

# FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	17325	17850	3.0%	Pmx 1 month forward	15875	16400	3.3%
Cape Q2 23	18875	19700	4.4%	Pmx Q2 23	16300	16550	1.5%
Cape Cal 24	15950	16125	1.1%	Pmx Cal 24	13200	13325	0.9%

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Smx 1 month forward	16000	16400	2.5%	Brent	74.27	75.07	1.1%
Smx Q2 23	16075	16650	3.6%	WTI	68.23	68.83	0.9%
Smx Cal 24	13525	13550	0.2%	Iron ore	130.2	128.8	-1.1%

## Iron Ore

Source FIS/Bloomberg

Iron ore declined, snapping a five-day gain, on fears that cuts to Chinese steel production will curb demand and as stockpiles rose before peak construction season gets underway. The steel-making ingredient sank as much as 3.2% after closing at a nine-month high in Singapore on Wednesday. China will again cut annual crude steel production in 2023, according to a person familiar with the decision, marking the third year in a row that the government has mandated reduced output in order to rein in carbon emissions from the heavily polluting sector. Beijing's move to cut steel output follows measures to deter hoarding of iron ore after prices surged in recent months, with the government determined to tighten its regulatory grip on commodities-led inflation (Bloomberg). The April contract came under further pressure today with price trading through our USD 127.38 - USD 127.05 support zone, before finding some light buying relief into the close. However, the breach in the support zone means the technical now has a neutral bias. With the downside move coming off the back of the negative divergence, the USD 124.80 fractal low is starting to look vulnerable. Bullish neutral, there are warning signs that the bull phase of this cycle may already be over.

## Copper

The European Union proposed classifying copper and nickel as critical raw materials in landmark legislation designed to bolster supplies, alongside other metals key to the energy transition. Inclusion on the EU's new critical raw materials list would underscore growing political angst over long-term supplies of the metals as the global decarbonization drive turbocharges demand. The new Critical Raw Materials Act — presented to lawmakers on Thursday — could open the door to expedited permitting and financing of copper and nickel mining projects in the EU, as the bloc looks to boost domestic production and ease reliance on imports (Bloomberg). Risk off yesterday, the futures moved lower but found buying support in the afternoon session, going into the close price is USD 20 higher at USD 8,524.5. The technical remains bearish, but as noted on the morning report price is in divergence with the RSI, dating back to the 27/02. Not a buy signal it does warn that we have the potential to see a momentum slowdown and needed to be monitored. Countering this, the MA on the RSI remains weak, suggesting resistance levels could/should hold in the near-term if tested.

## Capesize

The index came under further pressure today with price USD 1,066 lower at USD 16,387, a close below USD 16,010 will mean momentum based on price is aligned to the sell side. A mixed day in the April futures with price coming under pressure on the open, resulting in the USD 17,396 support being tested and broken, the technical although bullish now has a neutral bias. We did get some light buying support mid-morning and post index, with the futures trading to a high of USD 18,125; however, bids faded a little going into the close with price closing the day at USD 17,750. The EMA's are flat, indicating a lack of trend, with the futures closing on them, the move lower is on the back of a negative divergence with the pullback breaching key support. The market is a little uncertain here, it looks vulnerable, and could/should move lower. However, we are always a little uncertain at these inflection points as the market is in balance.

## Panamax

The index reversed today with price USD 196 lower at USD 14,380, a close below USD 14,025 will mean momentum based on price is aligned to the sell side. The April contract came under pressure early on with price trading to a low of USD 15,400 before closing USD 1,000 higher at USD 16,400. This pullback is deep, and we have seen a fractal support at USD 15,825 being broken, which is a concern. Technically we are bullish with a neutral bias; however, when we look at the MA on the RSI, it would suggest that buyside momentum is weak, warning that resistance levels could/should hold if tested. We are not bearish yet, but when we look at the momentum and price action, it does feel like the USD 15,300 support could soon be broken.

## Supramax

The index bucked the trend today with price USD 176 higher at USD 14,430; however, this is a slowdown compared to recent days. For more information on the technical please click on the link. Supramax Technical Report 16/03/23 <https://fisapp.com/wp-content/uploads/2023/03/FIS-SUPRAMAX-4-PAGE-TECHNICAL-REPORT-16-03-23.pdf>

## Panamax v Supramax Technical Report

PMX v Smx Technical Report 16/03/23 <https://fisapp.com/wp-content/uploads/2023/03/FIS-PMX-V-SMX3-PAGE-TECHNICAL-REPORT-16-03-23.pdf>

## Oil

Oil has had a better day with price rejecting the downside for a second time, having initially traded to a low of USD 71.86 the futures are USD 1.10 higher at USD 74.79. The technical is still bearish with upside moves looking like they will be countertrend at this point; however, with support holding we could see resistance levels be tested. USD 79.46 is the key level to follow, price is bearish below and neutral above on the intraday.

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