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	11500	10250	-10.9%	Pmx 1 month forward	19125	17550) -8.2%
Cape Q222	22875	21750	-4.9%	Pmx Q1222	23875	22500	-5.8%
Cape Cal 23	19825	19375	-2.3%	Pmx Cal 23	16450	16025	-2.6%

	Previous	Current			Previous	Current		
	Close	Close	% Change		Close	Close	% Change	
Smx 1 month forward	20500	19425	-5.2%	Brent	87.17	87.84	0.8%	
Smx Q2 22	23500	22375	-4.8%	WTI	84.08	85.07	1.2%	
Smx Cal 23	16300	15900	-2.5%	lron ore	133.75	138	3.2%	
Iron Ore					Data Source FIS and Bloomberg			

Iron Ore

Iron ore futures rebounded from the biggest drop this year on expectations for looser Chinese monetary policy and a recovery in demand following the Lunar New Year holidays. The steel-making ingredient climbed above \$136 a ton in Singapore after falling 3% on Monday. China's central bank is expected to take more steps to ensure economic stability in the second half, while investors are also looking forward to higher consumption after the new year festivities next week (Bloomberg). As noted yesterday the futures held above key support with momentum warning that we could potentially see a test to the upside, providing the RSI held above 50, the RSI held resulting in a USD 4.00 move higher. The technical remains bullish having traded above the USD 137.95 resistance, we now have the potential to test the USD 141.40 and USD 142.65 levels. Downside moves below USD 128.96 would mean the technical is considered as neutral, whilst below USD 122.55 it would be bearish.

Copper

The downside move in the futures yesterday continued in the Asian session, before finding support just above the USD 9,630 level. Prices rallied in the European and US sessions with the futures trading just below the opening price, meaning we have a potential bullish support candle forming. Downside moves below USD 9,630 would warn the USD 9467.5 fractal support could be tested. On the daily chart we maintain a neutral bullish bias.

Capesize

The index continues to move lower but is now over USD 6,000 below the 3-year average value. For more information on the technical please click on the link. Capesize Technical Report 25/01/22 https://fisapp.com/wp-content/uploads/2022/01/FIS-4-PAGE-TECHNICAL-REPORT-CAPESIZE-25-01-22.pdf

Panamax

The index continues to move lower (USD - 229 at USD 16,554) with price now approaching the USD 16,341 support, further support can be found at USD 15,335 and USD 14,329. A close above USD 17,136 would mean that momentum is improving based on price. The February futures continue to come under pressure with price trading below the USD 17,750 fractal support, warning that we have the potential to tests the USD 16,425 low, price is now below the weekly pivot point. Upside moves above USD 19,750 we will target the key fractal resistance at USD 20,800, above this level the technical is considered as bullish. Technically bearish the break in the minor fractal supports today warns we have the potential to weaken further.

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

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Supramax

We noted yesterday the price had traded above the weekly pivot point suggesting it could support a near term bull argument, however this has not been the case. the Elliot wave cycle remains bearish with price failing to trade above the USD 21,000 fractal resistance, resulting in the futures trading below the USD 19,450 fractal support, warning of potential further weakness that could target the USD 17,425 low. Technically bearish the failure to hold above the weekly pivot point alongside a bearish Elliott wave would suggest that downside support levels could come under pressure.

Oil

The futures went risk off yesterday but held the near-term support at USD 84.74 before rallying back above USD 87.5. We continue to maintain our view that downside moves should be considered as countertrend based on our Elliott wave analysis. If the futures trade to a new high now it would suggest we are seeing further extension of the bullish wave 3, however if we trade below the USD 85.04 level it would warn that we are entering a higher timeframe wave 4. Technically bullish, price is potentially in the early stages of a corrective wave 4 but this has not been confirmed yet.

Have a nice Evening

Edward Hutton

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