



European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	18500	19250	4.1%	Pmx 1 month forward	17300	17750	2.6%
Cape Q422	19000	19575	3.0%	Pmx Q422	17425	17900	2.7%
Cape Cal 23	15750	16000	1.6%	Pmx Cal 23	13475	13700	1.7%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	18750	19125	2.0%	Brent	96.52	96	-0.5%
Smx Q4 22	17800	18350	3.1%	WTI	90.49	90	-0.5%
Smx Cal 23	13575	13850	2.0%	Iron ore	#N/A N/A	110.3	#VALUE!

Iron ore

Source FIS/Bloomberg

China's steelmakers are about to get some relief after many months of weak demand that triggered warnings about a crisis in the industry. Steel prices are rising, inventories are declining, and the market is heading into what ought to be a busier construction season in September and October. That should help lift battered steelmaker valuations, including for Baoshan Iron & Steel Co., the listed unit of the world's top steelmaker, as well as Maanshan Iron & Steel Co., according to China International Capital Corp. analysts. "We expect the steel sector to embrace an oversold rally amid improving supply-demand conditions in the peak season," CICC analysts Zhang Shuwei and Chen Yan wrote in an emailed note. Construction activity has begun to pick up, and projects that were suspended because of Covid restrictions or the weather will start to resume, they said.

(Bloomberg). From a technical perspective the intraday futures have made a higher high and held the USD 104.15 support level. However, our Elliott wave analysis would suggest the current upside move is currently countertrend, suggesting in the longer-term the USD 95.50 support remains vulnerable. A quite day due to the Singapore holiday.

Copper

The futures remain technically bullish with price above all key moving averages, supported by the RSI above 50. However, the new intraday highs are not being matched by the RSI, warning we have the potential for a momentum slowdown. We also see a 5-wave pattern on the 4-hour chart alongside the divergence, supporting a momentum slowdown. Price is bullish and does have the potential to trade as high as USD 8,244; however, due to the divergence the futures are not considered a technical buy at this point.

Capesize

The index is USD 369 higher today USD 12,521, a close above USD 12,796 will mean momentum is improving based on price. The September futures responded with a move higher, however due to the Singapore holiday this has been on low volume. Technically we remain bearish below USD 20,127 and neutral above; however, the upside move is on the back of a positive divergence warning that futures could form a base around these levels. Technically bearish, there are warning signs that resistance levels could come under pressure.

Panamax

Further weakness in the index today with price USD 180 lower at USD 16,108. Due to the Singapore holiday, we have seen limited price movement; however, we have close USD 450 higher on the day at USD 17,750, meaning the futures are trading at a premium to the index. Although not a buy signal this is warning that we could see the index turn positive soon. Technically, the September contract is bearish with the futures moving higher on the back of a positive divergence, intraday Elliott wave analysis would suggest we have completed the bearish wave 3, implying we are now on a countertrend wave 4. This is a higher timeframe corrective move, meaning it should in theory be greater in time and price than recent upside moves.

Supramax

The index continues to come under pressure with price USD 380 lower at USD 17,997 today. The futures have shrugged of the bearish index and continue to move higher on the back of a positive divergence on the daily technical; however, our intraday Elliott wave oscillator has made a lower low (marginally), warning that the current upside move has the potential to be countertrend. Upside moves that fail at or below USD 22,186 will leave the futures vulnerable to further tests to the downside. The intraday RSI remains below 50 with the stochastic in overbought territory, momentum is warning that the futures are vulnerable to further tests to the downside.

Oil

Oil has given up early gains in the U.S session with price trading at USD 95.55, down USD 1.10 on the day. Technical sellers are defending the 200-period MA on the daily chart, warning the USD 92.78 low could come under pressure. From a technical perspective we are on an Elliott 5th wave (daily chart) with the intraday chart also producing a 5-wave pattern lower from the USD 110.97 high. This would suggest we have potentially seen wave completion, warning we are vulnerable to a test to the upside. However, the technical remains bearish below USD 104.59 and neutral above, if we do trade below USD 92.78 it will mean we are seeing an extension of the 5th wave, warning the USD 86.48 and USD 79.89 support levels could be tested. At this point, it does look like wave completion with key support and resistance levels to follow at USD 92.78 – USD 104.59. From a buying perspective we need to see more upside to convince that we are going to run, a close above the 200-period MA on the daily chart (USD 98.72) would be a good start.

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