

# FIS European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	24250	23750	-2.1%
Cape Q2 21	24750	24275	-1.9%
Cape Cal 22	17325	17125	-1.2%

	Previous Close	Current Close	% Change
Pmx 1 month forward	27250	26700	-2.0%
Pmx Q2 21	25575	24550	-4.0%
Pmx Cal 22	13575	13225	-2.6%

	Previous Close	Current Close	% Change
Smx 1 month forward	23500	22575	-3.9%
Smx Q2 21	21925	21250	-3.1%
Smx Cal 22	12450	12250	-1.6%

	Previous Close	Current Close	% Change
Brent	64.46	64.63	0.3%
WTI	61.44	61.5	0.1%
Iron ore	153.05	151.7	-0.9%

Data Source FIS and Bloomberg

## Iron Ore

More bad news in the iron ore sector after Mysteel reported that China is targeting further output restrictions at its major steel making hub. The futures came under pressure with the April contract trading sub USD 150 as the market comes to terms with the lower production levels and increasing supply, indicating that we could soon witness a change in the supply demand balance. The intraday April futures look like that have entered a wave C corrective phase with near-term resistance at the USD 163.07 level, if we go above this level, we enter neutral territory.

## Capesize

A low volume day on the Capesize futures with price drifting down to the USD 23,250 low from Friday, before rallying USD 500 into the close. Price has closed USD 500 lower on the day but looks like it will open around tomorrows pivot point at USD 23,875. On a positive note, the index came in up 314 to USD 19,751 putting the index at 62, bang on our resistance level. If the RSI can go above and hold above this level, then we have the potential for a momentum run on the index based on the historical performance. The futures are holding in bullish territory with the RSI at resistance, suggesting tomorrow could be a key day.

## Panamax

Another positive day for the index which is now above the USD 26,000 level. Up USD 747 was not enough to keep the futures in bullish territory with the April contract down USD 550 on the day, to USD 26,700. The front month paper is now in line with the index with the futures holding in the Fibonacci resistance zone between USD 28,610 and USD 26,250. If we open at these levels, then the April contract should open above the USD 26,483 pivot point in the morning, which could create some buying momentum. Below this level and we could see the USD 25,875 low be tested. Intraday wave analysis is still open to a potential upside move within this phase providing market pullbacks hold above the USD 21,879 level. Technically bullish with the futures looking like they could be in the early stages of a countertrend corrective move.

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## Panamax

The Panamax index was up USD 1,373 today to USD 25,437 with the April futures entering a consolidation phase, effectively giving the index a chance to play catch up. The Intraday Elliott wave cycle continues to suggest that downside moves should be considered as countertrend, with the current wave now more than 161.8% the length of the previous wave warning we have the potential to enter a corrective wave. A rejection candle yesterday and a Doji star today on the daily chart would suggest there is an element of indecision in the market. If we open on Monday below USD 27,000, we could see some intraday weakness in the market.

## Supramax

The index is now at USD 23,458 with the April futures now in a corrective phase at USD 22,575. For more information on the technical aspect of the market please follow the link Supramax Technical 22/03/21 <https://fisapp.com/wp-content/uploads/2021/03/FIS-4-PAGE-SUPRAMAX-REPORT-22-03-21.pdf>

## Oil

After last weeks collapse in oil prices the futures have entered a consolidation phase with the futures moving sideways between the USD 65.04 resistance and the USD 63.78 support. The big question for oil is have we entered a corrective phase or is this a technical pullback, before the market turns again? On the technical on Friday, it was marginal, the wave count looked like it had been a small wave five with the daily futures going on to make a lower low, so we have gone for corrective. On the wire it is a similar headline as investors assess the uneven demand recovery (Bloomberg). The futures are holding but the open interest is dropping indicating market longs are now quietly exiting the market, suggesting upside moves could run into further selling pressure.

Have a nice evening.

Ed Hutton