

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	23500	28750	22.3%	Pmx 1 month forward	21550	23125	7.3%
Cape Q422	27250	27750	1.8%	Pmx Q422	20375	21050	3.3%
Cape Cal 23	19250	19575	1.7%	Pmx Cal 23	14875	15350	3.2%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	24250	25375	4.6%	Brent	116.26	114.94	-1.1%
Smx Q4 22	20875	21300	2.0%	WTI	109.78	106.07	-3.4%
Smx Cal 23	15325	15875	3.6%	Iron ore	130.11	130	-0.1%

Iron ore

Source FIS/Bloomberg

China's steel industry purchasing manager's index for June hit its lowest level in over a decade, with the government's pledge to go all-in on infrastructure spending to rescue the economy yet to register with producers. The steel PMI tumbled to 36.2, deep in contraction, with new orders plummeting to 25.9, according to official figures released on Thursday. Both were the lowest index readings in data going back to 2011. In contrast, the construction gauge showed a pickup in activity, rising to 56.6. A mark of 50 divides whether activity is expanding or shrinking. (Bloomberg). Wave analysis had warned that we had a corrective move coming, sentiment pushed price briefly above our USD 125.06 resistance (COVID easing), meaning the futures are bearish with a neutral bias. However, the downside move today in the July contract below USD 116.40 warns that the USD 112.95 and USD 106.65 support levels are now vulnerable.

Copper

The consolidation in the futures confirmed that we had enter a corrective wave 4. Price has moved lower today but has not yet made a new low, meaning a bearish wave 5 is not yet confirmed. Technically we remain bearish with upside moves considered as countertrend. Key resistance levels remain unchanged.

Capesize

The roll into August means the futures have entered bullish territory on the back of price being above the USD 26,625 fractal resistance. However, a strong upside move on the open has failed to hold with the futures only USD 750 higher into the close at USD 28,750; However, price traded to a high of USD 30,250 in the morning session before moving lower, meaning we have a bearish rejection candle. If we trade back above the USD 30,250 high it will suggest we could see upside continuation; likewise, if we close below USD 28,250 tomorrow then we have the potential to test the support levels illustrated in the daily technical. We are bullish based on a new high on the back of the roll, but we have not produced a bullish close today. Lets see what tomorrow brings.

Panamax

The index is still moving lower but is down only USD 220 today at USD 21,033, momentum based on price is slowing down. The futures moved higher, but my wave analysis would suggest caution at this point, as the move looks to be countertrend. For more information on the technical please click on the link. Panamax Technical Report 30/06/22 <https://fisapp.com/wp-content/uploads/2022/06/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-29-06-22.pdf>

Supramax

The index is USD 584 lower at USD 25,367 today; however, the paper had a bit of a belter with the July contract closing USD 1,125 higher at USD 25,375. The futures are rallying on alongside the rest of the freight complex, on what looks to be on the back of the positive divergence. However, dead cats don't bounce, and I am not convinced the futures are ready for the blind optimism that we had earlier in the year. My Elliott wave analysis is telling me that this move looks countertrend, we could be wrong, it is just a psychological footprint of the market. But from a technical perspective, there looks to be another bear move to come.

Oil

NEW YORK (Reuters) -Oil prices sank about 2% on Thursday as OPEC+ confirmed it would only increase output in August as much as previously announced despite tight global supplies but left the market wondering about future output. Brent crude futures for September delivery fell \$2.26, or 2%, to \$110.19 per barrel by 11:50 a.m. EDT (1550 GMT). The August contract, which expires on Thursday, fell \$1.05, or 0.9%, to \$115.21 a barrel. U.S. West Texas Intermediate (WTI) crude futures fell \$2.79, or 2.5%, to \$106.99 a barrel. The OPEC+ group of producers, including Russia, on Thursday agreed to stick to its output strategy after two days of meetings. The producer club avoided discussing policy from September onwards (Bloomberg). The futures had already broken fractal support at USD 116.70 before any OPEC comments today, meaning we have seen a five wave completion of an intraday Elliott wave cycle. Corrective moves lower that hold at or above USD 111.57 will support a longer-term bull argument; however, below this level the USD109.89 and USD 107.03 support levels will be vulnerable.

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