

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	24875	24775	-0.4%	Pmx 1 month forward	15650	15125	-3.4%
Cape Q3 24	24300	24200	-0.4%	Pmx Q3 24	15600	15175	-2.7%
Cape Cal 25	20875	20750	-0.6%	Pmx Cal 25	13300	13275	-0.2%
	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	15300	15100	-1.3%	Brent	85.35	85.27	-0.1%
Smx Q3 24	15425	15200	-1.5%	WTI	#N/A	N/A	#VALUE!
Smx Cal 25	12875	12850	-0.2%	Iron ore	106.4	107.3	0.8%

Iron ore

Source FIS/Bloomberg

Very little price movement in the July futures today. We remain in consolidation with the futures closing the session USD .31 lower at USD 106.80. As noted in the morning technical, the futures will be in divergence below USD 103.35, implying caution on downside breakouts.

Copper

Spot copper prices are again trading at a steep premium to later-dated futures in New York, putting fresh pressure on holders of short positions after a historic squeeze last month. The July-delivery Comex copper traded at a 7.4 cent-per-pound premium to the September contract, in a condition known as backwardation that typically signals a supply shortage. The spread traded in an unprecedented 29.25-cent backwardation last month, putting huge pressure on commodity traders and investors with short positions in the July contract (Bloomberg). Technically bearish this morning, the longer-term Elliott wave cycle is now neutral due to the USD 9,567 support being breach yesterday. However, we remained in divergence with the RSI, meaning the futures were not considered a technical sell. We are trading USD 118 higher on the day at USD 9,789.5 going into the EU close. The MA on the RSI is suggesting momentum is supported with price trading in the EMA resistance band. Technically we maintain a cautious view on downside moves, as the divergence is warning that resistance levels could come under pressure.

Capesize

Having turned higher yesterday the index is USD 318 lower today. We have seen limited price movement in the July futures; having opened with bid support we failed to hold above the 55-period EMA this morning, resulting in a close on the day USD 100 lower at USD 24,775. The futures remain in the consolidation zone; however, it is worth noting the July v Aug spread is USD 900 above its averages, meaning it is looking vulnerable to a mean reversion lower. Likewise, the July v Q3 spread is now in divergence, implying we could see a momentum slowdown. This means we now have a note of cautious in the July, as it is starting to look vulnerable to move a move lower. If, however, we do close above and hold above the 55-period EMA (USD 25,106) it will imply that resistance levels could come under pressure. We are still in the consolidation zone with price above the USD 24,625 level, meaning we will need a bullish open to avoid a corrective phase. For more information on the spread technical, please click on the link. Capesize Spread Report 19/06/24 <https://fisapp.com/wp-content/uploads/2024/06/FIS-FREIGHT-CAPESIZE-SPREAD-REPORT-19-06-24.pdf>

Panamax

Downside price movement in the index has accelerated today with price coming in USD 314 lower at USD 15,935. Having closed below the 55-period EMA yesterday the futures sold below the USD 15,550 support this morning, implying that the probability of the futures trading to a new high had started to decrease. Further selling pressure this afternoon resulted in the futures trading to a low of USD 15,000, meaning the intraday technical is now bearish. We are now trading in the support zone that has been in play since March, with the potential to become divergent on the intraday RSI below USD 14,875, meaning we remain cautious on downside breakouts.

Supramax

We have seen another small slowdown in the index with price USD 133 higher at USD 15,118. We had the downside move in the July futures as looking like it would be countertrend; however, the futures have closed the day USD 200 lower at USD 15,100, meaning the probability of the futures trading to a new high has started to decrease. We are now neutral on this technical as the pullback has been deeper than expected.

Oil

Oil edged upward to touch a seven-week high as investor optimism amid rising equity prices tempered signs of further growth in stockpiles. Brent crude traded as high as \$85.78 a barrel, the highest since May 1, while West Texas Intermediate advanced to near \$82 a barrel. The S&P 500 rose to another record on Tuesday, which has helped extend a powerful recovery in oil prices that has also been propelled by trend-following technical traders. The American Petroleum Institute reported US crude inventories rose by 2.26 million barrels last week, according to people familiar with the figures. If confirmed by official data, that would be the third increase in a row. Stockpiles at the Cushing, Oklahoma, hub also climbed, according to the API (Bloomberg). The futures were trading at USD 85.06 in the morning technical, on the close we are trading at USD 85.07. Technically bullish this morning, we had a note of caution as the 1-hour RSI was in divergence, warning we could see a momentum slowdown. We remain a cautious bull on the close with price not considered a technical buy at these levels, as we are starting to look vulnerable to an intraday move lower.

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