

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	26750	28825	7.8%	Pmx 1 month forward	19375	19500	0.6%
Cape Q422	25750	27100	5.2%	Pmx Q422	18425	19000	3.1%
Cape Cal 23	18375	18825	2.4%	Pmx Cal 23	13600	13925	2.4%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	22000	21750	-1.1%	Brent	100.69	106.12	5.4%
Smx Q4 22	18675	18875	1.1%	WTI	98.53	104.22	5.8%
Smx Cal 23	14525	14387.5	-0.9%	Iron ore	111.2	113.54	2.1%

Iron Ore

Source FIS/Bloomberg

The August futures have moved higher in the Asian day session with price trading above the USD 113.40 fractal resistance on the intraday chart, indicating that the bearish Elliott wave has completed this phase of the cycle. This would suggest that downside moves on the intraday chart should be considered as countertrend at this point. However, on the daily chart the fractal resistance is at USD 125.10, meaning the technical remains bearish on the higher timeframe. Upside moves that fail at or below USD 118.76 will leave the futures vulnerable to further tests to the downside, above this level we have a neutral bias. If we do trade below USD 106.45 it would suggest we have started a new cycle, which would have bearish implications going forward.

Copper

Copper and other metals jumped as indications that China is planning a \$220 billion stimulus package bolstered the demand outlook following a heavy selloff. China's Ministry of Finance is considering a plan to allow local governments to sell 1.5 trillion yuan (\$220 billion) of special bonds in the second half, according to people familiar with the discussions. That would represent an unprecedented acceleration in infrastructure funding aimed at shoring up the country's beleaguered economy (Bloomberg). The futures are USD 349 higher going into the close at USD 7,868.50; however, we remain vulnerable to further tests to the downside below USD 8,114 and neutral above. Intraday Elliott wave analysis remains unchanged at this point, suggesting there are further downside moves to come within this phase of the cycle. Note: Elliott wave is a psychological footprint of the market, these cycles can and do fail at time when the market has outside influence from government stimulus programmes, making USD 8,114 a key level to follow.

Capesize

The index is USD 1,698 higher today at USD 18,286, meaning momentum is now bullish based on price. For more information on the technical please click on the link. Capesize Technical Report 07/07/22 <https://fisapp.com/wp-content/uploads/2022/07/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-07-07-22.pdf>

Panamax

Another weak index today with price USD 769 lower at USD 19,165. However, we are seeing support in the paper with the August futures up USD 250 at USD 19,625, the futures are now pricing above the index. Not a buy signal, if we hold like this for a few days we could see the paper finding support and the index slowing down. The technical itself remains bearish but with a minor positive divergence with the RSI; again, not a buy signal it does warn we have the potential to see a momentum slow and will need to be monitored.

Supramax

The index continues to weaken with price USD 478 lower at USD 24,234 today. The futures are down but only USD 250 in the August contract, having traded to a low of USD 21,250 we close the day at USD 21,750. Technically we remain bearish with the RSI making new lows, suggesting upside moves are likely to be countertrend at this point. Elliott wave analysis supports the new low in the RSI, as lower timeframe analysis would also suggest that upside moves will be against the trend. Technically bearish the RSI has moved back above 30 on the intraday, implying the futures maybe a little overextended to the downside at this point.

Oil

Oil rose after a two-day decline as signs of tight physical markets outweighed concerns over a potential global slowdown. West Texas Intermediate crude futures rallied as much as 5.8% before tapering gains to trade around \$103 a barrel on Thursday. Sparking off fresh supply worries, Russia ordered a halt to a key Kazakh export terminal that had been expected to load 1.24 million barrels a day in July, according to a plan seen by Bloomberg. Separately, China is considering a \$220 billion stimulus that could potentially bolster demand in the world's biggest oil importer (Bloomberg). Momentum this morning had warned that the futures were vulnerable to further tests to the downside; however, the RSI moved above 50 with the futures trading above USD 105.85 meaning the intraday technical is now bullish. The daily trend is bearish, but the futures are showing a bullish engulfing candle (providing we stay at these levels), warning we could target the 1-hour 200-period MA at USD 111.37 in the near-term.

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