

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	13950	14475	3.8%	Pmx 1 month forward	9475	10100	6.6%
Cape Q3 23	14250	14750	3.5%	Pmx Q3 23	9550	10125	6.0%
Cape Cal 24	13650	13700	0.4%	Pmx Cal 24	10375	10525	1.4%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	9500	10000	5.3%	Brent	77.79	79.29	1.9%
Smx Q23 23	9612.5	10025	4.3%	WTI	73.21	74.69	2.0%
Smx Cal 24	10425	10550	1.2%	Iron ore	103.45	106	2.5%

Iron ore

Source FIS/Bloomberg

Conditions in the Chinese economy are worse than the world thinks, a self-exiled property entrepreneur told The New York Times. According to Desmond Shum — once at the head of a multibillion-dollar development firm that he left in 2015 upon tighter control by Beijing — sales across industries, even those thought to be insulated from any slowdown, are falling, and the economic outlook among Chinese consumers is so dire that executives are reporting blatant acts of theft by employees. "Several things have shocked me in conversations I've had with businesspeople in China," he said. "A big dairy company is producing more milk powder because people are cutting back on buying milk. Normally this is one of the last things you would cut out." (Bloomberg). With Chinese central bank extending support to the property sector yesterday, alongside the rate cut last month we have seen iron ore price move higher today, after slumping yesterday as stimulus hopes remain at the forefront of traders minds . However, this looks to be a sentiment move, which is potentially too early, the technical in the rolling front month is telling a different story. The futures are higher with the August contract trading up to the base of the resistance zone (USD 107.05) highlighted in this morning's report. This is a key resistance area, with our intraday Elliott wave analysis suggesting the upside move is potentially countertrend, it would suggest caution as we could potentially see a reversal soon.

Copper

Technically bearish with a neutral bias this morning, the futures were moving higher with the MA on the RSI suggesting momentum was supported, warning resistance levels looked vulnerable. However, we noted that the futures were trading in the daily EMA resistance band, which from a technical perspective suggested caution, leaving us with a more neutral view. The futures have moved lower resulting in price breaching the USD 8,307 Fibonacci support, implying that the USD 8,285 fractal low is now vulnerable, if broken we target the USD 8,236 level in the near-term.

Capesize

The index had been rising for the last couple of days with momentum based on price becoming aligned to the buy-side yesterday; however, we needed another bullish number today for confirmation that we had turned. The index has come in USD 36 lower at USD 12,858, meaning we still need confirmation with another higher number, a close below USD 12,643 will mean it will be aligned to the sell side. The futures have started to consolidate a little with price holding above the USD 13,703 support but failing to test the USD 15,000 resistance. Technically we remain unchanged with our intraday Elliott wave analysis suggesting we still have the potential to move lower. We close the day USD 425 higher at USD 14,375 with tomorrow's pivot point at USD 14,300, market buyers will want to see the futures open above this level, otherwise the USD 13,703 support could come under pressure.

Panamax

The index is USD 277 higher today at USD 7,907, confirming momentum based on price is now aligned to the buy-side. The futures have had a positive day with price trading to a high of USD 10,375 before closing the day USD 650 higher at USD 10,100. The final candle of the day is a bearish rejection candle on the 4-hour chart, suggesting caution going into the close. For more information on the technical, please click on the link. Panamax Technical Report 11/07/23 <https://fisapp.com/wp-content/uploads/2023/07/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-11-07-23.pdf>

Supramax

The index is USD 45 higher today at USD 8,012, meaning momentum based on price is turning to the buy-side; however, we will need another move higher tomorrow for confirmation. The futures remain bearish but with a neutral bias with the August contract closing the day USD 500 higher at USD 10,000. Technically the futures are still bearish with key resistance on the Elliott wave cycle at USD 10,848; however, based on the fact the futures are rising on a divergence, having achieved the minimum requirement for phase/cycle completion, we do not consider the futures a technical sell at this point.

Oil

(MarketWatch) -- Analysts expect the EIA on Wednesday to report a weekly fall in U.S. crude supply. Oil futures traded slightly higher on Tuesday as investors awaited U.S. supply data and an update on U.S. inflation in June due Wednesday. Global benchmark Brent oil saw prices settle at their highest level since early May on Friday, as U.S. benchmark WTI oil marked their highest finish since late May. Some analysts believe the recent rise could be a sign that prices are heading even higher, with Brent perhaps moving past \$80 a barrel for the first time since April. "While it is still trading around the range highs since early May, the break of the recent high could be viewed as a bullish step that could give it the momentum to break back above \$80," said Craig Erlam, senior market analyst at OANDA. Investors are looking ahead to U.S. weekly inventory data from the American Petroleum Institute later Tuesday and the U.S. Energy Information Administration due Wednesday (Bloomberg). The futures had a minor divergence in play this morning that warned we could see a pullback; however, we only had a small move lower to USD 77.63 before closing the day USD 1.63 higher at USD 79.32. The intraday technical based on the RSI movement continues to suggest that downside moves will be countertrend in the near-term. Key near-term resistance remains unchanged at USD 80.24.

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