European Close

Previous Current **Previous** Current Close Close % Change Close Close % Change -1.3% Pmx 1 month forward Cape 1 month forward 25750 25425 26850 26750 -0.4% 27475 -0.2% Pmx Q1222 26850 0.3% Cape Q222 27425 26775 -1.3% Pmx Cal 23 Cape Cal 23 21150 20875 17125 17125 0.0%

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	28500	29000	1.8%	Brent	107.65	110.22	2.4%
Smx Q2 22	27750	28550	2.9%	WTI	106.34	108.32	1.9%
Smx Cal 23	17050	17200	0.9%	lron ore	147.55	150.15	1.8%

Iron Ore

Data Source FIS and Bloomberg

Iron ore futures in Singapore bounced back to \$150 a ton as a recovery in China's manufacturing and construction activities strengthened the demand outlook in the world's top steelmaker, with domestic spot trading heating up. The raw material has jumped almost 10% in three days as expectations of monetary easing in China and the front-loading of infrastructure investments boosted sentiment. The nation's manufacturing purchasing managers' index Tuesday showed an improvement despite the Lunar New Year holidays and fresh virus outbreaks (Bloomberg). The April futures continue to move higher keeping the intraday technical in bull territory, on the daily technical we maintain a neutral bias. Downisde moves below USD 144.20 will create a lower low in the market, taking the technical into bearish territory, only above USD 157.25 is the daily technical bull-ish.

Copper

Copper prices on Wednesday inched up by 0.05 per cent to Rs 788.5 per kilogram in the futures market on the back of a pickup in the spot demand. On the Multi Commodity Exchange, copper contracts for delivery in March traded higher by Rs 0.45 or 0.05 per cent to Rs 788.5 per kg in a business turnover of 3,367 lots. Analysts attributed the rise in copper prices to raising of bets by participants driven by a pick-up in the spot demand (Bloomberg). The futures have been neutral bullish and in range for the last few weeks, we had previously noted that Bollinger band width was narrow, warning we could see a volatile breakout. Yesterdays upside move above USD 10,076.5 had warned it could be coming but the market needed to be convinced, the breakout looks to have been more technical than fundamental, as price traded USD 1 above the USD 10,289 high before correcting. Downside moves that hold above USD 9,962 will support a bull argument, below this level the futures will have a neutral bias.

Capesize

The index looks to have disappointed market expectations today as price came in only USD 1,239 higher at USD 15,258, resulting in the futures coming under pressure in the afternoon session. For more information on the technical please click on the link. Capesize Technical Report 02/03/22 https://fisapp.com/wp-content/uploads/2022/03/FIS-4-PAGE-TECHNICAL-REPORT-CAPESIZE-02-03-22.pdf

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

🗧 European Close

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Panamax

Having seen a small correction in recent days the index came in USD 293 higher today at USD 22,367. On paper momentum is improving based on price but it is marginal at this point; higher pricing tomorrow will confirm this. The April futures started the day well to trade up to USD 27,750 on the open before coming under pressure quickly. Price has made a new high meaning the minimum requirement for phase/cycle completion has been achieved; however, Using the William's approach we have a potential upside target at USD 29,208. Corrective moves lower that hold at or above USD 24,450 will support a bull argument. We are bullish but there is an element of uncertainty due to the current invasion of the Ukraine.

Supramax

The index remains slow and steady with price USD 302 higher today at USD 27,178, above USD 28,076 the index will be in bullish territory. We have a similar situation in the April futures to that of the Panamax, price has achieved the minimum requirement for phase/cycle completion, however shortly after trading to a new high the futures entered a small corrective phase. Technically we remain bullish with a potential upside target of USD 34,587, however the Russian invasion is creating a lot of uncertainty in the market. Below USD 27,375 the intraday technical will be bearish, if we hold above USD 28,267 then expect further tests to the upside.

Oil

President Joe Biden, who used his first State of the Union address to label Vladimir Putin a "dictator," signalled Wednesday that he's open to imposing restrictions on oil and gas imports to the U.S. Russia's military advance continued, with its Défense Ministry saying it captured the Black Sea port city of Kherson as units moved further into southern Ukraine. A top Russian official warned that increased weapons supply to Ukraine could raise the risk of an inadvertent conflict with NATO. For its part, Ukraine said a second round of talks were possible as early as Wednesday. Russian markets continued to be roiled, with investors scrambling to find out whether the country's bonds are in default. European natural gas hit a new record, alongside soaring prices for wheat and corn (Bloomberg). Downisde moves should be considered as countertrend at this point as from a technical and fundamental perspective there is little reason to open a short position, the pullback today is due to the mean reversion gap with the 21 period EMA (9 bucks this morning). We continue to target USD 117.62.

Ed Hutton

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