



European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	21475	21600	0.6%	Pmx 1 month forward	15975	16125	0.9%
Cape Q2 24	24250	24450	0.8%	Pmx Q2 24	16875	16775	-0.6%
Cape Cal 25	19850	19975	0.6%	Pmx Cal 25	13550	13600	0.4%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	15250	15225	-0.2%	Brent	81.44	83.1	2.0%
Smx Q2 24	15600	15600	0.0%	WTI	76.56	78.26	2.2%
Smx Cal 25	12950	12950	0.0%	Iron ore	128.8	129.45	0.5%

Iron ore

Source FIS/Bloomberg

The futures remain rangebound with price above the 34-55 period EMA's which are in the process of crossing to the buyside. We close the day USD 0.15 lower in the March contract at USD 129.30.

Copper

We noted on the close report yesterday that the RSI was holding its MA support; however, due to the break in the USD 8,192 level we maintained our view that support levels could come under pressure. This hasn't been the case, with the futures moving USD 106 higher today to trade at USD 8,303 going into the close. Price is now in the EMA resistance band with the RSI near neutral at 51. Our intraday Elliott wave analysis does suggest that upside moves have the potential to be countertrend; however, if we do trade above USD 8,325, then the probability of the futures trading to a new low will start to decrease.

Capesize

The index is another USD 325 lower today at USD 19,850. Having held the 21-period EMA yesterday before finding bid support late into the close, the March futures have struggle to capitalize on the late bull move with price only USD 325 higher at USD 21,800. We remain technically bullish with our intraday Elliott wave analysis suggesting that we have the potential to trade as high as USD 26,475 for this phase of the cycle. However, we remain conscious of the negative divergence that is in play above USD 22,525 meaning we are a cautious bull on upside moves above this level. I thought I would mix it up today with a spread technical in the Q2 v Q34, it has the Q2 and Q34 out-rights to highlight the spread exposure. Capesize Q2 v Q34 Spread 15/02/24 <https://fisapp.com/wp-content/uploads/2024/02/FIS-CAPESIZE-Q2-v-Q34-SPREAD-15-02-24.pdf>

Panamax

Another bull move in the index today with price USD 370 higher at USD 13,271, meaning the USD 13,927 fractal resistance is starting to look vulnerable. Having traded to a new high yesterday the March futures have remained supported today with price closing the day USD 150 higher at USD 16,125. However, we are in divergence with the RSI at this point, not a sell signal it is warning that we have the potential to see a momentum slowdown which will need to be monitored. We should note that if this 4-hour divergence does fail, it is looking like the 1-and-2-hour RSI's will diverge, meaning we will have to maintain a note of caution.

Supramax

The index is USD 68 higher today at USD 11,640; however, the futures are flat on the day (USD 25 lower at USD 15,225). We have traded to a high of USD 15,500, meaning downside moves are still potentially countertrend. However, a new high (above 15,550) will create a negative divergence with the RSI, warning we could see a momentum slowdown. We are a cautious bull at these levels as the technical and index carry are warning that upside moves could struggle to hold.

Oil

Oil rose, topping \$77 a barrel, as rallying equity markets overpowered the International Energy Agency's forecast for slowing demand growth. The Paris-based agency says the crude market could be in surplus all year, pointing to expanding non-OPEC+ supplies and a slowdown in consumption increases. Even after the advance, crude remains in the \$10 range it has been stuck in this year. Tensions in the Middle East and efforts by OPEC+ to curb production have been countered by robust supplies from drillers outside the cartel and concerns worldwide demand growth will slow over 2024. Another headwind has come from expectations that US interest rates could remain higher for longer as inflation persists (Bloomberg). Having traded below the USD 80.77 support this morning the futures have seen a strong move higher on the afternoon session. This technical has the potential to become complex and a little confusing. The pullback this morning confirmed that the previous intraday bullish Elliott wave cycle had in theory completed. If we move above USD 83.60, then we are either starting a new bull cycle, or seeing a wave extension that is not yet apparent. We are at an inflection point, the technical is unclear, so we are just going to highlight that it is bearish with a neutral bias whilst having a more neutral view due to the lack of clarity.

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