

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	28125	27625	-1.8%	Pmx 1 month forward	16025	16025	0.0%
Cape Q3 24	27375	27350	-0.1%	Pmx Q3 24	15875	15800	-0.5%
Cape Cal 25	21500	21600	0.5%	Pmx Cal 25	13450	13425	-0.2%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	15550	15750	1.3%	Brent	87.87	83.76	-4.7%
Smx Q3 24	15100	15200	0.7%	WTI	81.55	79.3	-2.8%
Smx Cal 25	13000	12950	-0.4%	Iron ore	116.5	115	-1.3%

Iron Ore

Source FIS/Bloomberg

The May futures traded to a low of USD 114.35 before finding light bid support to close at USD 116.20. Price is between the EMA band, which is now flat, indicating there is a lack of directional bias at this point. We remain bullish with the potential to trade as high as USD 125.96 based on our Elliott wave analysis; however, at this point due to the consolidating price action we are taking a neutral approach.

Copper

The futures traded below the USD 9,856 support today, meaning the probability of price trading to a new high has started to decrease for this phase of the cycle. This is a warning that we could be in the early stages of a higher timeframe corrective wave 4; however, we continue to await confirmation from our oscillators at this point. Going into the close we are USD 77.50 lower at USD 9,913.5, meaning we are back above the weekly pivot point. A close below this level will imply that sell side pressure is increasing. The technical condition is weakening, whilst the break in RSI support is warning that upside resistance levels could hold if tested.

Capesize

Another small increase in the index today with price USD 138 higher at USD 17,553. Having closed above the trend resistance yesterday the June futures opened lower, putting price back below the trend line. Having traded to a low of USD 26,750 we found bid support post index to close USD 500 lower on the day at USD 27,625. We now have an inside day candle pattern, a breakout from today's range tomorrow (USD 27,750 – USD 26,750) should give near-term directional bias. As noted this morning, although we are below trend resistance, warning we could see a move lower. The MA on the RSI is implying momentum is supported, we are back above a rising 200-period MA, whilst above the weekly pivot level, with the roll in the futures producing a deep upside move into the last bear wave. All of which suggest caution on moves lower in the near-term.

Panamax

The index turned today with price USD 14 higher at USD 15,286. Having opened lower, the June found buy-side support post index to close the day unchanged at USD 16,025. We remain below the 55-period EMA but continue to maintain a cautious view on downside moves due to the daily support zone.

Supramax

The index is another USD 81 lower today at USD 16,257. As noted in the morning technical, the June futures remained vulnerable to a move lower providing we closed below the 55-period EMA. Like the rest of the freight complex we have moved higher post index to close at USD 15,750, up USD 200 on the day. For more information on the technical, please click on the link. Supramax Technical Report 01/05/24 <https://fisapp.com/wp-content/uploads/2024/05/FIS-SUPRAMAX-4-PAGE-TECHNICAL-REPORT-01-05-24.pdf>

Oil

Oil extended declines as US crude inventories swelled to the highest since June and traders waited for the Federal Reserve's policy decision. West Texas Intermediate dropped below \$80 a barrel and reached the lowest intraday price since mid-March. Prices also broke beneath the 200-day moving average, which had served as a support level for more than a month. A report from the Energy Information Administration showed US crude stockpiles increased 7.27 million barrels last week, the biggest jump since early February and more than the 4.91 million-barrel gain projected by an industry group on Tuesday. That adds to headwinds that also include the prospect of a cease-fire that would reduce tensions in the Middle East. Crude last month surged to the highest since October following Iran's unprecedented attack on Israel (Bloomberg). The futures gapped lower on the open due to the roll into the July contract this morning. The subsequent downside move breached the USD 84.85 support, meaning the probability of the futures trading to a new high had started to decrease. The MA on the RSI implied that momentum remained weak, indicating resistance levels could hold if tested. Having broken support, the futures have continued to move lower with price trading at USD 83.96 on the EU close. The downside move today would suggest we are not going to see a larger bullish Elliott wave cycle in the near-term, meaning the move above USD 91.68 was just an anomaly caused by the Iranian attack on Israel.

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