

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	27800	28875	3.9%	Pmx 1 month forward	16100	16650	3.4%
Cape Q2 24	26200	26875	2.6%	Pmx Q2 24	15712.5	16075	2.3%
Cape Cal 25	21075	21250	0.8%	Pmx Cal 25	13425	13425	0.0%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	15475	15975	3.2%	Brent	90.09	87.32	-3.1%
Smx Q2 24	15162.5	15525	2.4%	WTI	85.31	82.7	-3.1%
Smx Cal 25	13050	13100	0.4%	Iron ore	109.9	115.85	5.4%

Iron Ore

Source FIS/Bloomberg

Iron ore jumped as much as 6% on optimism that more Chinese steel mills would restart as demand picks up. There has been a “notable rebound in steel demand for construction, particularly in China’s mid-west,” said Wei Ying, an analyst at China Industrial Futures Co. The steelmaking staple was also aided by comments from Rio Tinto Group, the world’s biggest iron ore miner, which said Chinese steel exports were “likely to remain historically elevated.” However, the country’s property sector remains weak, it said in its first-quarter production update (Bloomberg). Having been cautious on upside moves yesterday, the futures saw a strong move higher during the Asian day session with the May contract staying elevated and trading at USD 116.25 into the close. The Upside move means we have seen a wave extension (within the existing cycle) supported by the RSI making new highs, warning intraday downside moves have the potential to be countertrend at this point.

Copper

Copper rallied Wednesday as risk appetite improved in global financial markets and warnings about the metal’s tight supply dynamics persisted. The London Metal Exchange price rose as much as 1.6%, tracking an early rebound in equities and bond markets as the US trading day got underway. Stocks sank Tuesday after Federal Reserve Chairman Jerome Powell indicated the central bank is likely to keep rates higher for longer due to ongoing worries about inflation (Bloomberg). We were cautious on upside moves this morning; however, the futures have caught a bid with price USD 125.50 higher at USD 9,593.5. It could be that we are about to see some form of wave extension within the existing cycle, but based on what I can see, the Elliott wave cycle is warning of exhaustion whilst we have a sizeable divergence in play. For this reason, I will remain cautious on upside moves, as the futures are not considered a technical buy at this point.

Capesize

We index is another USD 1,074 higher today at USD 22,893. The May futures have mirrored the upside move with price USD 1,075 higher at USD 28,875. Going into the close, the futures are sitting on a resistance line, as is the RSI. From a technical perspective, we need to see the futures either reject the resistance or commit to a breakout. We are above the weekly pivot level and the 55-period EMA, implying the futures are supported. However, the 1-hour RSI is in divergence whilst the 4-hour is at resistance. If the resistance line wasn’t there, I would be suggesting caution on upside moves, it is there, meaning the futures are not a technical buy at these levels. If we break to the upside, it will only be a technical buy if the divergence fails.

Panamax

The Index continues to push with price USD 459 higher at USD 14,908 today. We noted this morning that the futures were moving higher in line with momentum support; however, we were testing the 55-period EMA (USD 16,481). A close above that held above the average would warn that the USD 16,875 resistance could be tested and broken, if it was the Fibonacci support zone would come under pressure. We have closed USD 550 higher at USD 16,650, warning resistance levels could now be tested and broken. If we do close back below the average, I would be cautious in case we see an upside rejection.

Supramax

We continue to see support in the index with price USD 279 higher at USD 15,975. The intraday technical is now bullish with the RSI breaking resistance; however, the 1-hour RSI is still divergent, meaning we have a note of caution at this point. On the daily chart, momentum is supported with price above key resistance, warning that the probability of the futures trading to a new low has started to decrease. From a technical point of view, this would suggest that there is potentially a larger bull cycle in play, implying downside moves should in theory be countertrend. For more information on the technical, please click on the link. [Supramax Technical Report 127/04/24 https://fisapp.com/wp-content/uploads/2024/04/FIS-SUPRAMAX-4-PAGE-TECHNICAL-REPORT-17-04-24.pdf](https://fisapp.com/wp-content/uploads/2024/04/FIS-SUPRAMAX-4-PAGE-TECHNICAL-REPORT-17-04-24.pdf)

Oil

Crude oil inventories in the US increased for the fourth successive week, while gasoline and distillate stocks fell lower than analyst estimates. Crude oil inventories in the US grew by 2.7 million barrels in the week ended April 12, compared to estimates for 600,000 barrels, data from the US Energy Information Administration (EIA) showed (Bloomberg). Technically bullish with downside moves considered as countertrend based on our Elliott wave analysis. We noted this morning that in theory the futures should move lower before moving higher; however, due to the ME tensions, price was consolidating. I will be honest, I was not expecting to see the futures break to the downside, but they have. Price is USD 2.45 lower at USD 87.57, the intraday technical is bearish based on price, but the Elliott wave cycle remains bullish above USD 84.85, and neutral below.

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