



European Close

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| | Previous Close | Current Close | % Change | | Previous Close | Current Close | % Change |
|----------------------|----------------|---------------|----------|---------------------|----------------|---------------|----------|
| Cape 1 month forward | 19125 | 20125 | 5.2% | Pmx 1 month forward | 13625 | 13600 | -0.2% |
| Cape Q3 23 | 20625 | 20625 | 0.0% | Pmx Q3 23 | 14750 | 14675 | -0.5% |
| Cape Cal 24 | 15500 | 15375 | -0.8% | Pmx Cal 24 | 12400 | 12350 | -0.4% |

| | Previous Close | Current Close | % Change | | Previous Close | Current Close | % Change |
|---------------------|----------------|---------------|----------|----------|----------------|---------------|----------|
| Smx 1 month forward | 13525 | 13550 | 0.2% | Brent | 72.5 | 75.03 | 3.5% |
| Smx Q23 23 | 14825 | 14775 | -0.3% | WTI | 68.56 | 71.09 | 3.7% |
| Smx Cal 24 | 12500 | 12500 | 0.0% | Iron ore | 99.44 | 98.77 | -0.7% |

Iron Ore

Source FIS/Bloomberg

The June futures have found bid support having traded down to our intraday target this morning. For more information, please click on the link. Iron Ore June 23 (rolling Front Month) 05/05/23 <https://fisapp.com/wp-content/uploads/2023/05/FIS-Iron-Ore-Technical-05-05-23.pdf>

Copper

Copper headed for a third weekly decline as traders awaited employment data that will provide a fresh gauge of the performance of the US economy. The industrial metal has declined more than 1% this week, pressured by mixed economic data from China and US banking system woes that have sparked fears of a recession. Copper prices were steady on Friday, as regional US bank stocks rebounded following a bruising week of losses (Bloomberg). The futures remain bearish but in a consolidation phase, with a potential downside target at USD 8,341. We maintain our view that upside moves are considered as countertrend at this point.

Capesize

The index is USD 485 higher today at USD 19,768, having been flat yesterday. The Index RSI is at 68, supporting a buyer's argument; however, we should note that we are in divergence with the RSI, not a sell signal it does warn that we have the potential to see a momentum slowdown and will need to be monitored. The June futures closed just above an inflection point yesterday; however, the futures opened with bid support, meaning price held above the USD 19,027 level. We close the week at USD 20,125 with the technical still in bullish territory. We now need to trade above the USD 20,857 resistance, if we do, we should in theory move higher. If we do not, then support could come under pressure again.

Panamax

The index continues to move lower, but we are seeing a momentum slowdown based on price; down USD 118 at USD 12,176. The futures are flat on the day in the June contract (USD -25 at USD 13,600). From a technical perspective, a lower time frame Elliott wave cycle is warning of downside extension; however, this is on a 45 min chart, suggesting caution on downside moves. We are bearish, but arguably not a technical sell at this point as we are potentially reaching exhaustion.

Supramax

Like Panamax we are seeing a momentum slowdown based on price, with the index USD 101 lower at USD 12,053. The June futures traded to a new low going into the close, confirming we are on a bearish impulse wave 5, with a potential downside target at USD 13,020. As previously noted, this means the minimum requirement for cycle completion has been met. A cautious bear, at these levels.

Oil

Oil recovered amid signs of tight supplies in the physical market, but prices still were headed for a weekly loss on concerns that demand is weakening. West Texas Intermediate rallied above \$71 a barrel on Friday, gaining in tandem with broader equity markets, after a tumultuous week that saw crude swing in a \$13-per-barrel range. Oil is still headed for a third weekly decline — the longest run of losses this year — amid instability among regional US lenders and fears the economy is headed into a recession (Bloomberg). We think that the upside move is countertrend, with the futures needing to trade below USD 70.12 to achieve the minimum requirement for cycle completion. For more information on the technical, please click on the link. FIS Technical – Brent July 23 05/05/23 <https://fisapp.com/wp-content/uploads/2023/05/FIS-Oil-Technical-Report-05-05-23.pdf>

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