI is now testing its MA resistance, implying market buyers should be a little cautious at this point, if the RSI holds its MA and the futures closing below the USD 123.00 level, we could see the USD 119.45 fractal low come under pressure. Likewise, if we hold the support zone and the MA starts moving above its RSI, we could see buyside momentum increase. The intraday is conflicting here so you may want to wait for the market to show its hand first.

Copper

Aluminium headed for its deepest monthly decline since mid-2022 as investors price in more aggressive monetary tightening from the Federal Reserve. The soft metal is down 11% since the end of January for the worst monthly performance since June. Meanwhile, copper is down 2.8% during that period, snapped a three-month run of gains. The prospect of higher US interest rates has diminished the appeal of industrial commodities because they bear no yield (Bloomberg). We have seen a bit more USD weakness today which is supporting the copper futures. We had the intraday technical as bearish with resistance levels like they should hold this morning; however, price is USD 164 higher today at USD 8,966, meaning the USD 8,998 resistance is looking vulnerable. The MA on the RSI is also in the early stages of turning higher, again suggesting buyside momentum is looking like it is finding support; countering this is the USD basket, which is trading in its 4-hour EMA support band and finding light buying support at this point, suggesting Copper longs still need to be a little cautious, if the green back holds it could stall this upside move in copper.

Capesize

The index is another USD 227 higher today at USD 6,042. The March futures have had a strong day with price USD 1,750 higher at USD 10,475. The futures remain bullish with downside moves considered as countertrend, we noted on the morning report that the 1 – hour RSI was in divergence, warning we could see a momentum slowdown. The move higher today means the divergence has failed; price remains above all key moving averages supported by the RSI above 50. We maintain our view that downside moves should be considered as countertrend at his point.

Panamax

Another good index today with price USD 932 higher at USD 11,449. The March futures have put in a very strong performance with price USD 2,050 higher at USD 16,225. Like the Capes we noted that there was a divergence in play that needed to be monitored on the 1-hour chart, technically the divergence is still in play but it is very marginal and likely to fail if we move much higher. Intraday Elliott wave analysis would suggest downside moves should be considered as countertrend at this point. For more information on the technical, please follow the link. Panamax Technical Report 28/02/23 <https://fisapp.com/wp-content/uploads/2023/02/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-28-02-23.pdf>

Supramax

Another steady index today with price USD 605 higher at USD 12,158. I feel like I should cut and paste the freight comments from above. The March is USD 1,925 higher at USD 16,300, the lower timeframe divergence has failed, with intraday Elliott wave analysis suggesting downside moves should be considered as countertrend. Technically bullish and in trend.

Oil

The downside move into the close last night put the technical back into bearish territory. However, the futures have moved higher on the back of a weaker USD today, meaning we are bearish, but with a neutral bias. The USD 84.30 fractal resistance now looks vulnerable, which if broken will put the intraday technical into bullish territory based on a higher high; however, the longer-term technical remains bearish. The MA on the RSI would suggest momentum is supported at this point; however, as noted on the copper comment, keep an eye on the USD basket, as it is trading in its 4-hour support band, if it holds, you could see the black gold coming under pressure.

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