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



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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	37750	36550	-3.2%	Pmx 1 month forward	32250	31550	-2.2%
Cape Q3 21	38175	37016.5	-3.0%	Pmx Q3 21	31750	31675	-0.2%
Cape Cal 22	24187.5	23962.5	-0.9%	Pmx Cal 22	18675	18700	0.1%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change	
Smx 1 month forward	32950	32750	-0.6%	Brent	73.22	74.74	2.1%	
Smx Q3 21	32500	32475	-0.1%	WTI	71.5	73.47	7 2.8%	
Smx Cal 22	17850	17675	-1.0%	Iron ore	206.6	196	5 -5.1%	
					Data Source FIS and Bloomberg			

## Iron Ore

We highlighted on Friday that the futures had broken trend support with the weekly candles producing a bearish Harami pattern warning of potential technical weakness. This resulted in the futures correcting USD 11.00. For more information on the technical please follow the link Iron Ore Offshore 21/06/21 <a href="https://fisapp.com/wp-content/uploads/2021/06/FIS-Technical-Iron-Ore-21-06-21.pdf">https://fisapp.com/wp-content/uploads/2021/06/FIS-Technical-Iron-Ore-21-06-21.pdf</a>.

## Capesize

The futures sold lower on the European open to trade down to USD 34,500; however, price stabilized to close the day USD 2,250 off their low. The upside move has created a bullish rejection candle (known as a hammer) which signals the futures have buying support around the 21-period daily EMA. If price does not come under pressure in Asian hours (it has been in recently) then the futures will open above tomorrows pivot point at USD 36,208, suggesting we should see upside continuation tomorrow. If we do sell off in Asian hours, then the near-term downside target will be the USD 34,500. Technically corrective, that are signs that we could potentially be about to base. All eyes on the USD 36,208 level on the European open!

## **Panamax**

The disparity between the index and the July futures is now around the USD 1,300 suggesting the rebalance is nearly complete. The index came in USD 353 lower today at USD 30,208 meaning price is still holding in bullish territory, a close tomorrow below USD 30,170 would warn that the index is weakening based on price; however, we have USD 28,728 as a more important level to watch as a close below this level would warn that downisde momentum is increasing. From a technical perspective the July Panamax futures have not managed to produce a bullish hammer like the capes and are more likely to open on the daily pivot point tomorrow (USD 31,500). On the plus side, the daily RSI is above 50 with faster moving momentum indicators starting to approach oversold territory, suggesting we could base soon.

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## Supramax

Supramax is the performing seal of the market, reliable as ever, a real crowd pleaser. Today has been no different with the index up another USD 254, to USD 31,073, it is slowing down, but still going up. If we stay unchanged overnight, then the futures will open on the daily pivot point at USD 32,750, suggesting the market could be supported. The technical trend is stable on the July futures with the disparity around USD 1,750 to the index. There are signs that the market could be seeing support at these levels, but it has a bearish gap/window above it between USD 33,250—USD 34,000. You can view the gap two ways, it is a resistance zone and needs to be treated with respect; however, markets like to close gaps, meaning USD 34,000 is also an upside target for market buyers. The trend is bullish but in a corrective phase, price is holding but not showing the same bull basing signals as the Capes. Price needs to hold USD 32,750 on the open, if it does not, then we could see further tests to the downisde.

Oil

Oil has rallied on the back of a weaker green back after the Feds Bullard has indicated now is the time for the taper debate. Meanwhile Dalio and Summers seem to have been the real driver behind the downside move in the dollar basket after Dalio said he does not think the Fed can tighten more without negative rates (Bloomberg). From a technical perspective oil looks stable, for more information on the technical please click on the link. Brent Daily technical 21/06/21 <a href="https://fisapp.com/wp-content/uploads/2021/06/FIS-Technical-Oil-Report-21-06-21.pdf">https://fisapp.com/wp-content/uploads/2021/06/FIS-Technical-Oil-Report-21-06-21.pdf</a>

Have a nice Evening.

**Ed Hutton** 

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