

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	18275	18675	2.2%	Pmx 1 month forward	11425	11375	-0.4%
Cape Q3 23	19000	18975	-0.1%	Pmx Q3 23	13125	13175	0.4%
Cape Cal 24	14750	14750	0.0%	Pmx Cal 24	11875	11775	-0.8%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	12650	12250	-3.2%	Brent	75.58	76.1	0.7%
Smx Q23 23	13625	13475	-1.1%	WTI	71.55	72	0.6%
Smx Cal 24	12125	11925	-1.6%	Iron ore	105.38	102.14	-3.1%

Iron ore

Source FIS/Bloomberg

Iron ore retreated for a third straight session as China's construction season starts to wind down amid a disappointing steel demand outlook. The steel-making ingredient has dropped nearly 5% since Thursday, as optimism fades that China's usual period of peak demand in the second quarter will bolster a market suffering from lower prices and reduced run rates. Operating rates in Tangshan, the country's major steel hub, have fallen since March. In addition, more producers are cutting prices, according to researcher Mysteel. Meanwhile, three of China's four first-tier Chinese cities saw a decline in new home sales, a sign of waning property demand (Bloomberg). The long-term technical remains neutral as highlighted in the report on Friday afternoon and this morning's report. However, the MA on the RSI continues to suggest that momentum remains weak, leaving support levels vulnerable at this point.

US HRC

US HRC June 23 (Rolling Front Month) 22/05/23 <https://fisapp.com/wp-content/uploads/2023/05/FIS-US-HRC-Technical-22-05-23.pdf>

Copper

The futures have seen a move to the downside with price USD 96.50 lower at USD 8,155 going into the close. We noted on the morning report that we looked to be in a countertrend wave 4, indicating upside moves should be considered as countertrend, as the USD 8,088.5 fractal low was vulnerable. The futures are trading below the USD 8,173 support, but are yet to make a new low at this point.

Capesize

The index continues to weaken with price USD 333 lower today at USD 17,126. The June futures however have had a better day with price finding light buyside support this morning, before moving USD 500 higher in the afternoon session, to close the day at USD 18,775. The intraday technical continues to suggest that upside moves have the potential to be countertrend at this point; however, we should note that the MA on the RSI is starting to move higher, warning momentum is finding buyside support. If we trade above USD 19,250 it will warn that momentum based on price is also increasing, implying upside resistance levels will be vulnerable. The minimum requirement for phase/cycle completion has been met, but this is on a low timeframe chart (26 min), which could still be part of a larger corrective intraday cycle, making USD 21,373 the key resistance to follow. A cautious bear as price is finding support having been in divergence.

Panamax

The downside move in the index continues to show signs of a slowdown with price USD 19.00 lower at USD 9,646. In the June futures we have seen little price movement for the third day with price USD 25 lower at USD 11,400. The intraday Elliott wave analysis continues to suggest that upside moves should be considered as countertrend, implying we are still vulnerable to a move lower. A quiet session with little price movement.

Supramax

We have seen an increase in downside momentum today with the index USD 150 lower at USD 11,696. We have the intraday technical in the June futures as bearish still, with upside moves considered as countertrend. The downside move in the index has resulted in the futures moving USD 400 lower to close the day at USD 12,250. Downside moves below USD 11,925 will create a positive divergence with the RSI, suggesting caution on breakouts to new lows.

Freightos Index v's Supramax 10 TC average

Freightos Index v's Supramax 10 TC average 22/05/23 <https://fisapp.com/wp-content/uploads/2023/05/Freightos-Index-v-Supramax-index-TECHNICAL-REPORT-22-05-23.pdf>

Oil

Brent prices have been moored around \$75 a barrel in London this month as traders await a resolution of the debt-ceiling negotiations in Washington. If that uncertainty is lifted, buyers could be poised to charge. Global oil markets have finally reached this year's long-awaited tipping point as inventories start to decline, setting the stage for hefty draw-downs in the second half, according to Goldman Sachs. Meanwhile, the demand outlook for 2023 has been bolstered thanks to a more upbeat assessment of China from the International Energy Agency. Consumption is set to increase to a record 102 million barrels a day worldwide, the agency predicts (Bloomberg Markets Live Blog). The futures remain technically bearish with a neutral bias, price continues to consolidate with the futures holding above the USD 73.37 level, however, the close below USD 75.50 on the intraday 4-hour is warning support is vulnerable. Our wave analysis continues to suggest that upside moves should be considered as countertrend, once again, this is against the market view. The futures came under pressure in the Asian day session but have found light buying support resulting in price closing the day 42 cents higher at USD 76.00.

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