



European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	15850	16950	6.9%	Pmx 1 month forward	12625	13375	5.9%
Cape Q4 23	16800	17725	5.5%	Pmx Q4 23	12525	13225	5.6%
Cape Cal 24	14475	14725	1.7%	Pmx Cal 24	11600	11850	2.2%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	11225	11750	4.7%	Brent	86.23	84.64	-1.8%
Smx Q4 23	11900	12350	3.8%	WTI	82.47	80.74	-2.1%
Smx Cal 24	11500	11700	1.7%	Iron ore	100.25	101.05	0.8%

Iron Ore

Source FIS/Bloomberg

Having sold lower into the close yesterday, the Sep futures have found light bid support today on the back of interest rate cuts in China. Technically we remain in a consolidation phase with price below the EMA resistance band whilst the RSI remains below 50. Our intraday Elliott wave analysis would suggest that upside moves should still be considered as countertrend at this point, whilst a move below USD 99.20 will signal we are on wave 5 of the current cycle.

Copper

Copper and zinc extended declines to the lowest since June as exchange inventories continued a rebound, easing the strain on buyers who've faced chronic constraints on spot supplies. Zinc fell as much as 1.9% as stockpiles tracked by the London Metal Exchange jumped to the highest since April 2022. Copper inventories rose for a sixth day, extending a modest recovery from extreme lows seen earlier this year (Bloomberg). We were a cautious bear on the morning report due to the positive divergence in play; however, our intraday Elliott wave analysis suggested that we had a potential downside target at USD 8,132. The futures have broken to the downside with price trading to a low of USD 8,163, implying our downside target could soon come under pressure. Due to a lower timeframe divergence, we remain a cautious bear at this point.

Capesize

The index has turned to the buyside today with price USD 227 higher at USD 13,244. Technically bullish in the morning report, the futures had traded to a new high with price in divergence with the RSI, not a sell signal it warned that we had the potential to see a momentum slowdown. However, we noted that if the futures traded to our upside target at USD 16,948 there would be a chance that we would be looking at Elliott wave extension, as the lower timeframe divergence will have failed. The futures continued to move higher with Sep contract closing the day USD 1,100 higher at USD 16,950. The lower timeframe divergence has failed, suggesting intraday downside moves should be considered as countertrend, implying there is further upside in this cycle.

Panamax

A stronger index today with price USD 429 higher today at USD 11,374. This in turn has had a positive effect on the futures. For more information on the technical please click on the link. Panamax Technical Report 15/08/23 <https://fisapp.com/wp-content/uploads/2023/08/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-15-08-23.pdf>

Supramax

Buyside momentum in the index continues to increase with price rising USD 297 to USD 8,490. Like the rest of the freight complex the Sep futures have moved higher today with price closing the day USD 525 higher at USD 11,750. Last week we noted that the carry at 29% had bullish implications rather than bearish, as the ratio signaled that we could see the index enter a bullish run. We are seeing the carry at USD 3,260 with the index now moving higher whilst intraday Elliott wave analysis would suggest that downside moves in the Sep futures should be considered as countertrend. Technically bullish.

Oil

Oil prices plunged to the lowest in a week on growing concerns that China's faltering economy will erode demand in the world's biggest importer of crude. US oil futures slid to trade around \$81 a barrel, dropping in tandem with equity markets, despite strength in underlying physical markets for the commodity. An unexpected interest-rate cut by China's central bank underscored issues besetting Beijing, from a worsening property slump and weak consumer spending to fears over shadow banking (Bloomberg). We noted in the morning report that the Elliott wave analysis suggested that we had the potential for one more wave higher. However, the MA on the RSI suggested that momentum was weak whilst the RSI had moved below the 50 level, meaning the stochastic was less relevant, suggesting support levels were vulnerable. The futures have moved lower with price trading below the USD 84.94 support, the technical now has a neutral bias, meaning the probability of the futures trading to a new high has decreased.

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