

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	19575	21050	7.5%	Pmx 1 month forward	25000	26300	5.2%
Cape Q222	27875	29050	4.2%	Pmx Q1222	27300	28500	4.4%
Cape Cal 23	21350	21750	1.9%	Pmx Cal 23	17500	17925	2.4%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	28000	29375	4.9%	Brent	96.5	96.87	0.4%
Smx Q2 22	27700	29400	6.1%	WTI	92.27	92.11	-0.2%
Smx Cal 23	17925	18050	0.7%	Iron ore	136.3	138.6	1.7%

Data Source FIS and Bloomberg

Iron ore

Chinese authorities will prevent "excessive hoarding" of iron ore and guide port firms to ensure that traders of the commodity bring inventories back to a reasonable level as soon as possible, the powerful state planner said on Wednesday. The decision follows a symposium called by the National Development and Reform Commission (NDRC), the market regulator, ports association and some port firms, according to an NDRC statement. "The meeting studied measures including greatly shortening the free storage period for iron ore traders, raising costs of portside hoarding, and preventing excessive hoarding," said the statement (Bloomberg). The March futures continue to test the USD 141.75 resistance which at this point is holding, meaning the technical is still considered as neutral bearish, upside moves above this level will create a higher high indicating the near-term technical will be bullish. However, as previously highlighted the longer-term technical remains vulnerable below USD 146.29 and neutral above. The RSI at 52 is near neutral with the stochastic moving below the 50-level, implying momentum is warning the futures are vulnerable to a test to the downside; below USD 130.56 the futures will target the USD 125.00 low.

Copper

As noted on the morning the report the futures remain bullish neutral, but price has created a symmetrical pattern (This is a neutral pattern that has the potential to break in either direction). The futures tested the upside resistance this morning and is now testing the downside support. A close outside of the symmetrical has the potential to dictate the near-term directional bias; Bollinger band width is also at its narrowest since the upside move on the 09/02 suggesting there is an intraday volatility expansion coming. Neutral based on the symmetrical with price trading just below trend support.

Capesize

We continue to see bullish numbers on the index with price USD 1,472 higher at USD 18,181. Last night the March futures produced a bearish close warning we had the potential to enter a corrective phase today; however, price gapped higher to open above the daily pivot point resulting in the futures trading up to but not above the USD 21,302 level highlighted on the morning technical. Until the resistance is broken the futures remain vulnerable to further tests to the downside, above this level we target the USD 22,209 and the USD 23,750 high. Technically bullish, market buyers will want to see price above USD 21,302 soon.

Panamax

Yesterdays close was weakening warning the futures were vulnerable to a downside move if they did not open above the daily pivot point. Like the Capesize futures price gapped higher on the open resulting in the futures closing the day USD 1,300 higher at USD 26,300. For more information on the technical please follow the link. Panamax Technical Report 23/02/22 <https://fisapp.com/wp-content/uploads/2022/02/FIS-4-PAGE-TECHNICAL-REPORT-PANAMAX-22-02-22.pdf>

FIS European Close

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

Supramax

It is the same pattern across the freight complex, a weak close yesterday followed by the futures gapping higher on the open above the daily pivot, keeping the intraday technical in bullish territory. Price in the March futures traded up to but not above the USD 29,500 resistance, supported by the index which came in USD 321 higher at USD 26,271. The technical is in consolidation, within this consolidation the futures have produced 3 consecutive higher lows suggesting buy-side pressure is increasing. Elliott wave analysis remains bullish whilst the RSI is above 50 and the stochastic is oversold, momentum is warning we could be about to see a move higher. Technically bullish, an upside breakout is now looking like case of when, rather than if.

Oil

Oil pared gains with markets keeping a close eye on ongoing Russia-Ukraine tensions while weighing a potential conclusion to nuclear talks with Iran, which could add supply to the market. Futures in New York rose 0.3%, paring its earlier gains of 2.2%. Brent traded near \$97 after coming just 50 cents shy of \$100 on Tuesday. Ukraine said several government and bank websites are not functioning due to a distributed denial-of-service attack government. Last week, Ukraine said it suffered its worst DDoS attack in its history (Bloomberg). The futures continue to move sideways as the market watches for the next development in the East, technically we remain bullish, upside moves above USD 99.50 will target the first of our Fibonacci resistance levels at USD 100.63, intraday Elliott wave analysis using the Williams approach suggests we have the potential to trade as high as USD 107.11 within this phase. Downside moves should be considered as countertrend.

Have a nice evening

Ed Hutton