

FIS European Close

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

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	37500	37250	-0.7%	Pmx 1 month forward	31875	33525	5.2%
Cape Q3 21	38175	38250	0.2%	Pmx Q3 21	32083.5	33350	3.9%
Cape Cal 22	24375	24575	0.8%	Pmx Cal 22	18800	19175	2.0%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	33000	34000	3.0%	Brent	74.74	75.35	0.8%
Smx Q3 21	32650	33650	3.1%	WTI	73.08	73.23	0.2%
Smx Cal 22	17875	17975	0.6%	Iron ore	204.5	209.35	2.4%

Data Source FIS and Bloomberg

Iron Ore

The futures held above the daily pivot point yesterday to trade above the USD 205.97 resistance level. Price has reached a high of USD 211.00, as demand optimism outweighs China's crackdown as global economies rebound significantly (Bloomberg). The futures are above the 200-period EMA on the intraday 4-hour chart but the technical itself is neutral, an upside moves above the USD 217.80 level is needed to create a higher high in the market and be considered as bullish. Downside moves that close below the USD 202.55 level would mean intraday momentum is weakening based on price, ultimately the market is ranging within a neutral phase.

The index turned today with the futures holding support levels on the morning selling off, an upside move followed but the market failed to hold onto gains to, close USD 250 lower. The market has effectively produced a Doji star, signaling there is indecision in the market today. For more information on the technical please follow the link. Capesize Technical Report 23/06/21 <https://fisapp.com/wp-content/uploads/2021/06/FIS-4-PAGE-TECHNICAL-REPORT-CAPESIZE-23-06-21.pdf>

Panamax

We noted that we liked market pullbacks that close above the daily pivot point and the July contract did not disappoint, resulting in the futures closing 1,650 higher. The index is still moving lower but at -129 USD today there is evidence of a momentum slowdown; however, it remains in a corrective phase below USD 30,151. A close above this level would indicate momentum is improving based on price, suggesting the index will create a new high above the USD 30,686 level. From a technical perspective the futures will now look to target the USD 35,250 high, the trend is stable based on the longer-term averages, suggesting this will be achieved. there is a caveat, a new high will create a negative divergence with the RSI, this is not a sell signal, but it does warn of the potential for a momentum slowdown.

Supramax

The Supramax index is now starting to resemble FTSE 100 index for the 1990's, admittedly that rally lasted 11 years, but you get my point. Up USD 131 today to USD 31,374, our steady plodder keeps on performing. The paper on the other hand is anything but plodding, the July contract is up USD 1,000 to 34,000 meaning the disparity gap is starting to stretch again. Last time it was the paper that had to rebalance, if the index keeps plodding than history will probably repeat itself. Technically bullish for now in what looks like a stable trending environment.

FIS European Close

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

Oil

Oil continues in its bullish push with the futures trading to a high of USD 76.02, we have now traded above my weekly 75.60 resistance level, with talk of USD 100 a barrel being banded around by oil producers, obviously. Back in the here and now we are seeing a bit of a corrective move after Bloomberg published a Reuters headline 'Iran said the United States has agreed to remove all sanctions on Iran's oil and shipping industries'. Now to be fair the corrective move is around 75 cents, compared to the USD 2.00 mini flash crash we saw a couple of weeks ago. Iran is priced in, so in reality this should not change the dynamics of the trend; it is bullish and steady for now suggesting this pullback will find buying support.

Have a nice Evening.

Ed Hutton