



European Close

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	Previous Close	Current Close	% Change
Cape 1 month forward	15525	15850	2.1%
Cape Q4 23	16600	16800	1.2%
Cape Cal 24	14550	14475	-0.5%

	Previous Close	Current Close	% Change
Pmx 1 month forward	12625	12625	0.0%
Pmx Q4 23	12400	12525	1.0%
Pmx Cal 24	11650	11600	-0.4%

	Previous Close	Current Close	% Change
Smx 1 month forward	11375	11225	-1.3%
Smx Q4 23	12075	11900	-1.4%
Smx Cal 24	11500	11500	0.0%

	Previous Close	Current Close	% Change
Brent	86.73	85.89	-1.0%
WTI	83.04	82.2	-1.0%
Iron ore	102.5	100.25	-2.2%

Iron Ore

Source FIS/Bloomberg

Chinese developer Country Garden Holdings Co. is seeking to extend a maturing bond for the first time, in a sign of increasing urgency amid a worsening cash crunch that's exacerbating the country's broader property debt crisis. The builder is soliciting some bondholders' feedback on a proposal to extend payment of a yuan note due Sept. 2 with amortized disbursements over 36 months, people familiar with the matter said, asking not to be identified discussing a private matter. The bond has 3.9 billion yuan (\$537 million) of principal outstanding, according to data compiled by Bloomberg. The news comes after other people said last week that Country Garden was considering extending some soon-to-mature securities. Some representatives of bank China International Capital Corp. told some noteholders that its bond-underwriting team had been engaged to explore options for yuan-note maturities, they said (Bloomberg). The Sep futures came under pressure in the Asian day session, a move below USD 99.20 will confirm we are on a bearish Elliott wave 5 for this phase of the cycle with a potential downside target between 94.34 – USD 94.00. However, a new low will mean the futures are in divergence with the RSI, not a buy signal, it is a warning that we could see a momentum slowdown and will need to be monitored.

Copper

Copper traded little changed near its lowest close in more than a month as China's worsening property slump damped market sentiment and the commodities demand outlook (Bloomberg). Technically bearish on the morning report, we noted that the futures were in divergence with the RSI, warning we could see a momentum slowdown; however, our intraday Elliott wave analysis suggested we had a potential downside target at USD 8,132, we were a cautious bear due to the divergence. The futures traded to a new low, but the move failed to hold with price only USD 16.50 lower at USD 8,278 going into the European close. We remain bearish but with a note of caution due to the divergence in play.

Capesize

The index is USD 183 lower today at USD 13,017, meaning we are starting to see a slowdown on the downside move. For more information on the technical, please click on the link. Capesize Technical Report 14/08/23 <https://fisapp.com/wp-content/uploads/2023/08/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-14-08-23.pdf>

Panamax

The index is USD 244 higher today at USD 10,945. Technically we remain bullish but the daily moves to the upside are slowing down to more normal levels. We noted in the morning report last week and again today that the new high in the RSI would suggest that downside moves have the potential to be countertrend. The futures have had a small dip on the open but remain supported with the Sep futures relatively flat on the day going into the close (USD 100 lower at USD 12,252). However, we did match the USD 12,700 high meaning we have a potential divergence in play with the pullback on the open confirming a lower timeframe wave 4, meaning downside moves do have the potential to be bearish going forward.

Supramax

The index is another USD 185 higher today at USD 8,193. Having moved higher on Friday the Sep contract came under pressure on the open before finding light bid support. We have closed the day USD 150 lower at USD 11,225; however, our lower timeframe Elliott wave analysis continues to suggest that intraday downside moves have the potential to be countertrend, making USD 10,298 the key support to follow.

Oil

Oil's seven-week rally fizzled amid a slump in summertime liquidity, leaving the commodity at the mercy of volatile, broader markets. While signs of tightening physical supplies had in recent weeks pushed crude futures to the longest streak of gains in a year, West Texas Intermediate on Monday see-sawed in tandem with Wall Street on fresh concerns about China's economy. Open interest in US crude is hovering near the lowest levels this year as investors travel during the summer (Bloomberg). We remain technically bullish as highlighted in the morning report with the potential to see one more test to the upside. However, the futures are in divergence, suggesting caution, making USD 84.94 the key support to follow. The lowering open interest in the US contract in a bull trend does suggest market longs have been exiting, potentially due to summer trading, but it could be because we are technically vulnerable. The futures are USD .85 down at USD 85.96 going into the close, but price remains above key support at this point. A cautious bull as we have warning signs that the technical is weakening.

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