



European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	23125	24250	4.9%	Pmx 1 month forward	15175	14875	-2.0%
Cape Q2 24	26050	26700	2.5%	Pmx Q2 24	16375	16400	0.2%
Cape Cal 25	20500	20950	2.2%	Pmx Cal 25	13550	13575	0.2%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	14875	14800	-0.5%	Brent	83.16	83.87	0.9%
Smx Q2 24	15600	15625	0.2%	WTI	78.06	78.82	1.0%
Smx Cal 25	12925	12925	0.0%	Iron ore	119	120.05	0.9%

Iron Ore

Source FIS/Bloomberg

We noted in the morning report that the futures were in divergence with the RSI, whilst price was finding support on the daily 200-period MA, warning we could be vulnerable to a momentum slowdown. The March futures have found light bid support to close the day at USD 120.85, resulting in the RSI moving above its average, meaning upside resistance levels could come under pressure in the near-term. However, based on our Elliott wave analysis, we maintain our view that upside moves should be considered as countertrend.

Copper

We noted last night and in the morning report that we are now looking at an Elliott wave extension, meaning downside moves should be considered as countertrend. The lower timeframe RSI was in divergence this morning, warning we were starting to look vulnerable to a momentum slowdown. The futures are USD 50 higher on the day at USD 8,592; however, we have failed to trade to a new high at this point. Technically unchanged, we remain cautious on upside moves with downside moves considered as countertrend.

Capesize

The futures hinted yesterday that we could see an acceleration in the index today which has been the case with price USD 2,047 higher today at USD 23,139. The futures opened with support to trade to a high of USD 25,875 before selling lower post index. We are closing the day USD 1,125 higher at USD 24,250; however, we have a daily rejection candle in play suggesting caution. Tomorrow's pivot point is at USD 24,791, implying we will open below it tomorrow; if we open below USD 24,250 it will leave the intraday chart showing an island reversal pattern (Three river evening star in Japanese candlestick patterns), warning support levels could come under pressure. We are bullish, but the rejection candle and the divergence are warning we could be vulnerable on the open.

Panamax

The index is now accelerating to the downside with price USD 443 lower at USD 13,279. We noted last night that the futures would be in for an interesting opening, as we had closed on the 55-period EMA with price looking like it could open above the daily pivot point. We did see bid support on the open, but the futures came under pressure post index to close back below the daily pivot level at USD 15,000. We are only USD 175 lower on the day with price USD 425 below the high. The MA on the RSI continues to warn that momentum is weak, with price closing below the 55-period EMA, warning we could see the USD 14,487 and USD 13,867 support levels could come under pressure.

Supramax

The index remains supported with price USD 226 higher at USD 12,918. Limited movement in the futures today with price USD 75 lower at USD 14,800; however, the MA on the RSI is warning that momentum remains weak. The futures breached the USD 14,750 support, warning range support is coming under pressure; we have not however closed below this level, if we do, then we could see a move lower.

Oil

Crude inventories rose less than expected, tempered by robust exports and stable refinery-utilization rates. Stockpiles increased by 3.5 million barrels a day, also helped by an increase in imports and stable oil production. On the refining side, BP Whiting initiated startup of some units after shutting due to a loss of power. Motiva Port Arthur restarted after completing maintenance (Bloomberg). We were neutral on the technical last night and this morning due to the conflicting indicators. The futures opened with bid support, briefly traded below the weekly/daily pivot level before trading to a new high. Technically bullish, we are now in divergence having made a new high, meaning we are cautious on upside moves at this point.

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