

	Previous Close	Current Close	% Change
Cape 1 month forward	11750	11125	-5.3%
Cape Q422	16450	16125	-2.0%
Cape Cal 23	14425	14400	-0.2%

	Previous Close	Current Close	% Change
Pmx 1 month forward	14800	14650	-1.0%
Pmx Q422	15900	16050	0.9%
Pmx Cal 23	12500	12125	-3.0%

	Previous Close	Current Close	% Change
Smx 1 month forward	19900	19250	-3.3%
Smx Q4 22	18125	17550	-3.2%
Smx Cal 23	13725	13400	-2.4%

	Previous Close	Current Close	% Change
Brent	96.58	96.86	0.3%
WTI	90.38	91.13	0.8%
Iron ore	101.9	101.2	-0.7%

Iron Ore

Source FIS/Bloomberg

We have seen a move higher in the evening session with the Sep contract closing the day at USD 102.55, up USD 1.59. The futures remain in a consolidation phase, but the RSI is moving higher on the back of a positive divergence on the intraday technical. Upside moves that fail at or below USD 109.03 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.

Copper

Copper inventories at warehouses tracked by Shanghai Futures Exchanges fall to lowest level in seven months, with power curbs adding to supply pressures. Copper holdings -25% from a week earlier to 31,205 tons as of Friday, lowest since Jan 14, according to bourse data. "Domestic copper supply is relatively tight at the moment," as output has lagged due to power restrictions, says Eric Liu, trader at ASK Resources Co. (Bloomberg). Copper has held key support with price trading above USD 8,095, suggesting we could test and trade above USD 8,214, the futures had looked like they were transitioning to the sell side having previously produced 5 bull waves, if we do make a new high it would imply the 5th wave is extending. I did not see that coming as my bias had been to the sell side despite the futures being bullish corrective at the time. The technical is bullish I have a more neutral view as it is not behaving like I expected it to.

Capesize

Another day of weakness in the index with price USD 921 lower at USD 6,267. The Sep contract moved lower on the open but has done little since, the technical is in a bearish trending environment below all key moving averages with price USD 5,000 above a USD 6,000 index. The RSI is in divergence, which warns of the potential for a momentum slowdown, in theory the futures should move lower, but from a technical perspective it is not a sell from here (I.E opening fresh positions). Technically bearish, the divergence will need to be monitored.

Panamax

The index continues to come under pressure with price another USD 550 lower today at USD 13,852. Having sold lower all week we have seen a more subdued move in the Sep futures today, price moved USD 150 lower to USD 14650 on the open before moving sideways for the rest of the day. The Technical is bearish in a trending environment with upside moves considered as countertrend on the intraday chart. However, there looks to be a minor divergence forming that will need to be monitored, this is not a buy signal but does warn of the potential for a momentum slowdown.

Supramax

The index is bucking the trend but the technical is starting to weaken again on the futures. For more information, please click on the link. Supramax Technical Report 19/08/22 <https://fisapp.com/wp-content/uploads/2022/08/FIS-SUPRAMAX-4-PAGE-TECHNICAL-REPORT-19-08-22.pdf>

Oil

Oil was little changed on the week as lingering concerns over a global economic slowdown overshadow signs of improving US demand.

West Texas Intermediate futures swung between gains and losses on Friday and traded near \$91 a barrel on Friday in another choppy session. US gasoline demand is picking up after pump prices tumbled and OPEC's new secretary-general sounded a warning over "scarce" spare oil-production capacity, but concerns about weakening economic growth around the world continue to daunt the market. Expectations for growth in supply amid Iran nuclear talks have also weighed on prices. "Crude will be very choppy and volatile until we get clarity on how that plays out," said Rebecca Babin, a senior energy trader at CIBC Private Wealth Management. (Bloomberg). The futures traded above key resistance last night meaning the technical had a neutral bias, the downside move today held above the USD 93.51 support mentioned in the morning technical with price moving trading above yesterday high this afternoon. The downside technical is looking like it has probably completed, suggesting the USD 100.38 fractal high should come under pressure next week.

Written by **Ed Hutton**, FIS Senior Technical Research Analyst

EdwardH@freightinvestor.com