

FIS European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	15150	16500	8.9%
Cape Q2 23	16875	17675	4.7%
Cape Cal 24	15550	15825	1.8%

	Previous Close	Current Close	% Change
Pmx 1 month forward	16175	16200	0.2%
Pmx Q2 23	16125	16100	-0.2%
Pmx Cal 24	13450	13600	1.1%

	Previous Close	Current Close	% Change
Smx 1 month forward	16025	15900	-0.8%
Smx Q2 23	16050	15750	-1.9%
Smx Cal 24	13600	13600	0.0%

	Previous Close	Current Close	% Change
Brent	84.35	84.64	0.3%
WTI	77.88	78.26	0.5%
Iron ore	126.3	125.5	-0.6%

Iron Ore

Source FIS/Bloomberg

National Development and Reform Commission held a meeting with some industry experts recently to discuss “overly fast” rise in iron ore prices, according to a statement from China’s top economic planner. Industry experts called on the government to curb unreasonable price rise with effective measures including tightening futures and spot market oversight and punishing hoarding and price gouging (Bloomberg). The upside move in the April contract has rejected the USD 128.42 resistance, warning that the USD 122.15 and USD 119.45 fractal support levels could be vulnerable. Alongside the NDRC and the margins highlighted yesterday, we maintain our view that support levels are vulnerable.

Copper

Chinese metals demand is finally starting to return after the country removed its coronavirus restrictions, according to Pala Investments Ltd.’s hedge fund manager. Copper prices have climbed about 3% this week, following data showing a robust recovery in China’s manufacturing and property sectors in January. Futures had been under pressure in recent weeks amid waning optimism over the end of the nation’s strict Covid Zero policy and weakness in the spot market. After an initial surge in Covid cases as restrictions were removed, the world’s top consumer is recovering more quickly than its top officials had expected a person familiar with the matter told Bloomberg this week. China’s state media have been told to convey at next week’s National People’s Congress — the annual parliamentary gathering — that leaders are satisfied with how the rebound is playing out (Bloomberg). Limited price movement in the futures today as the market is waiting on the outcome of the National People’s Congress that starts this weekend.

Capesize

The index continues to push higher with price up another USD 1,614 at USD 9,910. The new high yesterday meant the futures were in divergence with the RSI, however, we have seen further moves higher in the market today with the futures trading to a high of USD 16,625. Intraday Elliott wave analysis would suggest that we are on an extended wave 3, with a potential upside target at USD 18,418 for this phase of the cycle. This also means that downside moves should still be considered as countertrend at this point. Technically bullish, the 4-hour candle remains in divergence with the RSI, not a sell signal, it is a warning we have the potential to see a momentum slowdown and will need to be monitored.

Panamax

We are seeing a slowdown in price with the index only USD 81 higher today at USD 12,751. We have had a bit of a sideways day in the April futures with price USD 50 lower at USD 16,125. From a technical perspective we now look to have entered our countertrend corrective phase with near-term support at USD 14,127 and key support at USD 12,001. The technical is bullish above this level but has a neutral bias below it. Bullish but in a corrective phase.

Supramax

A turn in sentiment today with the index USD 32 lower at USD 13,081, below USD 12,284 momentum based on price will be aligned to the sell side. We noted a couple of days back the price and momentum were becoming aligned to the sell side, warning we could be entering a corrective phase. The futures have moved lower with the futures looking like they are in a corrective wave 4 of this phase of the cycle (Elliott wave). This would suggest that the downside moves is considered as counter-trend. Near-term support is at USD 14,337 and key support at USD 12,364, the technical is bullish above this level but has a neutral bias below it. Bullish but in a corrective phase.

Oil

Brent oil fell in London after a report that the UAE is having an internal debate about leaving the OPEC producer group. The global benchmark retreated as much as 2.8%, though pared some of those losses. The Wall Street Journal, citing Emirati officials, reported that a growing rift between Saudi Arabia and the United Arab Emirates means the UAE is having internal discussions about quitting the alliance, a move that could potentially leave it free to lift production. The UAE has said publicly and privately it is sticking to the current OPEC deal for at least this year (Bloomberg). For more information on the daily technical please click on the link. FIS Technical – Brent April 23 03/03/23 <https://fisapp.com/wp-content/uploads/2023/03/FIS-Oil-Technical-Report-03-03-23.pdf>

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