

FIS European Close

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

	Previous Close	Current Close	% Change
Cape 1 month forward	21375	22750	6.4%
Cape Q2 21	21775	23200	6.5%
Cape Cal 22	16800	17150	2.1%

	Previous Close	Current Close	% Change
Pmx 1 month forward	22925	25175	9.8%
Pmx Q2 21	22050	23775	7.8%
Pmx Cal 22	12800	13225	3.3%

	Previous Close	Current Close	% Change
Smx 1 month forward	21725	23625	8.7%
Smx Q2 21	20025	21525	7.5%
Smx Cal 22	11925	12400	4.0%

	Previous Close	Current Close	% Change
Brent	68.47	67.33	-1.7%
WTI	64.94	63.93	-1.6%
Iron ore	159.75	159.9	0.1%

Data Source FIS and Bloomberg

Iron ore continues to remain steady with little movement since yesterday. Operations at 14 blast furnaces have gradually resumed in Tangshan according to Mysteel. This has resulted in operation rates creating a short-term recovery in Iron ore demand. The April futures remain below the USD 161.66 resistance level leaving the technical vulnerable to further tests to the downside. However, at this point the intraday futures are showing a lack of trend as it weighs up China's vow to curb steel output this year against the resumption of the blast furnaces, creating a neutral bias in the market.

The Capesize market received a boost today with the index coming in up USD 657, to USD 17,931. The firmer physical market resulted in the April futures jumping higher on the open to USD 23,050. However, it would seem the market expectation for the index had been higher, prices have held but failed to capitalize on the initial move, as the market waits for confirmation that the index is going to follow suit. All eyes on the RSI at 58, 62 is the magic number we have, if we get above there, then perhaps the index will run.

Another big day for the Panamax index with the April futures getting closer to our near-term target at USD 25,175 (up USD 2,250). We highlighted on Friday that USD 26,875 was now a legitimate upside target and this has proven correct, with the futures up USD 4,275 in the past 3 days. For more information on where we think the market goes from here, please click on the link. Panamax Technical Report 17/03/21 <https://fisapp.com/wp-content/uploads/2021/03/FIS-4-PAGE-TECHNICAL-REPORT-PANAMAX-17-03-21.pdf>

Business as normal for the Supramax index which moved back into positive territory again today. With the Panamax on a run the Supramax April futures have followed suit, with the futures now trading USD 600 above the index, after a USD 8% move higher (USD 1,900). Corrective moves lower continually find buying support at this point and with the Panamax running, there is an expectation of further moves higher. The futures are now at the USD 23,570 resistance (61.8% projection of the move the 02-09 March projected for the low on the 1/03/21), if the futures go above this resistance then they are targeting USD 25,700.

The U.S has warned China it will enforce Iran oil shipment sanctions (FT) but have so far have not elaborated any further. Oil is ranging today with little no news on the wire with the futures continuing to trade around the USD 67.80 level. The Fed are meeting now with the spotlight on bond yields as market-based interest rates have been moving up since Jan, driven by an improving economic outlook that has created growing anticipation that the Fed might scale back its bond purchases. This is leading to a jittery currency market with the dollar basket moving higher into the close, price is now above the high of the previous 3 days. Yesterday the basket looked vulnerable, now it does not. The market will await the Fed comments which in turn is likely to drive oil over the coming days until we see some news on the wire. Over to Powell to see what he has to say.

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