

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	18125	18550	2.3%	Pmx 1 month forward	17575	17262.5	-1.8%
Cape Q2 23	19150	19650	2.6%	Pmx Q2 23	17675	17625	-0.3%
Cape Cal 24	16450	16450	0.0%	Pmx Cal 24	13800	13675	-0.9%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	17025	17000	-0.1%	Brent	82.64	81.19	-1.8%
Smx Q2 23	17125	16925	-1.2%	WTI	76.68	75.2	-1.9%
Smx Cal 24	13975	13875	-0.7%	Iron ore	128.75	131.1	1.8%

Iron ore

Source FIS/Bloomberg

Iron ore rose for a third day following a drop in inventories at Chinese steel mills just as the peak construction season gets underway. The steel-making ingredient traded near a two-week high in Singapore after data released Friday showed both steel stockpiles and iron ore inventories fell last week. China’s busiest period for construction typically runs from March through June, and the re-opening of the economy following the ditching of Covid controls looks likely to provide even more impetus this year (Bloomberg). Technically bullish, a gap higher on the open has resulted in the April futures trading to a new high. Price is now in divergence with the RSI, not a sell signal it is a warning that we have the potential to see a momentum slow-down and will need to be monitored. Elliott wave analysis would suggest that near-term resistance on the daily technical is at USD 139.56.

Copper

Technically bearish with a neutral bias on the morning report, we took a neutral view due to key support and resistance levels being broken, meaning we needed to see a directional breakout. The futures traded to a low of USD 8,638 this morning before rallying to USD 8,933. The futures still need to see a directional breakout rather than intraday swings; I.E. a close outside of the USD 8,980 – USD 8,713 range. The technical is starting to look bullish but we need a close in either direction for confirmation.

Capesize v Panamax Spread

Cape v Pmx Technical Report 13/03/23 <https://fisapp.com/wp-content/uploads/2023/03/FIS-CAPE-V-PMX-3-PAGE-TECHNICAL-REPORT-13-03-23.pdf>

Capesize

The index disappointed today but still came in USD 633 higher at USD 15,099. The April futures will close USD 425 higher today at USD 18,550; however, this is USD 950 below the morning high. For more information on the technical please click on the link. Capesize Technical Report 13/03/23 <https://fisapp.com/wp-content/uploads/2023/03/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-13-03-23.pdf>

Panamax

Another bullish index today with price USD 237 higher at USD 13,785. Like the Capes, the futures started the day supported with price trading to a high of USD 18,225 before closing the day nearly USD 1,000 lower at USD 17,262, down USD 312.5 on the day. The technical is still bullish with wave analysis suggesting we have a potential upside target at USD 20,352; however, the minimum requirement for cycle/phase completion has been achieved with the futures in divergence with the RSI. A bearish rejection candle from a new high today is warning we could be vulnerable to a technical pullback. Tomorrow's pivot point looks like it will be at USD 17,579, if we open below this level tomorrow we could see support levels coming under pressure. A cautious bull going into the close, as support levels could be vulnerable.

Supramax

The index continues to produce bullish numbers with price USD 284 higher today at USD 13,580. Like the rest of the freight complex the April futures opened with buy-side support, we traded to a high of USD 17,675 but will close the day at USD 17,000, down USD 25.00 on the day. Technically we are bullish with a potential upside target at USD 19,612; however, the intraday futures are in divergence with a bearish rejection candle on the daily chart, meaning we are now a cautious bull.

Oil

Oil prices whipsawed on Monday as traders tried to gauge how the biggest US bank collapse since 2008 will affect monetary policy. Crude fell more than four dollars earlier in the day as investors fled from risk assets, only to recover most of those losses by around midday. President Joe Biden aimed to strengthen confidence in the banking system and prevent contagion with his morning speech, saying that customers at Silicon Valley Bank and Signature Bank will be protected. "The risk off trade was driving oil prices down," said Rob Thummel, a portfolio manager at Tortoise Capital Advisors., "A little bit more certainty on the direction of the banks means the risk off trade is no longer happening as much." (Bloomberg). Just a USD 5.14 range today as uncertainty grips the market. We noted on the morning report the although the futures were bearish with a neutral bias, but the futures remained vulnerable. On days like this there is no easy way to read the intraday technical, price is lower but have both a downside and upside rejection candle going into the close. We are below trend support (USD 81.64), if we close below and hold below this level, it will be below the base of a large symmetrical triangle, which could have bearish implications going forward. Technically bearish, we need confirmation on the symmetrical breakout which could take a couple of days. Potential downside targets on the triangle pattern are at USD 72.83 and USD 67.38. A close above USD 81.64 will mean we remain within the consolidation pattern.

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