



European Close

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	37125	33750	-9.1%	Pmx 1 month forward	19025	18550	-2.5%
Cape Q2 24	35125	32500	-7.5%	Pmx Q2 24	18525	18100	-2.3%
Cape Cal 25	22125	21375	-3.4%	Pmx Cal 25	13500	13275	-1.7%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	16225	15525	-4.3%	Brent	82.05	82.33	0.3%
Smx Q2 24	15975	15175	-5.0%	WTI	77.85	78.02	0.2%
Smx Cal 25	12775	12600	-1.4%	Iron ore	114.85	107.35	-6.5%

Iron ore

Source FIS/Bloomberg

Iron ore slumped 7% — dropping below the \$110 a ton mark — after disappointing demand in China left the market lumbered with swelling inventories. The plunge in the steelmaking ingredient was the most since mid-2022 on an intraday basis, and it was headed for the lowest close since August last year. Iron ore has tumbled by around a quarter from a peak in early January as China's real estate and manufacturing activity remained under pressure. The annual National People's Congress in Beijing, which concluded Monday, offered few prospects of a demand boost, and iron ore stockpiles at ports have ballooned to the highest in a year (Bloomberg). Having traded to a low of USD 106.80 in the Asian day session, the April contract has understandably been a lot quieter in the Asian evening session with price closing the day USD 0.25 higher at USD 107.50. Technically, our view remains unchanged with upside moves considered as countertrend, making USD 114.13 the key resistance to follow. The daily pivot has now moved down to USD 109.70.

Copper

Technically bullish but in a corrective phase this morning, the futures were moving lower on the back of a negative divergence with the RSI, warning that support levels were vulnerable. However, we have held the EMA support band to close the day USD 68.50 higher at USD 8,648. We remain caution on upside moves going into the close, as new high will create further divergences.

Capesize

The index is another USD 579 higher today at USD 35,780; however, this has created a negative divergence with the RSI, suggesting caution. The futures opened lower, which set the trend for the rest of the session, resulting in the April contract closing USD 3,375 lower at USD 33,750. We have a technical today, with our first C5 chart on it. For more information, please click on the link. Capesize Technical Report 11/03/24 <https://fisapp.com/wp-content/uploads/2024/03/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-11-03-24.pdf>

Panamax

Another solid index today with price USD 290 higher at USD 15,704. The April futures opened lower but found light bid support; however, with the Capesize down over USD 3,000 the futures have failed to hold, meaning we close the day USD 475 lower at USD 18,880. To be fair, the C v P 1 month ratio did go above 2 for the first time in quite some time last Thursday, meaning we are seeing a bit of a rebalance in the spread. However, the upside move on Friday above USD 18,775 is a warning that resistance levels remain vulnerable. The downside argument is that the cape tech has a few island reversals and divergences in play, meaning the Panamax will have to work hard to move higher.

Supramax

The index has been slowing for the last few days and came in USD 21.00 lower at USD 14,472 today. The April futures followed the rest of the sector lower to close down USD 600 at USD 15,625. This technical is in balance, the Capesize and Panamax had wave extensions, the Supramax has not. Going into the close we are just below the 55 – period EMA (USD 15,681) but above our key support at USD 15,602. If support is broken, then the probability of the futures trading to a new high will start to decrease, warning this phase of the bull cycle could be over. Ultimately, USD 14,625 is the fractal support that needs to be broken to enter bearish territory, but it does suggest caution.

Oil

Oil was little changed as traders wait to see if a week of key data inputs can break the market from its recent torpor. Western Texas Intermediate futures held near \$78 a barrel after earlier dropping to the lowest in two weeks. Investors are watching for a possible hotter-than-expected US inflation read on Tuesday, which could muddy the path for monetary policy. Monthly oil market reports from the IEA, OPEC and the US are also due this week (Bloomberg). Technically we remain neutral, the Bollinger band has widened a little, but there is no directional bias at this point.

Written by **Ed Hutton**, FIS Senior Technical Research Analyst

EdwardH@freightinvestor.com

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association (“NFA”). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com