

# FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	19500	21250	9.0%	Pmx 1 month forward	21125	20275	-4.0%
Cape Q2 21	20000	21500	7.5%	Pmx Q2 21	19675	19125	-2.8%
Cape Cal 22	16200	16100	-0.6%	Pmx Cal 22	12175	12100	-0.6%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	21125	21325	0.9%	Brent	68.12	67.6	-0.8%
Smx Q2 21	19200	19125	-0.4%	WTI	64.68	64.13	-0.9%
Smx Cal 22	11500	11450	-0.4%	Iron ore	167.5	157.5	-6.0%

Data Source FIS and Bloomberg

The iron ore futures closed outside the range support highlighted on the morning technical reports and subsequently hit out 100% projection values ten dollars lower. No technical in play here, environmental restrictions were behind the selloff, pushing the April futures 6% lower. Steel margins reacted positively due to the rebar only dropping around 4%. This downside moves would have potentially changed the technical footprint of the market and would suggest that upside moves should be considered as countertrend in the near-term.

Our bullish cycle analysis on the Capesize market has proven to be correct with the futures trading above the USD 20,500 high in the April contract. We noted on the morning technical that there were signs of exhaustion creeping in meaning we would need to see a strong push in the futures to see a wave 5 extension. Stronger physical fixtures on the C3 around the USD 21.00 for April fixings and an index that beat expectations gave the technical a boost, higher pricing tomorrow would potentially create the wave extension highlighted. If we open above and hold above the USD 20,600 level we could push higher, but if that support comes under pressure then we could enter a corrective phase.

The Panamax index came in lower today by USD 178, to USD 18,809, causing the futures to produce a technical pullback. The Q2 created a new high in the market yesterday meaning our assessment that the late Feb corrective moves were just that, corrective. We are on very low time frame on the intraday (sub 30 min) making wave analysis subjective. There is the potential for one further move higher within this phase, however we say this with less conviction than when the futures were trading at USD 16,000. What the Elliott wave is telling us is that if this is phase completion it looks to be on an extended wave 3, indicating the longer-term bull trend is not done yet.

Cape and Panamax Q1 22 today charts today. Capesize - Panamax Q1 22 09/03/21 <https://fisapp.com/wp-content/uploads/2021/03/FIS-TECHNICAL-REPORT-CAPESIZE-AND-PANAMAX-Q122.pdf>

Strong as a bull is the only way to describe the Supramax index and subsequently the futures. The April futures is now taking out resistance level like a bowling ball, with USD 22,375 the next upside target, above that and we must move to a logarithmic chart to see the Fibonacci extension, which we can tell you is USD 23,749. Technically bullish on an extended wave 3 with USD 2,3749 our target for this phase. This brings into question the Panamax April futures as they are underperforming, warning that we could see a late push to put the waves cycles back in line.

Oil started badly before producing a bullish pin-bar that got the intraday market overexcited, long, and wrong, resulting in a bearish pin-bar to counter it. The moves themselves have been insignificant with the futures down less than a dollar, however

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