

FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	24950	26075	4.5%	Pmx 1 month forward	14550	14325	-1.5%
Cape Q3 24	26100	26875	3.0%	Pmx Q3 24	14700	14375	-2.2%
Cape Cal 25	21775	21900	0.6%	Pmx Cal 25	13350	13450	0.7%
	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	14600	14875	1.9%	Brent	86.6	86.54	-0.1%
Smx Q3 24	14787.5	14775	-0.1%	WTI	83.17	83.1	-0.1%
Smx Cal 25	12925	12925	0.0%	Iron ore	110	113.45	3.1%

Iron Ore

Source FIS/Bloomberg

Another Asian evening session with little price movement. However, the August futures did see a strong drive higher in the day session having held above the intraday 200-period EMA. This current upside wave is now greater than 161.8% than that of the previous wave, suggesting it is bullish impulse, meaning downside moves should be considered as countertrend. We close the session 53 cents higher at USD 113.70.

Copper

Copper gained for a fourth session, its longest winning streak since mid-May, amid a broader rally on optimism about US interest-rate cuts. Federal Reserve Chair Jerome Powell on Tuesday said inflation is getting back on a downward path, spurring market confidence about monetary easing. Meanwhile, labor data on Wednesday indicated the nation's jobs market is slowing down (Bloomberg). We noted this morning that momentum was warning that the USD 9,751 resistance looked like it would be tested and broken, whilst above USD 9,889 the technical would be in bullish territory. The futures have traded to new highs meaning the technical is bullish; lower timeframe momentum indicators are confirming the upside move, meaning downside moves should in theory be countertrend.

Capesize

The index turned today with price USD 2,560 lower at USD 29,688, meaning the RSI has moved below the 64 level (currently 61). Technically bullish with a neutral bias this morning. The August futures were moving lower; however, we continued to have a note of caution on downside moves as we approached trend support at USD 22,527, with weekly and daily 200-period MA's at USD 22,078 – USD 21,980. The futures traded to a low of USD 24,250, meaning we held above fractal support at USD 23,875; This was followed by decent buy-side support to close the day USD 1,100 higher at USD 26,050. We now have a piercing candle pattern (admittedly it is not in a downtrend, so it is a bit subjective), warning of underlying support in the market, if we close above the high of yesterday's bear candle (USD 27,000) it will further support a buyer's argument. As noted this morning, we remain cautious on downside moves at this point.

Panamax

Sell side momentum is gathering pace with the index USD 300 lower at USD 13,123. The August futures traded below the USD 14,125 fractal low this morning, creating an intraday positive divergence with the RSI. Due to this, we did not consider the futures a technical sell. Having traded to a low of USD 13,900 we close the day USD 225 lower on the day at USD 14,325, meaning we have a bullish rejection candle in play on the daily chart, signaling underlying support in the market. We maintain our view that the futures are not considered a technical sell at these levels.

Supramax

The index continues to sell lower having rejected the USD 15,539 resistance last week, we are down USD 117 today at USD 14,745. We had a neutral view on the August futures this morning due to the conflicting variables. However, we dug a little deeper in the weekly report this afternoon and highlighted that the futures were at an inflection point. If the intraday divergence on the 80 min candle held, it would signal that the wave C had potentially completed, if we moved lower and it failed, then upside moves will be considered as countertrend. We have since seen light bid support to close the day USD 275 higher at USD 14,875. For more information on the technical, please click on the link. Supramax Technical Report 03/07/24 <https://fisapp.com/wp-content/uploads/2024/07/FIS-SUPRAMAX-4-PAGE-TECHNICAL-REPORT-03-07-24.pdf>

Oil

Oil held near a two-month high after a government report showed US crude inventories shrinking by the most in almost a year. West Texas Intermediate was little changed below \$83 a barrel after the Energy Information Administration reported a 12.2-million-barrel decline in US oil stockpiles. That's the biggest drop since late July 2023 (Bloomberg). We were unchanged on the technical this morning, we were bullish but in a corrective phase with the potential to trade as high as USD 90.33 within this phase of the cycle. However, we remained cautious on upside moves due to the negative divergence that was in play. As I write this, the futures are trading at USD 86.47, exactly where they were this morning, meaning my view remains unchanged.

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