



# European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	18200	18925	4.0%	Pmx 1 month forward	11175	11550	3.4%
Cape Q3 23	18750	19375	3.3%	Pmx Q3 23	12700	13375	5.3%
Cape Cal 24	14850	15075	1.5%	Pmx Cal 24	11850	11950	0.8%

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Smx 1 month forward	12200	12675	3.9%	Brent	76.78	75.64	-1.5%
Smx Q23 23	13200	13750	4.2%	WTI	72.67	71.61	-1.5%
Smx Cal 24	12025	12200	1.5%	Iron ore	108.1	106.45	-1.5%

Iron Ore

Source FIS/Bloomberg

As noted on the close yesterday, the futures were testing resistance with the stochastic in divergence yesterday, we noted that the market needing to convince that this upside move was bullish impulse, rather than part of a larger corrective phase. The futures have rejected the USD 108.40 level with price and momentum now aligned to the sell side. We remain technically bullish; however, the resistance rejection is not helping the longer-term bull argument, making USD 100.64 the key support to now follow.

## Copper

Copper dropped, trimming a surge on Wednesday, as investors assessed the outlook for China demand and the dollar strengthened. Copper, a barometer of the global economy, has erased this year's gains as top consumer China failed to achieve a strong rebound after its reopening and the Federal Reserve's monetary-tightening cycle damped prospects for demand. The decline came after prices on Wednesday jumped the most since January on expectations of a breakthrough in the US debt-ceiling impasse. Chinese output of copper rods, a product used in wires, eased 3.5% to 828,000 tons in April from a month earlier, the first decline this year, as orders remained muted, according to researcher Shanghai Metals Market. Output may fall further in May, though a pullback in prices will limit the drop, it said (Bloomberg). There were a few variables floating around on the morning report as we looked like we may have completed the higher time frame wave 3. However, the wave is shorter than the previous wave, leaving us cautious, as this would be unusual and left me worried that the wave could extend. We have moved lower today but we are maintaining a neutral view within a higher timeframe bearish wave 3.

## Capesize

The index is slowing down with price only USD 344 lower today at USD 17,767. We didn't get to test the USD 17,550 support having made a new low yesterday, as the June futures opened above the USD 18,283 level. The bullish open resulting in price trading to a high of USD 19,250 before closing the day at USD 18,925. It is Ascension Day today, so lots of European and western countries will have been on holiday. Let's see what the open will bring, we close at USD 18,925 with the tomorrows pivot at USD 18,933 so we could be in balance on the open.

## Panamax

A slowdown in the index today with price USD 231 lower at USD 11,550 has resulted in a small gap higher in the June futures. Due to the public holiday the range remained tight, we opened at USD 11,625, traded to a high of USD 11,675 and a low of USD 11,400. We remain bearish, today's price action tells us very little, but our wave analysis would suggest the move is against the trend.

## Supramax

The index is USD 62 lower at USD 11,931. We have a technical today. Supramax Technical Report 18/05/23 <https://fisapp.com/wp-content/uploads/2023/05/FIS-SUPRAMAX-4-PAGE-TECHNICAL-REPORT-18-05-23.pdf>

## Oil

Having moved higher yesterday, the futures have moved sideways for most of today's session before selling lower by USD 1.30 to USD 75.66 into the close. We remain technically bearish with upside moves still considered as countertrend at this point.

## Ed Hutton

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