

# FIS European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	19875	23550	18.5%	Pmx 1 month forward	14425	15200	5.4%
Cape Q4 24	26175	26500	1.2%	Pmx Q4 24	15450	15450	0.0%
Cape Cal 25	21550	21625	0.3%	Pmx Cal 25	13525	13550	0.2%
	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	15275	15350	0.5%	Brent	79.11	80.69	2.0%
Smx Q4 24	15250	15100	-1.0%	WTI	75.28	77.41	2.8%
Smx Cal 25	13375	13300	-0.6%	Iron ore	99.3	101.55	2.3%

## Iron Ore

Source FIS/Bloomberg

Iron ore rebounded from Tuesday’s decline after the biggest miner of the raw material offered upbeat comments for the demand outlook. The steelmaking metal surged as much as 3%, following comments from Rio Tinto Group that demand from China was fairly robust and stable. Iron ore has shed 28% so far this year, with the Asian nation’s prolonged property crisis hampering metals consumption. “There’s no doubt China has got a challenge and they recognize it and they are adjusting its property sector,” Chief Executive Officer Jakob Stausholm said on an earnings call Wednesday. “Despite all the volatility in the world, we also see the US growing at a decent pace.” (Bloomberg). We noted that the move above the USD 101.64 level this morning meant that the probability of the August futures trading to a new low had started to decrease. With the futures moving higher on the back of a positive divergence, we were cautious on downside moves, whilst a move above the high of the last dominant bull candle (USD 102.10) would warn that the USD 103.50 fractal high could be broken. We have traded to a high of USD 103.00 in the Asian evening session meaning fractal resistance is now vulnerable.

## Copper

A tricky technical this morning as we had sold close to but not below the USD 8,900 fractal low, meaning we had not technically confirmed the bearish Elliott wave 5. The futures were back trading in the resistance zone, we noted that if we traded above and closed above the USD 9,163 level it would warn that the USD 9,572 resistance could come under pressure. We have traded to a high of USD 9,267, before seeing a pullback into the close, meaning the futures are USD 239 higher on the day at USD 9,211. If the downside pullback holds above the USD 9,035 level, then it will warn that we could see another intraday test to the upside.

## Capesize

The index has come under further pressure today with price USD 1,017 lower at USD 19,712. From a technical perspective, the most exciting thing to happen today was the Roll into the September contract, as the futures gapped over USD 3,000 higher on the open on the back of it. The upside move above USD 23,373 means that the probability of the futures trading to a new high has started to decrease. A technical stand off today with little price movement, as the intraday Elliott wave cycle suggested we should in theory move lower, but the neutral bias due to the roll means the market is unsure. This is reflected in the limited price movement (range USD 175). We close the day at USD 23,550.

## Panamax

Having turned yesterday the index is another USD 296 lower at USD 14,313 today. The futures gapped high on the Roll into September, but we remain below the USD 15,326 resistance, with the futures closing the day at USD 15,200, meaning we are at an inflection point. For more information on the technical, please click on the link. Panamax Technical Report 31/07/24 <https://fisapp.com/wp-content/uploads/2024/07/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-31-07-24.pdf>

## Supramax

The index has seen an increase in downside movement today with price USD 150 lower at USD 14,997. We noted this morning that the futures had seen a small move higher on the back of the roll; however, the MA on the RSI implied that momentum remained weak, whilst price was trading in an old resistance zone, suggesting caution on upside moves. We highlighted a counter argument the roll mean that we were above the 15,324 resistance, which implied buyside pressure was increasing. We are a cautious bull. The futures have sold USD 200 lower from this morning to close at USD 15,350 but remain above all key moving averages. Momentum is weakening, meaning the 200-period MA (USD 15,304) is looking like it will come under pressure. If we close below and hold below it, then we target the USD 15,180 support; conversely, if we hold above it, then it would suggest that there is an underlying support in the market.

## Oil

Oil jumped the most since April after Hamas said Israel killed its political leader, stoking tensions in a region that produces around a third of the world's crude. West Texas Intermediate climbed as much as 3.8% to top \$77 a barrel. Hamas said the leader, Ismail Haniyeh, was killed in an airstrike in Iran, while Iran Supreme Leader Ayatollah Ali Khamenei said Israel has "prepared the ground for its severe punishment." The conflict has escalated since last weekend, when a Hezbollah strike in the Israel-controlled Golan Heights killed 12, potentially jeopardizing the ongoing cease-fire talks between Israel and Hamas (Bloomberg). We noted yesterday in the close report that the futures were vulnerable to a move higher, which has been the case. We were cautious on downside moves this morning as price was rising on the back of a positive divergence with the RSI, making USD 81.26 the key resistance to follow. We close the day USD 2.08 higher at USD 80.71 and maintain a cautious view on downside moves at this point.

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