FERTS AGRI OIL WET FFAS DRY FFAS IRON ORE METALS AIR FREIGHT COA

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	14675	16750	14.1%	Pmx 1 month forward	16875	19350	14.7%
Cape Q2 21	16125	18275	13.3%	Pmx Q2 21	16150	17800	10.2%
Cape Cal 22	15625	15925	1.9%	Pmx Cal 22	11525	11925	3.5%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	16750	18075	7.9%	Brent	63.31	63.38	0.1%
Smx Q2 21	15625	16900	8.2%	WTI	60.2	60.4	0.3%
Smx Cal 22	11075	11275	1.8%	Iron ore	167.7 Data Տoւ	168.7 Irce FIS and B	

Iron ore continue to consolidate as it digests the negative PMI figures yesterday. The futures remain relatively unchanged (the ticker says down 3% but it is the roll from March to April) with news on Bloomberg commenting that weekly flows from Australia have dropped, whilst Brazils monthly average is down 90,000 tons a day. Countering the drop in flow is the concern that the Chinese government could curb output as they try to rein in steel capacity. Unsurprisingly as the bull and bear news clashed heads, the market sat back and did nothing. Margins remain unchanged as does the technical, with our expectation that we will trade at 176.20 remaining.

The Capesize index needed to see a bullish index for the April to stay buoyant and this has been the case, the index came in up just under USD 500 today and the April promptly rallied 14.1% (USD 2,200) to USD 16,875. The intraday technical showed no signs of being in a trending environment in the March futures on the open. However, upside resistance at USD 12,625 went first before the futures closed the day at just below our final resistance level at USD 14,391. the move has the support of the physical market with reports of the C5 trading at 7.80 and a higher volume day would suggest we could see another push in the index tomorrow.

The intraday morning technical have been mocking me as they were so flat; however, we have been citing that the technical is bullish despite the pullback from the highs, paying particular attention to the April futures that we have stated as being undervalued. April is USD 2,625 higher today (14.7%) to USD 19,500, or USD 3,250 above the recent low. Elliott wave analysis remains bullish indicating downside moves should be considered as countertrend at this point.

The Supramax index is flat but with the sector seeing bullish price action it was only natural to see the April futures rally a respectable 8%. For more information on the price action please follow the Link. Supramax Technical 02/03/21 https:// fisapp.com/wp-content/uploads/2021/03/FIS-4-PAGE-SUPRAMAX-REPORT-02-03-21.pdf

We highlighted the vulnerability in brent due to the large open interest build, leaving the technical vulnerable below USD 60.00. We noted that having broken the USD 63.78 support the USD 62.60 level could come under pressure and this has been the case, with the futures trading to a low of USD 62.51. On the morning report we highlighted a bullish divergence with momentum signaling we have the potential to test the USD 63.78 level, which has also been the case. More importantly the upside move today has given the market longs that we spotlighted yesterday, the opportunity to close out. Open interest today is 77,000 futures lower suggesting that the market will not go into a panic sell off before the OPEC meeting after all.

Have a nice evening

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