



# European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	7650	7100	-7.2%	Pmx 1 month forward	9725	9200	-5.4%
Cape Q2 23	13325	13100	-1.7%	Pmx Q2 23	12750	12275	-3.7%
Cape Cal 24	14875	14900	0.2%	Pmx Cal 24	13050	12850	-1.5%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	9825	9650	-1.8%	Brent	86.61	85.41	-1.4%
Smx Q2 23	12300	12100	-1.6%	WTI	80.14	78.88	-1.6%
Smx Cal 24	13050	12900	-1.1%	Iron ore	120.38	122.45	1.7%

Price as of 3.00 P.M U.K time.

Source FIS/Bloomberg

## Iron ore

China's economy expected to rebound strongly in 2023; growth target may be set at 6%: top economist.

Although there are still great uncertainties ahead, the Chinese economy is likely to rebound strongly in 2023. This observation is based on two rationales. First, because of the low base GDP growth rate of 3 percent in 2022, the base effect will play an important role in shaping China's growth rate in 2023. Second, China still has ample room to implement expansionary macroeconomic policies to stimulate the economy when necessary. Barring "black swan" events, China's GDP growth rate in 2023 should exceed 5 percent. To boost confidence, the Chinese government could set the GDP growth target at 6 percent for 2023 (Global Times). The March contract opened supported having held the daily 34-period EMA yesterday. Technically we remain weak having rejected the USD 125.72 resistance; however, the RSI and price have both made higher lows, suggesting momentum is supported in the near-term, making USD 125.70 the key resistance to follow. Downside moves below USD 120.30 will warn that the USD 119.45 and USD 118.40 support levels are vulnerable.

## Copper

We have been sitting on a neutral bias on copper due to price being below the intraday EMA resistance band but above the daily EMA support band, indicating the market is at an inflection point. Having moved higher yesterday the futures traded into the resistance band this morning; however, an uneventful CPI has resulted in the futures trading of their highs, leaving price flat on the day. Lacks directional bias.

## Capesize

We can only describe today's index as 'brutal' with price coming in USD 1,265 lower at USD 3,167. The march futures had opened the day supported, with price and momentum looking like it would close to the buyside on the opening 4-hour candle. However, not long after the open the futures started becoming heavily offered, resulting in price trading below the USD 7,150 support to a low of USD 6,650. We have been cautious on downside moves as a new low would create a positive divergence with the RSI, not a buy signal it does warn we have the potential to see a momentum slowdown. We are in divergence which needs to be monitored as price is now finding some light buying support that has put price above up above USD 7,000. Fibonacci projections would suggest USD 5,718 is now a possible downside target. We remain cautious on downside moves due to the divergence.

## Panamax

The index has been consolidating for the last week but has come under pressure today with price USD 133 lower at USD 6,295, the index is in divergence suggesting caution. The futures continues to make ne lows with price in divergence, for more in formation on the technical please click on the link. Panamax Technical Report 14/02/23 <https://fisapp.com/wp-content/uploads/2023/02/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-14-02-23.pdf>

## Supramax

The Supramax has bucked the trend today with price USD 25 higher at USD 6,899. However, there has been no respite on the March contract with the futures trading down to USD 9,425. As noted yesterday the futures are in divergence but intraday Elliott wave analysis would suggest we have a potential downside target at USD 9,004. We are a cautious bear in the futures due to the divergence but remain conscious of the USD 2.5k carry, if we do not seen some sustained upside pressure in the index the futures will remain vulnerable. We have time on our sides at this point, but not a lot of it.

## Oil

Oil fell on a US requirement to sell more crude from reserves and as inflation figures from the country showed brisk price increases early in the year. West Texas Intermediate traded near \$79 a barrel. Markets were volatile in the minutes after data showed US price growth remained elevated in January. Crude was already under pressure with the US looking to sell 26 million barrels from the Strategic Petroleum Reserve in accordance with a budget mandate enacted in 2015. The move comes despite a previous push by the Biden administration to halt the sales (Bloomberg). The futures went into divergence with the RSI into the close last night but had remained supported before the CPI figures. However, post figures we have seen the futures move lower with price breaching USD 84.35 before moving higher again, the intraday technical although bullish now has a neutral bias.

## US HRC March 23 (Rolling Front Month)

US HRC March 23 (Rolling Front Month) 14/02/23 <https://fisapp.com/wp-content/uploads/2023/02/FIS-US-HRC-Technical-14-02-23.pdf>

## Urea Middle East Mar 23 (Rolling Front Month)

Urea Middle East Mar 23 (Rolling Front Month) 14/02/23 <https://fisapp.com/wp-content/uploads/2023/02/FIS-Ferts-Technical-14-02-23.pdf>

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