



# European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	15500	15500	0.0%	Pmx 1 month forward	10800	11025	2.1%
Cape Q4 23	16200	16200	0.0%	Pmx Q4 23	11375	11600	2.0%
Cape Cal 24	14100	14250	1.1%	Pmx Cal 24	10925	10975	0.5%

  

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	10150	10250	1.0%	Brent	86.18	86.88	0.8%
Smx Q4 23	10975	11200	2.1%	WTI	82.84	83.69	1.0%
Smx Cal 24	10900	10975	0.7%	Iron ore	99.9	101.35	1.5%

Iron Ore

Source FIS/Bloomberg

Not a technical sell yesterday the futures have moved higher in the Asian day session resulting in price testing the 34-period EMA. Technically we are bearish, but the futures are not considered a technical sell at this point due to the divergence in play. We maintain a longer-term Elliott wave view that upside moves look like they should be considered as countertrend.

## Copper

Copper rebounded from the lowest close in almost a month as investors bet on more Chinese stimulus to boost commodities demand. Consumer and producer prices in the top metal-consuming nation both declined in July from a year earlier, data showed Wednesday. Markets may be boosted by the confirmation of deflation, on the expectation it will energize a response from the Chinese authorities. "With each additional data pointing to a slowdown in growth, the closer we move to some kind of bazooka-style policy response," said Ole Hansen, head of commodities strategy at Saxo Bank A/S. "The demand headwinds for copper are growing, and that's creating a bit of a battle between those with a long-term bullish view and those who are bearish on the short-term macro outlook." (Bloomberg). The futures have seen light bid support today with price USD 82.50 higher at USD 8,430. However, the downside move yesterday resulted in divergence failure, meaning the RSI traded to a new low. Momentum would suggest that the current upside move on the intraday technical looks to be countertrend at this point, making USD 8,543 the key resistance to follow.

## Capesize

The index is USD 265 lower today at USD 14,526. A muted day in the futures with Singapore on Holiday; having moved lower yesterday we have seen price move sideways today to settle USD 100 lower at USD 15,400. Technically we remain a cautious bull as the pullback yesterday is on the back of a negative divergence with the RSI, if we trade below USD 15,186 then we will have a neutral bias based on the depth of the pullback.

## Panamax

The index is another USD 344 higher today at USD 9,762, meaning buyside momentum remains supported. Having sold lower yesterday on the back of a negative divergence with the RSI, the futures have held the USD 10,765 Fibonacci support, resulting in a small move higher, meaning the Sep contract has closed the day USD 250 higher at USD 11,050. Intraday Elliott wave analysis continues to suggest that we have a potential upside target at USD 11,181; however, we have a note of caution due to the divergence in play.

## Supramax

The index is USD 71 higher today at USD 7,651. For more information on the technical, please click on the link. Supramax Technical Report 09/08/23 <https://fisapp.com/wp-content/uploads/2023/08/FIS-SUPRAMAX-4-PAGE-TECHNICAL-REPORT-09-08-23.pdf>

## Oil

Oil climbed to the highest in almost nine months on concern that a possible escalation of the conflict between Russia and Ukraine may choke off supplies in an already tightening market. West Texas Intermediate futures briefly traded above \$84 a barrel, breaking through an earlier high for the year set in April. Prices held onto gains even after US government data showed crude inventories rose by about 5 million barrels last week as investors focused on fuel stockpiles that declined by the most in three months. “The demand-concern narrative is not a topic today as product inventories are low,” said Giovanni Staunovo, an analyst at UBS Group AG. “It is more a market-tightness narrative that is driving oil.” Technical factors also are supporting prices after crude breached its April high, he added (Bloomberg). Technically bullish on the report this morning, we noted that the USD 86.73 fractal high could be tested and broken. However, although bullish, we did not have the futures as a technical buy as price would create another negative divergence on an upside breakout. The futures traded to a high of USD 87.65 before trading down to USD 86.88 into the European close. We are bullish, but we now have three negative divergences in play, for this reason, we maintain our view that the futures are not considered a technical buy at these levels.

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