



European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	16325	17200	5.4%
Cape Q2 23	17475	18325	4.9%
Cape Cal 24	15850	16000	0.9%

	Previous Close	Current Close	% Change
Pmx 1 month forward	16000	16775	4.8%
Pmx Q2 23	16025	16825	5.0%
Pmx Cal 24	13625	13775	1.1%

	Previous Close	Current Close	% Change
Smx 1 month forward	15625	16175	3.5%
Smx Q2 23	15575	16325	4.8%
Smx Cal 24	13712.5	13850	1.0%

	Previous Close	Current Close	% Change
Brent	83.08	82.55	-0.6%
WTI	77.21	76.6	-0.8%
Iron ore	127.05	126.75	-0.2%

Iron Ore

Source FIS/Bloomberg

Iron ore dipped as investors weighed data that suggests China's steel consumption remains slow, against optimism that demand will rise during the nation's looming peak construction period. Steel exports from China jumped 49% in the first two months of the year from a year earlier, likely showing that domestic demand remains moribund after a more than year-long property rout pounded consumption. The Asian powerhouse's need for steel typically picks up in the second quarter of the year, as more supportive weather accelerates construction projects (Bloomberg). There has been no upside follow through today with the futures tracking a flat moving average band, indicating we lack directional bias at this point.

Copper

Copper and gold advanced with a softer dollar as traders assessed US data and Jerome Powell's comments on the pace of the Federal Reserve monetary tightening. The Fed chair stressed that there has been no decision made on the pace of rate hikes, although he reiterated the US central bank might accelerate it and raise rates to a higher peak than previously expected amid signs of a stronger economy, according to his testimony in the US House of Representatives. In the meantime, fresh US jobs data showed the labor market remains hot, keeping the pressure on the Fed for further tightening (Bloomberg). The technical this morning suggested that the USD 8,670 fractal support was vulnerable; however, Powell's comments this afternoon have resulted in a move higher that has taken the intraday technical into neutral territory. In theory, we move lower, if we trade above USD 8,980 then his comments will mean I am missing a bear wave.

Capesize

Another steady index today with price USD 12,851 higher at USD 12.851, the RSI is now at 68. A mixed day in the futures, we opened with buy-side support with price trading up to USD 17,400 in the morning session before trading down to USD 16,600 before going bid into the close. We remain technically bullish with intraday Elliott wave analysis suggesting we have a potential upside target as high as USD 22,844; however, the RSI is now in divergence with price which will need to be monitored.

Panamax

Having move lower yesterday we have had a positive index again today with price USD 106 higher at USD 12,989. We moved sideways yesterday but have seen a move higher today with the April contract closing the day USD 775 higher at USD 16,775. From a technical perspective we have yet to confirm that price has entered a bullish Elliott wave 5; the capes have had a shallow pullback, so it is quite possible for the Panamax to have one as well. As noted in the morning reports, if we trade below USD 15,300 before making a new high, then it would suggest the corrective move is becoming a complex one. At this point, downside moves should be considered as countertrend.

Supramax

The index is lower today, but we have seen a significant slowdown in sell side momentum, as price is only USD 5 lower at USD 12,770. The April futures opened supported with price moving USD 550 higher during the session, to close at USD 16,175. The futures are now at an inflection point as we are testing the USD 16,319 resistance, if we reject it the corrective move could become complex; however, if broken then the USD 17,050 high will start to look vulnerable. The wave cycle is bullish, meaning we still consider downside moves to be countertrend at this point.

Freightos Index v's Supramax 10 TC average technical

This contains the US West Coast to China – China to Europe - US West Coast to China v Supramax - China to Europe v Supramax, and the FBX 11 v FBX 13

Freightos Index v's Supramax 10 TC average 08/03/23 <https://fisapp.com/wp-content/uploads/2023/03/Freightos-Index-v-Supramax-index-TECHNICAL-REPORT-08-03-23.pdf>

Oil

On the back of Powell's comments today I was expecting to see the oil futures to be moving higher when I opened the chart; however, unlike Cu, we seem to be following the technical footprint for now with price continuing to move lower. The intraday technical remains bearish but if we look at the 1-hour RSI we can see that the futures are in divergence with price, suggesting the downside move is a little overextended at this point. However, based on our momentum indicators it does look like upside moves should be considered as countertrend for now.

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