



# European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	21600	21625	0.1%
Cape Q2 24	24450	24625	0.7%
Cape Cal 25	19975	20050	0.4%

	Previous Close	Current Close	% Change
Pmx 1 month forward	16125	15750	-2.3%
Pmx Q2 24	16775	16600	-1.0%
Pmx Cal 25	13600	13400	-1.5%

	Previous Close	Current Close	% Change
Smx 1 month forward	15225	15125	-0.7%
Smx Q2 24	15600	15550	-0.3%
Smx Cal 25	12950	12800	-1.2%

	Previous Close	Current Close	% Change
Brent	82.85	83.27	0.5%
WTI	78.07	78.72	0.8%
Iron ore	129.45	131.1	1.3%

Iron Ore

Source FIS/Bloomberg

The March futures moved higher overnight with price testing but remaining below the USD 131.74 resistance, to close the week at USD 130.70. DCE opens on Monday, meaning we will have volume behind the moves, so reports will start again next week.

## Copper

Copper headed for its biggest weekly advance in months, buoyed by optimism surrounding a rebound in Chinese demand and the possible unwinding of bearish bets against the metal. Prices rose more than 1% on Friday, as most industrial metals edged up amid thin trading due to Chinese markets being closed for the week-long Lunar New Year holiday. Construction is expected to ramp up in the world's biggest metals consumer in coming weeks, with the seasonal winter lull drawing to an end. Investors have also been assessing the impact of hotter-than-expected US inflation data that could impact the Federal Reserve's bid to pivot to monetary easing. Higher interest rates are typically negative for metals as they squeeze manufacturers and consumers (Bloomberg). We were bearish with a neutral bias in the morning report and noted that the probability of the futures trading to a new low had started to decrease. We took a neutral view as the pattern was still 3-wave meaning it could be corrective, but the upside move had been deeper than expected. The futures have traded to new highs and broken fractal resistance, meaning the intraday technical is now bullish. The RSI is making new highs with price, implying intraday pullbacks are likely to be countertrend.

## Capesize

The index turned to the buy side today with price USD 454 higher at USD 20,304. The futures have been a little lacklustre with price trading to a high of USD 22,250 before closing the day just USD 25 higher at USD 21,625. As noted in the morning report, we have a potential upside target at USD 26,475; however, due to the futures being in divergence, and likely to create a second divergence above USD 22,525, we continue to have a note of caution on upside moves at this point. Another spread today, Capesize Q2 v Q3 16/02/24 <https://fisapp.com/wp-content/uploads/2024/02/FIS-CAPESIZE-Q2-v-Q3-SPREAD-16-02-24.pdf>

## Panamax

The index is USD 210 higher today at USD 13,481, but this is a slowdown compared to yesterday. The futures opened the day with bid support to trade to a high of USD 16,325; however, the move has failed to hold with price closing the day USD 375 lower at USD 15,750. As noted in the morning report, the technical is bullish but in divergence, meaning we have a cautious view on upside moves at this point.

## Supramax

Buyside momentum in the index has started to increase with price USD 143 higher at USD 11,783. The futures have moved USD 50 lower since the technical report this morning to close the day at USD 15,125. The March futures have remained range-bound this week due to the CNY holidays. We remain cautious on upside moves above USD 15,550, as the futures will be divergence with the RSI, we are also cautious due to the carry being USD 3,342. In theory, downside moves should be considered as countertrend as we are yet to make a new high; however, we have traded within 50 bucks of it, so there is a chance that the wave cycle could fail at this point. In an ideal wave scenario, we should trade above USD 15,550 before correcting, so we will wait until see what Monday brings before making a definitive directional call.

## EUA Technical Report Dec 24

EUA Technical Report Dec 24 16/02/24 <https://fisapp.com/wp-content/uploads/2024/02/FIS-EUA-Technical-16-02-24.pdf>

## Oil

The futures corrected this morning before finding bid support in the US session with price trading USD 0.36 higher on the day at USD 83.22 going into the close. AOI had seen a small drop overnight meaning market longs were selling into the upside move. This morning, we were selling lower indicating the technical was looking less bullish; however, we have held above the USD 81.58 support and moved higher again. Like yesterday, this technical is not very clear, if we trade above USD 83.60 then we are either looking at a new intraday bullish wave cycle, or some form of Elliott wave extension, that is not apparent at this point. For this reason, we continue to have a neutral view due to the lack of clarity.

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