

FIS European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	20375	19150	-6.0%
Cape Q3 23	20375	19625	-3.7%
Cape Cal 24	15250	15000	-1.6%

	Previous Close	Current Close	% Change
Pmx 1 month forward	12600	12300	-2.4%
Pmx Q3 23	13900	13425	-3.4%
Pmx Cal 24	12112.5	11950	-1.3%

	Previous Close	Current Close	% Change
Smx 1 month forward	13000	12850	-1.2%
Smx Q23 23	13875	13525	-2.5%
Smx Cal 24	12237.5	12125	-0.9%

	Previous Close	Current Close	% Change
Brent	74.98	74.39	-0.8%
WTI	70.87	70.33	-0.8%
Iron ore	98.55	99.45	0.9%

Iron Ore

Source FIS/Bloomberg

The June futures had come under pressure yesterday; however, due to the prominence of the potential divergence on a downside breakout, we suggested caution on downside moves as the appetite to sell at these levels could fade. We have a technical this afternoon, which basically highlights that under closer inspection, we think we may have seen downside completion and re-adjusted the wave count. For more information on the technical, please click on the link. Iron Ore Offshore June 23 Morning Technical Comment – 240 Min Chart 12/05/23 <https://fisapp.com/wp-content/uploads/2023/05/FIS-Iron-Ore-Morning-Technical-12-05-23.pdf>

Copper

We noted on the morning report the futures remained technically bearish but still in divergence with the RSI, which needed to be monitored, However, the MA on the RSI indicated that momentum remained, whilst the current downside move was equal in length to the previous wave, warning we could potentially be about to see wave extension, implying upside moves should be considered as countertrend. The futures have traded to a high of USD 8,290; however, going into the close we are trading around the USD 8,237 level. We maintain our view that upside moves look to be countertrend at this point.

Capesize

The index continues to come under pressure with price USD 909 lower at USD 20,367 today, momentum based on price is now aligned to the downside. The June futures continue to come under pressure with price trading below the USD 19,445 support today, the technical now has a neutral bias. If you read the morning technical you will already know that I am uncertain on this one. The futures traded to a high of USD 23,150 on a move that looked to be bullish impulse and not a wave B that was in conjunction. However, price was moving lower on a negative divergence whilst the MA on the RSI suggested that the USD 19,445 support looked vulnerable. The break in support means that the technical is not only neutral, the probability of the futures trading to a new high has decreased, based on the depth of this pullback. To be confirmed as bearish, we need to see the futures below USD 17,550. Neutral, the MA on the RSI indicates that momentum has weakened further, leaving support levels vulnerable.

Panamax

Another bad day in the index with price USD 390 lower at USD 11,283. The June contract moved lower this morning by USD 275 to USD 13,325 where it has spent most of the session. We noted on the morning report that due to the move lower being aggressive yesterday, the divergence had failed, signalling wave extension to the downside. The technical is still bearish with upside moves considered as countertrend at this point. We have closed at USD 12,300, if we open above USD 12,358 and hold above this level on Monday, we could potentially see an intraday test to the upside.

Supramax

Having turned lower yesterday the index is another USD 75.00 lower today at USD 12,160. Little price movement in the June futures, we have closed the day USD 150 lower at USD 12,850. We remain technically bearish; however, due to the positive divergence that is in play we now have a note of caution at these levels.

Oil

A bit of a mixed day with the futures giving up the lunchtime gains in the afternoon session. Technically our view remains unchanged with upside moves considered as countertrend. For more information on the technical, please click on the link. FIS Technical – Brent July 23 12/05/23 <https://fisapp.com/wp-content/uploads/2023/05/FIS-Oil-Technical-Report-12-05-23.pdf>

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