

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	16125	15500	-3.9%	Pmx 1 month forward	10900	10800	-0.9%
Cape Q4 23	16400	16200	-1.2%	Pmx Q4 23	11500	11375	-1.1%
Cape Cal 24	14250	14100	-1.1%	Pmx Cal 24	11075	10925	-1.4%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	10275	10150	-1.2%	Brent	85.91	85.58	-0.4%
Smx Q4 23	11125	10975	-1.3%	WTI	82.47	82.19	-0.3%
Smx Cal 24	10975	10900	-0.7%	Iron ore	101.35	99.9	-1.4%

Iron Ore

Source FIS/Bloomberg

Iron ore has suffered more than many commodities YTD and the news flow from China suggests that further losses are in store as 3Q unfolds. After dipping below the \$100 a ton threshold in intraday trade a couple of times over the past week, there's now a growing likelihood that futures will soon post a close in two-figure territory. The reset lower testifies to challenging conditions in the steel-making staple's biggest market just as leading miners push out the tons. The trade snapshot earlier Tuesday paints a picture of recovery that's struggling for traction. On top of that, the property sector's malaise continues, with concern over the ability of a major developer, Country Garden, to meet debt payments (Bloomberg). The Sep futures remain technically bearish having moved lower in today; however, as noted in the morning technical a move below USD 99,20 will create a positive divergence with the RSI, suggesting caution on downside breakouts at this point.

Copper

Copper hit a one-month low after worse-than-expected trade data from China underscored the tepid recovery in the top metals-consuming economy. Prices fell as much as 2.4% on the London Metal Exchange after China's customs administration said exports fell 15% year-on-year in dollar terms in July — the worst decline since February 2020. Imports contracted 12%. Both figures were worse than the estimates from economists polled by Bloomberg, and the data sparked a risk-off mood across financial markets. Copper, a barometer of the global economy, has been struggling for direction in recent weeks as investors assess the path of US rate hikes and China's lacklustre recovery (Bloomberg). The futures were bearish this morning with a potential downside target at USD 8,436. However, a new low would have created a positive divergence with the RSI, suggesting caution, for this reason we did not have the futures as a technical sell. Price has broken aggressively to the downside, meaning the divergence has failed, implying there could be more downside to come. I didn't see it on the technical this morning, but the divergence failure would suggest that upside moves should now be considered as countertrend in the near-term.

Capesize

The index did not produce the upside move we had been looking for today which was needed to confirm that momentum based on price was to the buy side, price came in USD 401 lower at USD 14,791. The Sep futures came under pressure on the open due to a negative divergence in play, resulting in price closing the day USD 625 lower at USD 15,500. The technical remains in bull territory above USD 14,969 with price neutral below this level, due to the divergence we are a cautious bull at this point.

Panamax

The index is another USD 381 higher today at USD 9,418. For more information on the technical, please click on the link. Panamax Technical Report 08/08/23 <https://fisapp.com/wp-content/uploads/2023/08/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-08-08-23.pdf>

Supramax

A positive number on the index today with price USD 35 higher at USD 7,580. The upside move in the Sep futures has failed to see any follow through, we traded to a high of USD 10,400 before closing the day at USD 10,150, meaning the fractal resistance has held, the technical remains bearish with a neutral bias. The index has turned higher, but the futures are trading USD 2,500 above the index, suggesting upside moves could be limited until we see a significant momentum push in the physical, implying support levels remain vulnerable at this point.

Oil

The futures were in bullish territory this morning but correcting on the back of a negative divergence with the RSI, implying support levels were vulnerable. We continued to move lower with price trading below but failing to hold below the USD 83.82 level; however, the breach in support means the technical although bullish now has a neutral bias. We remain cautious on upside moves as the futures will create further divergences above USD 86.73. Bullish with a neutral bias, from a technical perspective the futures are not considered a buy at this point. As we have multiple divergences in play.

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

EdwardH@freightinvestor.com

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