

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	24400	26737.5	9.6%	Pmx 1 month forward	14275	14650	2.6%
Cape Q3 24	24375	25925	6.4%	Pmx Q3 24	14650	15025	2.6%
Cape Cal 25	21000	21600	2.9%	Pmx Cal 25	13225	13400	1.3%
	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	14850	15100	1.7%	Brent	84.93	85.17	0.3%
Smx Q3 24	14900	14933	0.2%	WTI	80.78	80.87	0.1%
Smx Cal 25	12800	12900	0.8%	Iron ore	103.05	106.6	3.4%

Iron Ore

Source FIS/Bloomberg

Iron ore advanced for a second day, as buyers were lured back to the market by the lowest prices since early April. Singapore futures of the steelmaking material gained as much as 3.3% on Wednesday, the most on an intraday level in a week. A Bloomberg survey of economists showed the outlook for China's exports is set to improve, buttressing growth in the world's biggest metals consumer. Traders may have also been buoyed by a Hong Kong court's decision on Wednesday to adjourn Chinese developer Shimao Group Holdings Ltd.'s liquidation hearing to July, giving it more time to refine its debt restructuring plan (Bloomberg). The July futures are finding bid support due to the positive divergence that we have been highlighting in the morning technical reports. The upside move has broken key resistance, meaning that the probability of the futures trading to a new low has started to decrease, whilst the close above the weekly pivot level (USD 106.22) and the high of the last dominant bear candle (USD 105.15) is suggesting resistance levels are vulnerable.

Copper

Copper extended losses with the dollar strengthening and prices facing sustained pressure from weak Chinese demand. The metal has shed 14% since rocketing to a record above \$11,000 a ton in May. Soft market conditions in top consumer China have handed copper's more bullish investors a reality check, and prices have continued to decline even amid tentative signs of a demand recovery (Bloomberg). The futures have sold USD 30.50 lower to USD 9,540.5; however, as noted this morning, we are in divergence with the RSI, meaning the futures are not considered a technical sell at these levels.

Capesize

The index turned today with price USD 1,288 higher at USD 26,082. We were cautious on the downside moves in the July futures in the technical report yesterday afternoon. The futures have held the USD 23,742 support resulting in price gapping higher to open. We are going to close above the high of the last dominant bear candle (USD 26,250) and the weekly pivot level (25,791), if we can hold above the intraday 200-period MA (USD 26,604) then it would suggest that we should see further upside within this phase of the cycle.

Panamax

The index continues to come under pressure with price USD 465 lower at USD 13,813. The RSI on the index is now approaching support warning that we could soon see sell side momentum slow down. Likewise, the July futures remain in a support zone whilst the RSI is also on support, warning we could be vulnerable to a move higher. For more information on the technical, please click on the link. Note: read the first paragraph on the first page. Panamax Technical Report 26/6/24 <https://fisapp.com/wp-content/uploads/2024/06/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-26-06-24.pdf>

Supramax

We have seen a sharp slowdown today with the index only USD 2.00 higher at USD 15,530. With bid support in the larger sectors the July futures have seen a small move higher today despite the index slowdown. The technical remains bullish with a neutral bias; however, it is not a technical buy as the MA on the RSI is implying momentum is weak, whilst the futures look to be in the process of rejecting the 55-period EMA (USD 15,172). Countering this, the sell side corrective phase looks to have completed, suggesting caution on downside moves. For this reason, we remain neutral whilst below the USD 15,279 resistance.

Oil

Oil fell after US crude inventories unexpectedly swelled, indicating a soft physical market. West Texas Intermediate retreated below \$81 a barrel after the Energy Information Administration said stockpiles increased by 3.59 million barrels while gasoline inventories also gained. An industry group had estimated a much smaller increase in stockpiles last week, while a Bloomberg survey of analysts prior to the report had projected a decline (Bloomberg). The futures have sold about 30 cents lower since the morning report (currently USD 84.90) with price action limited. Technically we are unchanged, we are bullish but moving lower on a negative divergence with the RSI, making USD 83.84 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. Intraday Elliott wave analysis does suggest that we have the potential to trade as high as USD 90.45 within this phase of the cycle; however, due to the divergence in play, we are now a cautious bull.

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