

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	24825	24800	-0.1%	Pmx 1 month forward	14875	14675	-1.3%
Cape Q3 24	26025	26033.5	0.0%	Pmx Q3 24	14762.5	14675	-0.6%
Cape Cal 25	22275	22250	-0.1%	Pmx Cal 25	13737.5	13700	-0.3%
	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	15200	15200	0.0%	Brent	84.86	84.5	-0.4%
Smx Q3 24	15300	15275	-0.2%	WTI	82.4	82.23	-0.2%
Smx Cal 25	13325	13325	0.0%	Iron ore	105.05	104.4	-0.6%

Iron Ore

Source FIS/Bloomberg

Iron ore continues to have a clear downward bias as the seaborne market looks to be in surplus, with robust-and-expanding global supply meeting weaker aggregate Chinese demand. That combination means lower prices are in store. China's Third Plenum has wrapped up with few signs that the top leadership is about to arrest the property slump or opt for major steel-heavy stimulus. The country is the world's largest iron ore importer and the vibrancy of its demand — or lack of — helps to set the overall tone in the market. In recent days, there have also been status updates from some of the biggest miners as they turned in production reports. BHP Group posted record output for its financial year, Vale's quarterly supply topped expectations, and Rio Tinto Group reaffirmed that a giant new African mine would start next year (Bloomberg Markets Live). Interestingly the technical is suggesting caution on downside moves today due to two bullish intraday rejection candles and a positive divergence with the RSI. For more information on the technical, please click on the link. Iron Ore Aug 24 (rolling Front Month) 19/07/24 <https://fisapp.com/wp-content/uploads/2024/07/FIS-Iron-Ore-Technical-19-07-24.pdf>

Copper

Copper headed for its worst weekly loss since 2022 and iron ore extended a slump toward \$100 a ton as a policy meeting in China failed to lay out more stimulus to shore up metals demand. Futures for the red metal have fallen by over 5% in London this week amid a broad retreat that's also battered aluminium, tin and nickel. The complex was also dragged lower on Friday by a shift away from risk assets and a stronger US dollar (Bloomberg). The futures opened with light bid support but sold to a low of USD 9,306, creating a positive divergence with the RSI. Not a buy signal it is a warning that we could see a momentum slow-down, implying caution on downside moves at these levels. However, as noted in the morning technical, the intraday Elliott wave cycle is now suggesting that upside moves look to be countertrend. We are trading slightly lower on the day at USD 9,358 as we approach the close.

Capesize

Having turned to the buy side yesterday, the index is USD 289 lower at USD 24,652. The upside move in the August futures has failed to trade above USD 25,258 with the futures trading back below the 55-period EMA (USD 24,965); however, price remains supported going into the close. We had (and continue to maintain) a neutral view today, as we continue to have a cautious view on downside moves but need to see a daily close above the high of the last dominant bear candle (USD 25,625) to signal that buy side pressure is increasing. We close the day nearly unchanged (USD 25.00 lower) at USD 24,800.

Panamax

Another day of small price movement in the index, we are USD 4.00 higher at USD 14,091. The August futures came under pressure on the open but have failed to see any downside continuation. We are USD 200 lower on the day at USD 14,675. As noted this morning, the probability of the futures trading to a new low has started to decrease; however, we are below the 55-period EMA on the intraday chart (USD 14,768) and the 200-period MA on the daily (USD 14,823). The technical is conflicting a little as it is struggling to close above the moving averages. However, we continue to have a cautious view on downside moves based on our intraday Elliott wave analysis suggesting that the bear cycle looks like it may have completed.

Supramax

Having come in USD 4.00 lower yesterday the index turned positive again today with price USD 52.00 higher at USD 14,675. The August futures are flat to yesterday's close at USD 15,200. The technical remains bullish, but we still need to see a close on the daily chart above USD 15,225 to signal that buy-side pressure is increasing.

Carbon

EUA Dec 24 (Daily) 19/07/24 <https://fisapp.com/wp-content/uploads/2024/07/FIS-EUA-Technical-19-07-24.pdf>

Oil

Oil prices may have been confined to a tight range this month, but an array of signals from the physical market suggest the next move could be a break to the upside. First of all, there are the time-spreads between monthly futures contracts, which have shown a strengthening premium on prompt deliveries over the past six weeks as US driving demand climbs toward its summertime peak. The so-called flat price of crude has lagged behind, pressured by concerns over the global economy, but sooner or later may need to catch up (Bloomberg Markets Live). I agree, I think there is possibly a bull set up forming on the weekly chart; however, we need to trade above USD 85.81 for it to come into play. For more information on the technical, please click on the link. FIS Technical (Weekly)– Brent Sep 24 19/07/24 <https://fisapp.com/wp-content/uploads/2024/07/FIS-Oil-Technical-Report-19-07-24.pdf>

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