

| | Previous Close | Current Close | % Change | | Previous Close | Current Close | % Change |
|----------------------|----------------|---------------|----------|---------------------|----------------|---------------|----------|
| Cape 1 month forward | 16500 | 17750 | 7.6% | Pmx 1 month forward | 14750 | 15825 | 7.3% |
| Cape Q2 23 | 19375 | 20750 | 7.1% | Pmx Q2 23 | 15675 | 16750 | 6.9% |
| Cape Cal 24 | 15950 | 16375 | 2.7% | Pmx Cal 24 | 13225 | 13400 | 1.3% |

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|---------------------|----------------|---------------|----------|----------|----------------|---------------|----------|
| Smx 1 month forward | 14575 | 15025 | 3.1% | Brent | 78.91 | 78.14 | -1.0% |
| Smx Q2 23 | 15350 | 15825 | 3.1% | WTI | 73.58 | 72.92 | -0.9% |
| Smx Cal 24 | 13300 | 13500 | 1.5% | Iron ore | 121.6 | 123.45 | 1.5% |

Iron Ore

Source FIS/Bloomberg

Iron ore held Tuesday's gains, as optimism returns that China's looming peak construction season will provide more support for the raw material. After reaching a nine-month high about two weeks ago, aided by Beijing's decision to ditch Covid Zero restrictions, the metal was hit by pollution-induced curbs to steel output, alongside a crackdown on stockpile-hoarding and lingering concerns over the year-long property slump. Now, investors are betting demand for the steelmaking ingredient will pick up during the year's second quarter as building projects restart, spurring mills to restock material in anticipation of stronger steel output (Bloomberg). The April contract has moved higher again today with price now trading in the Fibonacci resistance zone and above the EMA resistance band. The MA on the RSI would also suggest momentum is supported at this point. However, we maintain our view that this upside move looks to be countertrend based on our Elliott wave analysis.

Copper

Copper edged higher in London, taking a cue from a rally in global stock markets as fears over a banking crisis fade. Prices for the metal viewed as an economic bellwether have been fluctuating around the \$9,000-a-ton mark for several weeks, caught in financial crosswinds during the collapse of Silicon Valley Bank and UBS Group AG's rescue of Credit Suisse Group AG. Stock markets have rebounded from lows seen during the peak of the turmoil, with tech and banking shares pacing gains (Bloomberg). We noted on the morning technical that the futures were bullish with a near-term upside target at USD 9,108, the futures have moved higher meaning the bullish Elliott wave 5 is confirmed; however, the futures are now in divergence with the RSI, not a sell signal it is a warning that we have the potential to see a momentum slowdown and will need to be monitored.

Capesize

A small reversal in the index today with price USD 133 higher at USD 13,788, above USD 14,915 momentum based on price will be seen to be strengthening. We have seen a USD 1,250 move higher in the April contract today; however, this is not the focus of our bull story. It is the May futures that are becoming the focus of our interest as price will roll soon, and this is trading at USD 21,750 going into the close. Why is this important? Because it means that if we can hold these levels for another day or so the futures will be above the USD 21,125 high, confirming we are on a bullish impulse wave 5.

Panamax

A positive number in the index today with price USD 335 higher at USD 13,050 means that momentum based on price is aligned to the buy side. The April contract is USD 1,075 higher meaning the technical is now neutral, warning that the USD 16,600 fractal resistance is now vulnerable. For more information on the technical please click on the link. Panamax Technical Report 29/03/23 <https://fisapp.com/wp-content/uploads/2023/03/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-29-03-23.pdf>

Supramax

Whilst the rest of the freight complex has moved higher we have seen the Supramax buck the trend with the index USD 329 lower at USD 14,137. However, this has not stopped the paper moving higher with the April contract up USD 450 at USD 15,025. Key resistance is at USD 15,383, above this level the technical will be bearish but with a neutral bias whilst above USD 15,800 the technical will be bullish. Like the rest of the freight complex we now need to remain at these elevated levels; if we do, then the roll into may could have bullish implications going forward.

Oil

Oil's recovery rally stretched into a third day as US stockpiles declined the most since November and algorithm-trading accelerated buying. West Texas Intermediate rose to an intraday high above \$74 a barrel after a government report showed US stockpiles fell more than 7 million barrels last week, according to Energy Information Administration data. With the market more confident banking turmoil will be contained, commodity trading advisors are starting to buy back into oil futures. Oil's selloff has reached a point of exhaustion and prices are recovering as algorithm purchases kick in, said Dan Ghali a commodity strategist at TD Securities (Bloomberg). Well, it looks like I am back where I like to be, the lone bear in the market. A 7-million-barrel drawdown and the futures are trading near flat on the day at USD 78.71. We have got within 38 cents of our USD 80.00 target for this upside move, suggesting we have the potential to exhaust soon. Key resistance is at USD 81.09, this is the level to watch. Another pointer to look out for is that this is a 3-wave move higher, which we would expect in a corrective move; however, if we pullback and move higher and produce a 5th wave then be alert that the longer-term bear trend could be changing, as we should not see bullish impulse moves higher at this point. We maintain our view that this upside move looks to be countertrend.

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