



# European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	17750	19550	10.1%
Cape Q2 23	19775	21550	9.0%
Cape Cal 24	16075	16475	2.5%

	Previous Close	Current Close	% Change
Pmx 1 month forward	14750	15250	3.4%
Pmx Q2 23	15725	16125	2.5%
Pmx Cal 24	13200	13475	2.1%

	Previous Close	Current Close	% Change
Smx 1 month forward	15400	15600	1.3%
Smx Q2 23	15700	16025	2.1%
Smx Cal 24	13325	13500	1.3%

	Previous Close	Current Close	% Change
Brent	75.79	76.05	0.3%
WTI	69.92	70.13	0.3%
Iron ore	120.2	118.05	-1.8%

Iron ore

Source FIS/Bloomberg

The world's biggest iron ore miners will ship 296.3 million tons in 1Q, +8% y/y, Bernstein forecast in a report. Estimates of 1Q volumes include: Rio Tinto Group: 82.6m tons: Vale SA: 66.8m tons: BHP Group: 69.5m tons: Fortescue Metals Group Ltd.: 46.3m tons: Roy Hill Holdings Pty Ltd 14.8m tons. A quiet afternoon in the April futures having sold lower overnight (Bloomberg). As noted on the morning report, the technical is now in divergence with the RSI whilst the mean reversion gap with the 34 period EMA is around USD 6.00, warning we could see a momentum slowdown. We have a potential downside target for this phase of the cycle at USD 113.07; however, we now have a note of caution to go with it.

Copper

Copper held gains and aluminum rallied after Federal Reserve Chair Jerome Powell said the central bank considered pausing rate hikes due to banking sector turmoil. The comments deepened traders' expectations for cuts later this year, pushing copper to its biggest advance in two weeks. Still, Powell added that the central bank would implement higher-for-longer increases should inflation demand it (Bloomberg). On the technical this morning it had looked like there was an intraday Elliott wave cycle nearing completion. The futures did pullback mid-morning, but intraday EMA support held resulting in the futures moving higher, going into the close it looks like the divergence is going to fail, suggesting the cycle is extending, the intraday technical remains bullish at this point.

Capes

The index turned higher today with price coming in USD 8,68 higher at USD 15,396. The April futures have moved high, we noted on the morning technical that it looked like the head and shoulders pattern could fail, the move above USD 19,250 has confirmed this. We now look to be in the early stages of a bullish impulse wave 5, remembering we had stated that the downside move had looked to be a countertrend wave 4. The wave 5 will only really be confirmed above USD 21,125; however, the failure in the H&S pattern would suggest that the probability that we are is high. Using the William's approach, we now have a potential upside target at USD 25,958.

Panamax

The index is lower again today by USD 194 at USD 12,924; however, this move today is signaling that sell side momentum is slowing. Having found support yesterday the April futures have had another move higher today. We close the day at USD 15,250, up USD 500, meaning we remain below the USD 15,785 resistance. Based on the Capesize move, the technical could be readying for a turn, but we need to see more form the technical here to convince, momentum is showing signs of slowing, but ultimately we need to trade above USD 16,600 to be considered as bullish.

## Supramax

The index has been slowing in recent days with price moving USD 35 lower today to USD 14,668. The futures opened supported but with a lower index the April contract paired gains to close the day only USD 200 higher at USD 15,600. Technically we remain bullish with a neutral bias, upside moves above USD 15,991 will target the USD 16450 fractal resistance, if this level is broken it would suggest we are potentially in the early stages of a bullish impulse wave 5. If we trade below USD 14,900 the technical will be considered as bearish, meaning we remain in a corrective wave 4. The MA on the RSI is flattening supporting the momentum slowdown we have seen in the price. Bullish with a neutral bias, like the Panamax we need to see more to convince the futures have turned.

## Oil

Oil reversed its advance after the US government walked back earlier expectations of refilling the Strategic Petroleum Reserve. The US energy secretary told lawmakers Thursday that refilling the SPR would be “difficult” this year. Last year, the administration said it would consider buying crude back when prices fell to around \$70 a barrel. Thursday’s announcement chilled what looked set to be a four-day advance for oil from last week’s battering by banking turmoil (Bloomberg). The intraday technical remains bullish supported by the MA on the RSI; however, we are now trading in the Fibonacci resistance zone on the daily technical with the Daily RSI testing its bearish MA, suggesting caution at this point as we could see the futures could be about to roll over.

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