

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	16350	14750	-9.8%	Pmx 1 month forward	8775	9550	8.8%
Cape Q3 23	16375	15000	-8.4%	Pmx Q3 23	10125	9550	-5.7%
Cape Cal 24	14350	13725	-4.4%	Pmx Cal 24	10725	10300	-4.0%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	9250	9700	4.9%	Brent	74.91	75.81	1.2%
Smx Q23 23	10212.5	9700	-5.0%	WTI	70.45	70.98	0.8%
Smx Cal 24	10950	10500	-4.1%	Iron ore	109.05	108.55	-0.5%

Iron Ore

Source FIS/Bloomberg

Northern Chinese city of Tangshan will limit steel production from July 1–31 as the air quality worsened, according to a report from Mysteel.com, a China-based commodities data provider. Eleven steel mills with an A rating, the higher environmental protection performance rating, are required to cut their output by 30%. Steel companies with lower performance rating on environmental protection must cut their production by 50% in July. It is estimated that mills in the steel hub currently have sintered ore stockpile that can be used for about 20 days, the report says (Bloomberg). Iron ore futures have followed the steel futures higher on the back of the output cuts today with the August futures moving a couple of dollars off their low, to close the day at USD 109.05. Technically we remain bullish with a neutral bias at this point with USD 107.05 the key support to follow in both July and August at this point.

Copper

Copper edged higher as traders weighed weak economic data from China and rising stockpiles against the prospect for less tight monetary policy in the US. Figures from China on Monday showed the top metal-consuming economy is still struggling to rebound following prolonged lockdowns. The country's manufacturing activity expanded at a slower pace last month as companies turned more cautious about their output outlook (Bloomberg). The futures have traded for most of the session between the EMA resistance band, the technical remains bearish but with a neutral bias, above USD 8,470.5 the technical is bullish based on price; however, as noted this morning, upside moves that fail at or below USD 8,517 will warn that there is potentially a larger corrective Elliott wave cycle in play.

Capesize

The index is another USD 441 lower today at USD 14,750 today. The August futures closed the gap created by the roll this morning with price continuing to move lower for the remainder of the session. Going into the close we are now trading below the USD 14,925 fractal support, meaning the intraday technical is now bearish, warning that the USD 13,375 low is now vulnerable.

Panamax

Another bear day in the index with price USD 143 lower at USD 7,794 today. The futures had gapped higher on the open due to the roll in the August contract; however, price has come under pressure with the August contract selling USD 800 lower. We noted this morning that markets like to close gaps warning that the USD 8,950 support could come under pressure, as the longer-term Elliott wave cycle remains bearish. The technical is bearish with a neutral bias due to the function of the roll; however, we maintain our longer-term view that the USD 8,250 support remains vulnerable.

Supramax

Having produced a couple of positive figures in recent days the index came in USD 20 lower today at USD 8,221. The roll into the futures did put the rolling front month technical higher today; however, like the Panamax the futures have seen selling pressure for the remainder of the session. For more information on the technical, please click on the link. Supramax Technical Report 03/07/23 <https://fisapp.com/wp-content/uploads/2023/07/FIS-SUPRAMAX-4-PAGE-TECHNICAL-REPORT-03-07-23.pdf>

Oil

Oil trimmed gains stemming from Saudi Arabia's pledge to extend its voluntary output cuts by another month. West Texas Intermediate traded near \$70 a barrel in a low-volume session, slipping after data showed US factory activity shrunk by the most in three years. Oil traded higher overnight after Riyadh said its already slashing an additional 1 million barrels a day of supply, and will continue that reduction into August. Shortly afterward, Moscow announced a 500,000-barrel-a-day cut to crude exports next month. The twin moves are part of a wider effort by major oil producers to prop up prices. So far this year they've had little success, with benchmark Brent down by about 11% as China's recovery sputters, traders fear a potential recession in the US, and robust exports from Russia and Iran swell supplies (Bloomberg). Going into the close the futures are trading USD .47 higher at USD 75.88 in what has been a mixed session. The move higher this morning put price above the 55 period MA; however, we initially failed to hold before finding support on the 21 period EMA's. Technically we remain bearish within the wave cycle, but we have more of a neutral view due to the consolidation alongside the support zone that has formed.

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