



European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	25625	25750	0.5%	Pmx 1 month forward	15700	15850	1.0%
Cape Q3 24	25675	25750	0.3%	Pmx Q3 24	15750	15800	0.3%
Cape Cal 25	21175	21325	0.7%	Pmx Cal 25	13475	13350	-0.9%
	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	15050	14875	-1.2%	Brent	78.36	77.54	-1.0%
Smx Q3 24	15075	14975	-0.7%	WTI	74.22	73.32	-1.2%
Smx Cal 25	12850	12850	0.0%	Iron ore	109.95	107.39	-2.3%

Source FIS/Bloomberg

Iron Ore

The July futures have seen a small easing off the bear pedal this afternoon with price finding some light bid support to close the day at USD 108.75, USD 1.50 off their lows. The key to the sentence is the bear is taking its foot off the pedal, rather than buyers trying to take control. Our wave analysis continues to suggest that upside moves look like they will be countertrend at this point.

Copper

Copper fell below \$10,000 a metric ton as traders weighed a sharp rise in global inventories and soft US job openings data that reinforced bets that the Federal Reserve will be able to cut interest rates this year. Stockpiles on the Shanghai Futures Exchange have climbed to the highest since 2020, and there have also been a steady stream of smaller inflows into Asian depots tracked by the London Metal Exchange over the past few weeks. Inventories typically decline at this time of year, and the jump has put pressure on prices after copper spiked to a record high above \$11,100 last month (Bloomberg). We had some conflicts on the technical this morning, as price was in the process of rejecting the weekly pivot level (USD 10,221); however, we remained cautious on downside moves due to the potential divergence below USD 10,020, whilst lower timeframe Elliott wave analysis warned that the downside cycle may have completed. We needed to hold above the daily pivot and close above the weekly pivot for confirmation that we had buy-side support. Non-of the above happened, we continued to reject the weekly pivot level, the daily pivot failed to hold, resulting in the futures trading to a new low. The intraday divergence has also failed, indicating we have an Elliott wave extension to the downside, we now have the potential to trade as low as USD 9,787 in the near-term.

Capesize

The index turned today with price USD 188 higher at USD 23,545. We noted in the morning report that the July futures were trading below trend support but had held the USD 24,625 double bottom, if broken the futures would be in divergence with the RSI. Not a buy signal it warned we could see a momentum slowdown which would need to be monitored. We needed to see price close below and hold below the USD 25,304 trend support, if we didn't, it would suggest that there was an underlying support in the market. The USD 24,625 level held with price moving higher post index, to close the day USD 125 higher at USD 25,750. We are above the trend support, but only by a few hundred dollars whilst the RSI is below its average. We will need to see further upside supported by the RSI above its average to convince that the trend has held.

Panamax

We are seeing a slowdown in price with the index only USD 18.00 lower at USD 13,776. We have a technical today, in short, the upside move has broken trend resistance in the July futures having held the 200-period MA and the daily support zone. Having moved lower on the open, we close the day USD 225 higher at USD 15,925. For more information on the technical, please click on the link. Panamax Technical Report 04/06/24 <https://fisapp.com/wp-content/uploads/2024/06/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-04-06-24.pdf>

Supramax

The index is another USD 74 lower at USD 13,920. This technical is unchanged, momentum is conflicting as the MA on the RSI implies it is supported, but the RSI is below 50 with the stochastic in overbought territory. We have seen a small rejection of the USD 15,156 resistance, meaning the technical is vulnerable to a move lower; however, price seems to gap lower and then produce a bullish candlestick, meaning we are seeing buyside support as we move down. We close the day in the July contract USD 175 lower at USD 14,875. I remain neutral as we are lacking clarity at this point.

Brent

Technically bearish this morning with upside moves considered as countertrend. We highlighted that we have a 5-wave Elliott pattern in divergence on the higher timeframe, warning price could struggle to hold below the weekly MA in the near-term. The futures have traded to a low of USD 76.75 before finding light bid support, we are 69 cents lower on the day at USD 77.67 going into the EU close. My higher timeframe MACD is now testing support, if it goes any lower, then we are looking at a higher timeframe Elliott wave extension to the downside. If this happens, we could hold below the weekly average.

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