

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	24550	24825	1.1%	Pmx 1 month forward	14650	14875	1.5%
Cape Q3 24	25800	26025	0.9%	Pmx Q3 24	14600	14762.5	1.1%
Cape Cal 25	22050	22275	1.0%	Pmx Cal 25	13600	13737.5	1.0%
	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	14950	15200	1.7%	Brent	85.19	85.29	0.1%
Smx Q3 24	15150	15300	1.0%	WTI	83.1	83.2	0.1%
Smx Cal 25	13225	13325	0.8%	Iron ore	105.05	105.05	0.0%

Iron Ore

Source FIS/Bloomberg

The August futures remain technically bearish with intraday upside moves looking like they will be countertrend. The futures are starting to consolidate after the sell off with price USD 1.00 lower than this morning at USD 104.70. we remain below all key moving averages with the RSI below 50.

Copper

Copper dropped to a three-month low as China's twice-a-decade Third Plenum left bulls waiting for more details on any stimulus measures and exports from the country spiked to a new record. President Xi Jinping vowed to make high-quality development the guiding force of the world's No. 2 economy as the conclave concluded, mapping out his long-term vision to propel China forward as it battles a domestic slowdown and trade tensions with the US. But it left traders still guessing on potential economic support from the government. The ruling party normally issues a more detailed report several days after concluding the Third Plenum, and commodities bulls are hopeful that Beijing will move more decisively to tackle the downturn in the property sector. The end of the month also may bring a Politburo meeting, in which Chinese officials can introduce policies to boost domestic demand (Bloomberg). We were a cautious bear this morning due to the futures being in divergence, our intraday Elliott wave analysis had a downside target of USD 9,556. However, with little positive news after the Third Plenum the futures have sold lower than anticipated, resulting in the divergence failing. This would suggest that intraday upside moves should now be considered as countertrend.

Capesize

The index turned today with price USD 562 higher at USD 24,941. A three-river morning star in the August futures on the daily chart yesterday warned that we could see a move higher today. We did trad up to USD 25,175 post index before seeing bids fade into the close, to settle USD 325 higher on the day at USD 24,875. Technically we remain unchanged from this morning, we are still bearish with price needing to trade above the USD 25,258 resistance. If we do, then the probability of the futures trading to a new low will start to decrease, whilst a daily close above USD 25,625 will warn that buyside pressure is increasing. Spread report today - Capesize Spread Report 18/07/24 <https://fisapp.com/wp-content/uploads/2024/07/FIS-FREIGHT-CAPESIZE-SPREAD-REPORT-18-07-24.pdf>

Panamax

Having entered negative territory yesterday, the index was USD 8.00 higher at USD 14,087 today. The August contract opened with bid support resulting in a move above the USD 14,869 resistance, meaning that the probability of the futures trading to a new low has started to decrease. However, we close the day USD 225 higher at USD 14,875, meaning we are on the daily 200-period MA (USD 14,859). The technical is now at an inflection point, if we close above and hold above the average, it will warn of upside continuation; failure to do so could result in a technical pullback. However, as noted previously, our Elliott wave analysis suggests that this corrective phase looks to have completed, suggesting caution on downside moves.

Supramax

Having seen a slowdown in recent days the index came in USD 4.00 lower today at USD 15,065. The August futures have not moved since the morning technical report. We held support having produced a gravestone Doji followed by a dragonfly Doji, resulting in an upside move, we remain in bullish territory having closed the day USD 250 higher at USD 15,200. However, the MA on the RSI is warning that momentum is weak and is currently acting as a resistance, meaning we need to see price and momentum become aligned to the buy-side for upside continuation.

Oil

Oil held steady after the biggest daily gain in a month as US crude's prompt spread strengthened and stockpiles logged their third consecutive weekly decline. West Texas Intermediate edged below \$83 after advancing 2.6% on Wednesday. Nationwide inventories shrank by 4.87 million barrels last week to the lowest level since February. The data strengthened WTI's prompt spread — the price difference between its two nearest contracts — to \$1.50 in backwardation. The bullish pattern signals demand is outweighing supplies in the short term. Meanwhile in Canada, wildfires once again threatened 400,000 barrels a day of oil production, putting piped shipments to the US at risk. The fires helped boost Canadian heavy crude prices (Bloomberg). We noted this morning that we had traded above the USD 85.31 resistance, meaning that the probability of the futures trading to a new low had started to decrease. We promptly sold down to USD 84.22 but held above the USD 84.15 support, resulting in the futures trading USD .15 higher on the day at USD 85.23. We maintain our view based on the resistance break that the USD 86.35 fractal high is vulnerable.

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