

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	24375	24825	1.8%	Pmx 1 month forward	13950	14300	2.5%
Cape Q3 24	25450	25775	1.3%	Pmx Q3 24	13950	14250	2.2%
Cape Cal 25	21825	21875	0.2%	Pmx Cal 25	13425	13450	0.2%
	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	14675	14650	-0.2%	Brent	86.86	85.78	-1.2%
Smx Q3 24	14675	14700	0.2%	WTI	83.44	82.37	-1.3%
Smx Cal 25	12925	12925	0.0%	Iron ore	110.25	108.75	-1.4%

Iron Ore

Source FIS/Bloomberg

Mining stocks are among the biggest laggards in Europe on Monday as iron ore slumps, extending a decline from a one-month high on signs of abundant seaborne supply and persistent concerns about Chinese demand. Copper prices are also sliding due to concerns stemming from China. Iron ore futures dropped further following the biggest one-day decline since early June on Friday; Inventories at Chinese ports rose again last week to hit the highest in more than two years, while average daily shipments in Brazil rose at a faster pace in the first 15 business days of June than the year before (Bloomberg). Having sold lower in the Asian day session the August futures have stabilized with price closing the day above the intraday 200-period MA (USD 108.42) at USD 108.80. However, as highlighted this morning, the futures have sold lower having rejected the USD 115.78 resistance with price breaching the USD 107.73 support. This is warning that there is potentially a larger bearish Elliott wave cycle in play.

Copper

Copper held near its highest close in almost four weeks, clawing back earlier losses triggered by bearish sentiment in Chinese equity markets. The industrial metal, often viewed as a barometer of global economic health, rose 3.6% on the London Metal Exchange last week, the first weekly gain in seven, on rising optimism the Federal Reserve is approaching rate cuts. But the outlook for Chinese demand is in focus this week ahead of a key policy meeting. Chinese equities extended declines on Monday, with investors doubtful that the crucial Third Plenum next week will deliver an immediate boost to the country's growth outlook (Bloomberg). The pullback to a low of USD 9,857 today confirmed that we had entered a countertrend corrective wave 4. This has been followed by an upside move that has tested but failed to break the USD 10,000 fractal high. The futures have once again rejected the 200-period MA at USD 10,004. We are bullish with our intraday Elliott wave analysis suggesting that we have the potential to trade as high as USD 10,174 within this phase of the cycle; however, we have a negative divergence in play that suggests caution on upside moves from here.

Capesize

The index continues to weaken with price USD 521 lower at USD 27,171 today. Technically bearish in the August futures this morning with price trading at USD 23,625. We continued to have a note of caution on downside moves due to the trend and MA support. The futures found bid support for the remainder of the session to close USD 450 higher on the day at USD 24,825. For more information on the technical, please click on the link. Capesize Technical Report 08/07/24 <https://fisapp.com/wp-content/uploads/2024/07/FIS-CAPESIZE-4-PAGE-TECHNICAL-REPORT-08-07-24.pdf>

Panamax

We are seeing a slowdown; however, the index was still USD 135 lower at USD 12,443 today. The August futures were technically bearish but not a technical sell this morning due to price being in divergence with the RSI. Having sold to a low of USD 13,875 on the open, the futures have found bid support on the slowing index to close USD 350 higher at USD 14,300. We now have a bullish engulfing candle on the technical alongside the rejection candle on 03/07, implying there is buy-side support in the market. We maintain our view that the futures are not considered a technical sell at these levels, as resistance is starting to look vulnerable.

Supramax

The Index continues to slow down with price only USD 12 lower at USD 14,669 today. Very little movement in the August futures today. Having opened lower, we found light bid support to close down USD 25 on the day at USD 14,650. As noted in the morning technical, we remain cautious on downside moves whilst above the daily 200-period MA (USD 14,281).

Oil

Oil fell as Hurricane Beryl looked less likely to pose major disruptions to crude infrastructure in Texas. West Texas Intermediate slid about 0.5% to trade below \$83 a barrel after four straight weekly gains. Concerns that Hurricane Beryl would impede oil operations in the Gulf of Mexico and Texas helped drive up futures last week, but weakening product spreads indicate the storm has been less disruptive to infrastructure than expected (Bloomberg). We were cautious on upside moves this morning as the futures were moving lower on the back of a negative divergence with the RSI. We are about 40 cents lower than this morning with the futures trading at USD 85.79 on the EU close. We have revised our Fibonacci support levels higher, meaning key support is at USD 85.65 (up from USD 84.09), this level has been breached this afternoon, meaning the probability of the futures trading to a new high has started to decrease.

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