



European Close

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	14150	13125	-7.2%	Pmx 1 month forward	9375	8887.5	-5.2%
Cape Q4 23	15975	15700	-1.7%	Pmx Q4 23	10500	10350	-1.4%
Cape Cal 24	13650	13575	-0.5%	Pmx Cal 24	10250	10250	0.0%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	9775	9425	-3.6%	Brent	79.63	78.7	-1.2%
Smx Q4 23	10675	10475	-1.9%	WTI	75.27	74.33	-1.2%
Smx Cal 24	10375	10375	0.0%	Iron ore	114.35	112.55	-1.6%

Iron Ore

Source FIS/Bloomberg

Iron ore dropped in the Asian days session after Chinese growth missed estimates; however, the August futures found support above the USD 110.95 level (Low USD 111.60) resulting in price moving higher into the close. We noted in the morning report that downside moves looked to be countertrend based on the RSI making a new high on Friday, meaning resistance levels remain vulnerable. At this point bid support is still light with price closing the day at USD 113.05, but we are seeing intraday candles make higher highs and higher lows, indicating the futures are supported into the close.

Copper

Like iron ore, copper moved lower today on the back of the earnings miss in China. However, we have continued to move lower in the E.U./U.S. session with price breaching the USD 8,446 support. Technically we are still bullish, but the deep pullback now means the probability of the futures trading at a new high has now decreased, suggesting caution on moves higher at this point. Upside moves that fail at or below USD 8,603 will leave the futures vulnerable to further tests to the downside.

Capesize

The index is another USD 336 lower today at USD 13,386. The futures have traded below the USD 13,703 support, meaning the USD 13,125 fractal low is coming under pressure. For more information on the technical, please click on the link. Capesize Technical Report 17/07/23 <https://fisapp.com/wp-content/uploads/2023/07/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-17-07-23.pdf>

Cape v Pmx Technical Report

Cape v Pmx Technical Report 17/07/23 <https://fisapp.com/wp-content/uploads/2023/07/FIS-CAPE-V-PMX-3-PAGE-TECHNICAL-REPORT-17-07-23.pdf>

Panamax

Having turned on Friday the index is another USD 97 lower today at USD 8,420. The technical was bullish with a neutral bias this morning but the MA on the RSI suggested momentum was weak. The futures have now traded below the USD 9,125 fractal support, meaning the technical is bearish, in line with our Elliott wave analysis. This would suggest that the USD 8,575 and USD 8250 fractal support levels are now vulnerable, implying we should in theory move lower again tomorrow.

Supramax

The index was slowing down into the end of the week with price coming in USD 10 lower today at USD 8,168. This has resulted in the August futures trading below the USD 9,375 support, meaning the USD 9,000 fractal low is vulnerable. The MA on the RSI indicates momentum is weak; however, as noted previously, we are cautious on downside moves as the futures have achieved the minimum requirement for phase/cycle completion. We may move lower, but from a technical perspective the rolling front month is not considered a sell due to the divergence.

Oil

Oil declined again as disappointing Chinese economic data and a resumption of Libyan production undercut signs of a tightening market. West Texas Intermediate traded around \$75 a barrel on Monday after protesters left Sharara, one of Libya's biggest oil fields, allowing production to restart. Meanwhile, China's economy expanded more slowly than expected in the second quarter, though apparent oil demand grew 14% last month from a year earlier. The losses were limited by a broader risk-on sentiment and signs of a tightening market (Bloomberg). The futures are in a corrective phase with price currently holding above the 50% Fibonacci retracement at USD 78.38. We have mixed signals here, the RSI had recently made a new high suggesting downside moves looked to potentially be countertrend, as momentum was supported. We are holding above the key support at USD 77.30; however, we have a note of caution as the RSI has moved from 74 to below 50, with its MA now sloping lower. There may be another move higher to come; however, in the very near-term the technical is suggesting that the next intraday move higher looks like it will potentially be countertrend, making USD 80.56 the key resistance to follow. What had looked like a solid intraday move higher with momentum support, is now looking vulnerable. It could be that we are looking at a 3-wave corrective pattern, but it could be something more, meaning we will take a neutral view until there is clarity.

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

EdwardH@freightinvestor.com