

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	34250	30500	-10.9%	Pmx 1 month forward	20050	18425	-8.1%
Cape Q2 24	31750	29050	-8.5%	Pmx Q2 24	19025	17887.5	-6.0%
Cape Cal 25	21175	20375	-3.8%	Pmx Cal 25	13475	13225	-1.9%

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Smx 1 month forward	16675	15775	-5.4%	Brent	86.89	87.6	0.8%
Smx Q2 24	16375	15600	-4.7%	WTI	82.79	83.73	1.1%
Smx Cal 25	12800	12525	-2.1%	Iron ore	104	107.2	3.1%

Iron ore

Source FIS/Bloomberg

Another night session with very little movement today. Having seen another move higher in the Asian day the April futures have consolidated around the 55-period EMA. Technically we are unchanged from this morning, the MA on the RSI is warning that momentum is supported at this point, but the intraday Elliott wave cycle is suggesting that the upside move looks to be countertrend. For this reason, we maintain a cautious view on upside moves at this point.

Copper

Technically bullish this morning with downside moves considered as countertrend, the futures were moving lower on the back of a negative divergence with the RSI; however, the pullback had not been deep enough to confirm it was the corrective Elliott wave 4 that we were looking for. The futures are now USD 116.5 lower on the day at USD 8,972.5 with price confirming that we are on the wave 4 correction. As noted in the morning report, if we close below the weekly pivot level (USD 8,909), then we could see the Fibonacci support zone come under pressure.

Capesize

Having moved higher yesterday the index has come in USD 818 lower today at USD 33,093. We were unchanged on the technical this morning, the MA on the RSI warned of momentum of momentum weakness, whilst we had a cautious view on upside moves, as the rule of alternation suggested that the pullback should be deeper on this wave 4, as the pullback on the wave 2 had been shallow. The downside move today (April USD 3,750 lower at USD 30,500 going into the close) means that the bearish head and shoulders pattern that we highlighted last week is now in play. If it plays by the rules, then it would suggest that we target the 61.8% or 100% Fibonacci projection levels from the neckline break, meaning we have two potential downside targets at USD 28,542 and USD 26,250. If we do trade below USD 25,210, then the probability of the futures trading to a new high will start to decrease.

Panamax

We have seen a big slowdown in the index today with price only USD 72 higher at USD 19,421. We noted this morning that we had a conflict between two lower timeframe Elliott wave cycles, as the higher of the two was signaling that the technical had become corrective, implying caution on upside moves. The April futures continued to move lower to close at USD 18,425, down USD 1,625. For more information on the technical, please click on the link. Panamax Technical Report 19/03/24 <https://fisapp.com/wp-content/uploads/2024/03/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-19-03-24.pdf>

Supramax

The index is another USD 144 higher at USD 14,861. The positive index did not leave the futures immune to the sea of red that we have seen in the Capes and Panamax with the April contract closing USD 900 lower at USD 15,775. As noted in the morning report, the move above the USD 16,692 yesterday meant that the technical had entered bullish territory, warning resistance levels were vulnerable. However, the move lower on the open with the RSI below its average warned that the weekly pivot level at USD 16,083 was vulnerable; if we closed below it, then the USD 15,602 support would come under pressure. The April contract is USD 900 lower on the day at USD 15,775, suggesting the USD 15,602 support will be tested and broken. If it is, then it will warn that the USD 14,625 fractal support will start to look vulnerable.

Oil

Technically bullish this morning with the 1-hour RSI in divergence. We noted that there looked like there could be another small move higher; however, due to the divergence we remained cautious on upside moves. The futures are trading USD 0.79 higher at USD 87.68 going into the EU close with price still in divergence, meaning we maintain a cautious view.

Ed Hutton

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