

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	28500	27750	-2.6%	Pmx 1 month forward	18900	18525	-2.0%
Cape Q422	26750	26125	-2.3%	Pmx Q422	18375	18125	-1.4%
Cape Cal 23	18600	18500	-0.5%	Pmx Cal 23	13675	13675	0.0%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	21000	21250	1.2%	Brent	107.15	107.06	-0.1%
Smx Q4 22	18375	18550	1.0%	WTI	104.8	104.32	-0.5%
Smx Cal 23	14287.5	14150	-1.0%	Iron ore	#N/A N/A	110.9	#VALUE!

Iron ore

Source FIS/Bloomberg

Iron ore dropped again after a weekly decline as new virus flare-ups in China hurt the demand outlook. Prices of the steel-making material have plunged by about a third in the past four months in Singapore. They are under renewed pressure after Covid-19 cases in Shanghai climbed to the most since late May, while parts of the China's financial hub face more rounds of mass testing. In a sign of weaker consumption, port stockpiles rose for the second week, and some steel mills have already pledged to cut output (Bloomberg). We noted last week the intraday cycle looked to have completed after the futures traded above the USD 113.40 fractal resistance on the intraday technical. Downside moves below USD 106.45 will indicate some form of wave extension and have bearish implications going forward. However, the onshore cycle remains intact (it has made a new low meaning the minimum requirement for phase completion has been met) with a potential downside target at RMB 668, suggesting the offshore could make a new low tomorrow.

Copper

The futures have rejected the EMA resistance band with price moving lower today. We had previously noted that upside moves should be considered as countertrend, and this remains the case, as the recent upside move is not considered as deep enough at this point. Downside moves that trade below USD 7,291.50 will create a positive divergence with the RSI, not a buy signal it does warn that we have the potential to see a momentum slowdown. technically bearish and in tend.

Capesize

Another positive day on the index with price USD 788 higher at USD 19,613, momentum based on price is now bullish. Having produced a bullish candle pattern last week, the futures are again coming under pressure with the August contract USD 750 lower at USD 27,750. Volume has remained light for most of the trading session suggesting apathy in the market. Downside moves below USD 26,000 will warn the USD 23,897 support could come under pressure. However, if we trade above USD 29,500 then it would indicate that momentum is back to the buyside, warning the USD 30,250 – USD 32,750 resistance levels will be vulnerable.

Panamax

The index continues to come under pressure with price USD 464 lower at USD 18,210. A mixed day in the August futures with price trading to a low of USD 17,875 before closing the day at USD 18,525. The trend remains technically bearish with a potential downside target at USD 17,111; however, our intraday wave cycle is diverging warning we could see a potential momentum slowdown soon. Technically bearish we continue to monitor the intraday divergence, tomorrow's pivot point will be at USD 18,466, if we open above this level, we could see some short covering in the market.

Supramax

The index is slowing down with price only USD 125 lower today at USD 23,672. Bearish in the morning session before reversing its losses in the August contract we closed the day USD 250 higher at USD 21,250. We now have a bullish rejection candle on the daily chart warning price could move higher tomorrow; however, our intraday wave analysis would suggest upside moves should be considered as countertrend at this point. Corrective moves higher that fail at or below USD 23,545 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Technically bearish, momentum now looks to be to the buy side, our wave analysis would suggest caution as any upside move looks like it will be against the trend.

Oil

The intraday technical has just broken a fractal resistance to the upside meaning the 1-hour chart is bullish; however, the daily technical remains bearish. Upside moves that fail at or below USD 109.22 will leave the daily futures vulnerable to further tests to the downside, above this level we have a neutral bias. Only above USD 114.75 is the daily technical bullish. Intraday Elliott wave analysis would suggest that the current upside move is countertrend, warning the USD 98.50 low remains vulnerable at this point.

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