



European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	23750	24550	3.4%	Pmx 1 month forward	14350	14650	2.1%
Cape Q3 24	25375	25900	2.1%	Pmx Q3 24	14362.5	14600	1.7%
Cape Cal 25	22050	22050	0.0%	Pmx Cal 25	13550	13600	0.4%
	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	15025	14925	-0.7%	Brent	83.85	85.05	1.4%
Smx Q3 24	15100	15067	-0.2%	WTI	80.82	82.73	2.4%
Smx Cal 25	13200	13225	0.2%	Iron ore	107.15	105.05	-2.0%

Iron Ore

Source FIS/Bloomberg

Having moved sideways at the beginning of the week, the August futures broke to the downside in the Asian day session. Our intraday Elliott wave analysis is suggesting that upside moves should be considered as countertrend. However, in the Asian evening session the futures have once again moved sideways, to close the day USD 0.15 higher at USD 105.10. Technically we remain bearish with upside moves considered as countertrend.

Copper

Technically bearish this morning with intraday upside moves looing like they could be countertrend. The futures have sold below the USD 9,626 fractal support, meaning we are now in divergence with the RSI. Not a buy signal it is a warning we could see a momentum slowdown, which needs to be monitored. Intraday Elliott wave analysis is suggesting that we have the potential to trade as low as USD 9,556; however, due to the divergence we now have a note of caution on downside moves at these levels.

Capesize

The index continues its slide with price USD 1,323 lower today at USD 24,379. On one hand it has been a disappointing day in the August futures, as we opened with bid support resulting in price trading to a high of USD 24,800 before closing the day USD 875 higher at USD 24,625. Early price action had warned that we could see a more sustained intraday move; however, the index curbed the enthusiasm of market buyers post index. Saying that, we have bullish support candles on the 25/06 and the 08/07 with the futures producing a bullish 3-river morning star pattern in the support area today, suggesting there is an underlying support in the market, warning we could move higher again tomorrow.

Panamax

Having seen a slowdown yesterday the index turned today with price USD 5.00 lower at USD 14,079. The slowing index has not phased the market today with the August contract holding the USD 14,308 support, before moving higher on a bullish intraday overtaking candle, to close USD 300 higher at USD 14,600. However, we remain below the 55-period EMA (USD 14,773) with the RSI below 50, meaning we still need to see more to convince that we could test the USD 15,150 fractal resistance. Going into the close, we have an inside day candle that is arguably a bullish Harami pattern, warning of underlying support in the market. We continue to have a cautious view on downside moves as the corrective phase looks to have completed.

Supramax

We continue to see small upside moves in the index with price USD 39 higher at USD 15,069. Limited price action in the August futures today, we opened with light bid support, but the move has failed to hold, resulting in the closing the day USD 100 lower at USD 14,925. We have downside moves as countertrend based on our intraday Elliott wave analysis; however, if we do trade below the USD 14,899 level, then the probability of the futures trading to a new high will start to drop. The technical is now at an inflection point and needs to hold the USD 14,899 support.

Oil

A bright spot in the data is that Cushing crude inventories are continuing to fall and now are sitting at the lowest since April. This will help support the strong backwardation we are seeing in near-term spreads. The prompt WTI spread is trading near \$1.23 a barrel in backwardation, meaning prices for immediate supplies are trading at a sizeable premium to those just a month later (Bloomberg). We had upside moves as countertrend this morning, making USD 85.31 the key resistance to follow; if broken, then the probability of the futures trading to a new low would start to decrease. The draw in inventories has resulted in the futures trading USD 1.13 higher at USD 84.86. We are still below key resistance; however, the upside move is now above the high of the last two dominant bear candles (USD 84.67), if we close above them, then the probability of the futures breaking key resistance will be high.

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