

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	17050	17125	0.4%	Pmx 1 month forward	10600	10337.5	-2.5%
Cape Q3 23	17925	17550	-2.1%	Pmx Q3 23	11625	11325	-2.6%
Cape Cal 24	14750	14525	-1.5%	Pmx Cal 24	11225	11100	-1.1%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	10225	10200	-0.2%	Brent	75.04	72.64	-3.2%
Smx Q23 23	11650	11375	-2.4%	WTI	70.35	67.86	-3.5%
Smx Cal 24	11400	11300	-0.9%	Iron ore	112.6	109.25	-3.0%

Iron Ore

Source FIS/Bloomberg

Iron ore fell for the first time in nine sessions as Goldman Sachs Group Inc. warned that property weakness would likely be a multiyear growth drag for China’s economy. The steel-making staple dropped almost 5% in Singapore after the investment bank said in a note that it sees persistent problems in Chinese real estate, mainly related to lower-tier cities and private developer financing. There was no quick fix and the property recovery was likely to be “L-shaped,” according to Goldman (Bloomberg). The futures have entered a corrective phase with the July contract trading to a low of USD 107.35; however, we are now consolidating on the EMA support band with near-term resistance at USD 113.45, technically we remain bullish on the intraday in what looks to be a countertrend Elliott wave B higher, suggesting caution on upside moves.

Copper

Technically bullish with a neutral bias in the morning report, we were cautious on upside moves due to the futures moving lower on the back of a negative divergence. A bit of a mixed day on the technical, having initially moved lower the futures held the 60-period EMA in the morning session before coming under pressure again on the U.S open. Going into the close the futures are back trading in the EMA support band with the RSI neutral at 50. Key support to now follow is at USD 8,246, if broken, the intraday technical is bearish.

Capesize

The index is now seeing a momentum slowdown with price USD 142 higher at USD 12,702. However, the July futures have had a bit of a mixed day, having initially come under pressure in the morning to trade at a low of USD 16,375. We have seen buy-side support this afternoon with the futures closing the day at USD 17,125. For more information on the technical, please click on the link. Capesize Technical Report 12/06/23 <https://fisapp.com/wp-content/uploads/2023/06/FIS-CAPE-SIZE-4-PAGE-TECHNICAL-REPORT-12-06-23.pdf>

Panamax

The index started slowing down last week, resulting in price coming in USD 21 lower today at USD 8,959. The July futures sold off on the open with price spending most of the session trading around the low at USD 10,150. The intraday technical is bullish based on price; however, the Elliott wave cycle continues to suggest that upside moves should be considered as countertrend, meaning the USD 8,250 support remains vulnerable. Near-term support is at USD 9,593, if broken, the probability of the futures testing the low will increase based on the deep pullback.

Supramax

We continue to move lower in the index with price down USD 109 at USD 7,984 today. The July futures continue to consolidate with price moving sideways to close the day USD 25.00 lower at USD 10,200. From a technical perspective we maintain our view based on Elliott wave analysis that upside moves should be considered as countertrend at this point.

Oil

Oil extended losses as Goldman Sachs Group Inc. cut its price forecast again, adding to a drumbeat of concerns about the outlook for demand. West Texas Intermediate slumped below \$68 a barrel after Goldman — which has had one of the more bullish forecasts for crude — made its third downward price revision for the global benchmark in six months, trimming its estimate to \$86 for the end of the year on rising supplies and waning demand. “Beyond the fact that a vocal crude bull cut their crude forecast again, physical market indicators also are shaking confidence of bulls expecting the market to shift from a surplus to a deficit in the coming months,” said Rebecca Babin, a senior energy trader at CIBC Private Wealth. “Time spreads, which are the holy grail for traders assessing supply and demand dynamics, continue to deteriorate, fueling a massive risk aversion and prompting shorts to maintain pressure on prices.” (Bloomberg). As noted on the morning technical, a close on the 4-hour candle below USD 73.58 will warn that support levels could come under pressure. The futures did produce a bearish close, resulting in price trading to a low of USD 71.69 before finding buying support. We close the E.U session USD 1.98 lower at USD 72.81. We maintain our view based on intraday Elliott wave analysis that the USD 70.12 fractal low remains vulnerable.

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