EMISSIONS | OIL | FERROUS | FREIGHT | AGRI | METALS | ENERGY | PHYSICAL FREIGHT

FIS

European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	13825	13475	-2.5%	Pmx 1 month forward	11850	11425	-3.6%
Cape Q4 23	15850	15500	-2.2%	Pmx Q4 23	11900	11650	-2.1%
Cape Cal 24	13900	13700	-1.4%	Pmx Cal 24	10987.5	10775	-1.9%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	11375	11025	-3.1%	Brent	83.89	83.27	-0.7%
Smx Q4 23	11425	11300	-1.1%	WTI	80.25	78.95	-1.6%
Smx Cal 24	10950	10750	-1.8%	Iron ore	110.65	113.25	2.3%

Iron Ore Source FIS/Bloomberg

Technically bullish on the morning report with the Elliott wave cycle now neutral. We noted on the morning report that both price and the RSI were making new highs, suggesting downside moves should be considered as countertrend. Having moved over 10% higher in a single wave with price over 6% above the EMA support band, the futures were starting to look vulnerable to a technical pullback, suggesting caution on upside moves. The Sep futures have seen a small move higher in the evening session; however, we continue to maintain a cautious view as the futures remain vulnerable to a mean reversion back to the EMA support band.

Copper

Base metals gained with a broader rally in risk assets as traders weighed poor Euro area data that spurred bets on less tightening by the region's central bank. Copper, aluminium and zinc all rose with a rally in European stocks and US equity futures. Statistics from Germany and France showed private sector activity was contracting, prompting bets on a shift toward a pause in European Central Bank interest-rate increases next month (Bloomberg). Price has been moving higher on the back of a positive divergence that formed on the 16/08, due to this we have not considered the futures a technical sell. The technical although bearish has a neutral bias, due to the depth of the pullback, the probability of the futures trading to a new low had decreasing. We noted on the morning report that momentum was supported, warning that the USD 8,494 fractal resistance was vulnerable. The futures continued to move higher with price trading up USD 80 at USD 8,442 going into the close. We maintain our view that the USD 8,494 fractal resistance remains vulnerable at this point.

Capesize

A poor index today with price USD 802 lower at USD 11,315. Technically the Sep futures are bearish with upside moves considered as countertrend; however, we continue to have a note of caution due to the futures trading 24% lower in a single move. For more information on the technical please click on the link. Capesize Technical Report 23/08/23 https://fisapp.com/wp-content/uploads/2023/08/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-23-08-23.pdf



Panamax

The index continues to weaken with price coming in USD 384 lower today at USD 11,927. We had a neutral view on the Sep futures this morning as intraday momentum suggested that the USD 11,413 support remained vulnerable, below this level the probability of price trading to a new high would decrease. Countering this, the daily RSI remained above 50 with the faster moving momentum indictors in oversold territory, meaning we had a confliction on the technical. The Sep contract has traded below the USD 11,413 support, to a low of USD 11,375, the technical now has a neutral bias. However, the futures are not considered a technical sell at this level, for this reason we maintain a neutral view.

Supramax

Momentum on the index is now slowing with price only USD 2.00 higher today at USD 10,006. Having moved higher yesterday the Sep futures opened low today; however, price continues to hold above the USD 10,825 support with the daily RSI holding above 50 whilst faster moving momentum indicators are currently oversold. Intraday momentum continues to suggest that the futures remain weak but the daily technical would suggest that the futures are not considered a technical sell at these levels, as the futures are vulnerable to buyside support on the higher timeframe.

Oil

Oil pared losses as US stockpiles dropped to the lowest level this year and a rally in equities bolstered risk assets. West Texas Intermediate traded above \$79, rebounding from an earlier plunge below \$78. US crude inventories dwindled to the lowest since December 2022, according to a government report Wednesday, showing that supplies remain tight despite concerns about a potential slowdown in demand. Inventories at the nation's biggest storage hub in Cushing, Oklahoma, slid the most since October 2021. While the bullish stockpile report supports oil prices, the market moves are "all macro right now," said Rob Thummel, a portfolio manager at Tortoise Capital Advisors (Bloomberg). We noted on the morning report that the rejection of the upside resistance warned that the USD 83.05 fractal resistance had the potential to be tested and broken. We traded to a low of USD 81.94 before finding support on the back of the stockpile drop. However, if our intraday Elliott wave cycle is correct, then the current upside move should be considered as countertrend, making USD 84.52 the key resistance to follow.

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