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



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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	37375	40000	7.0%	Pmx 1 month forward	36125	37500	3.8%
Cape Q3 21	39325	38333.5	-2.5%	Pmx Q3 21	36025	37000	2.7%
Cape Cal 22	24875	24775	-0.4%	Pmx Cal 22	20025	20250	1.1%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	34800	35500	2.0%	Brent	75.13	75.18	0.1%
Smx Q3 21	34450	34250	-0.6%	WTI	73.44	73.77	0.4%
Smx Cal 22	18825	19050	1.2%	Iron ore	206.5	210.45	1.9%

**Data Source FIS and Bloomberg** 

## Iron Ore

Iron ore futures are up but price continues to range between the 4-hour 200 period MA, and the USD 214.5 resistance. Margins at mill to hold around RMB 281, however Rebar margins remain in negative territory at RMB -244. For more information on the technical please follow the link. Iron Ore Offshore 30/06/21 <a href="https://fisapp.com/wp-content/uploads/2021/06/FIS-Technical-Iron-Ore-30-06-21.pdf">https://fisapp.com/wp-content/uploads/2021/06/FIS-Technical-Iron-Ore-30-06-21.pdf</a>

## Capesize

The second quarter finished with a whimper today on the back of a negative index that came in USD 1,695 lower, at USD 32,604. The futures roll had a positive and a negative, the upside price gap meant the futures entered neutral territory having previously being bearish and closed the bearish gap/window. Less positive was that the open at USD 41,250 was the high of the day, with the futures looking like they will close the day USD 1,250 lower at USD 40,000. This will make for an interesting open, as tomorrows pivot point will be at USD 40,250. If we have a bear candle tomorrow, then we could potentially enter a corrective phase. However, upside moves that open above the daily pivot point and hold above it could encourage further bullish price action.

## Panamax

The futures have now rolled into August with price coming under pressure early on due to the weakness in the Capsize market. Price held the daily pivot support at USD 36,208 before rallying on the back of another strong index, to trade above the USD 37,250 high. The index is up less than yesterday but still USD 987 higher at USD 35,738, meaning the disparity is less the USD 2,000. The technical is bullish but the rolling front month contract (August) on the intraday is now in divergence with the RSI, as is the daily technical. These are not selling signals, but they do warn that there is the potential for the futures to enter a corrective phase soon. For now, the futures are supported with tomorrows pivot point looking like it will be USD 37,166, providing we open above and hold above it the futures should remain supported.

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## Supramax

The Supramax Index continues to plod, but we are seeing signs of a momentum slowdown based on price. Up only USD 96 today, to USD 32,226, compared to the usual 250 means we remain technically bullish. For the August futures it has been a day of little price action, the roll means we have created a higher high and with it a negative divergence, the disappointing index meant the open was the high of the day, however price is closing out at USD 35,500, meaning we are currently above tomorrows pivot point at USD 35,291. Technically bullish the divergence will need to be monitored.

Oil

Oil futures rose on Wednesday after data showed U.S. stockpiles were shrinking and an OPEC report foresaw an undersupplied market (Bloomberg). Brent futures rallied until 1.00 p.m. (GMT) to reach a high of USD 75.60 (that is the old weekly resistance) before entering into a small corrective phase on the intraday to trade to a low of USD 74.94. The futures will close out the European session flat on the day as the market is lacking real direction at this point as it awaits the OPEC meeting tomorrow. Until tomorrow....

It is the start of Q3 tomorrow, or for Ross, 178 days until Christmas!

**Ed Hutton** 

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