

# FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	43000	43500	1.2%	Pmx 1 month forward	26050	25700	-1.3%
Cape Q3 21	34175	35000	2.4%	Pmx Q3 21	23500	23300	-0.9%
Cape Cal 22	21500	21625	0.6%	Pmx Cal 22	15850	15825	-0.2%
Smx 1 month forward	24250	25000	3.1%	Brent	69.49	69.61	0.2%
Smx Q3 21	20775	21625	4.1%	WTI	66.15	66.3	0.2%
Smx Cal 22	14100	14375	2.0%	Iron ore	185.5	186.8	0.7%

Data Source FIS and Bloomberg

## Iron Ore

The future market remains closed in China with no news on the wire. Price and volume remain subdued.

## Capesize

The current move in the index is now greater in length than the May to October 2020 cycle. In Elliott wave theory a wave 3 is often the longest and never the shortest, this tells us two things, the probability of this being a wave 3 (as we predict) has just increased and there will be no upside limit on the wave 5. What we mean by this, if the wave 3 is shorter than the wave 1, then wave 5 therefore must be shorter than the wave 3. The next significant resistance level is now at USD 52,296. A slower day on the June contract today with the futures up USD 750 to USD 43,750. We continue to remain in a wave 3 (of 3) with downside moves still to be considered as countertrend. The index was up USD 1,858 today to USD 44,817 meaning the futures are now trading at a discount to the index. Technically bullish, if the index continues to move higher, we should expect to see another push in the paper tomorrow.

## Panamax

The index continues to perform and is gaining momentum, up USD 1,119 today to USD 24,298. For more information on the technical side of the market please follow the link Panamax Technical Report 05/05/21 <https://fisapp.com/wp-content/uploads/2021/05/FIS-4-PAGE-TECHNICAL-REPORT-PANAMAX-05-05-21.pdf>

## Supramax

Let the tail wag the dog. Another push in the paper today means we have finally entered the bullish wave 5 on the June futures, meaning the words wave 4 are gone for now at last. The upside move in the paper has filtered through to the index which came in up 50 today, at USD 23,483. The index is not home and dry yet, but a close above the USD 23,522 level would mean that momentum is improving based on price, suggesting we could test upside resistance levels which start at USD 24,763. From the paper side of things our wave analysis remains unchanged with an upside target at USD 27,771.

## Oil

U.S inventories fell by 8 million barrels signaling we could be seeing a recovery (Bloomberg), resulting in the futures trading to a high of USD 69.95 high. From a technical point of view, we had this as bear, which we then changed to bull on the back of new highs on the momentum indicators. On paper the technical does look bullish with the USD 71.38 level being a legitimate upside target, however the aggregate open interest is dropping on rising prices, this would suggest market longs are exiting. We might make a new high, but we could struggle to hold it.

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