



European Close

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

| | Previous Close | Current Close | % Change | | Previous Close | Current Close | % Change |
|----------------------|----------------|---------------|----------|---------------------|----------------|---------------|----------|
| Cape 1 month forward | 23750 | 25300 | 6.5% | Pmx 1 month forward | 14850 | 14550 | -2.0% |
| Cape Q4 24 | 26200 | 27000 | 3.1% | Pmx Q4 24 | 15225 | 15125 | -0.7% |
| Cape Cal 25 | 21450 | 21650 | 0.9% | Pmx Cal 25 | 13425 | 13450 | 0.2% |
| | Previous Close | Current Close | % Change | | Previous Close | Current Close | % Change |
| Smx 1 month forward | 15325 | 15175 | -1.0% | Brent | 77.25 | 76.99 | -0.3% |
| Smx Q4 24 | 15200 | 15125 | -0.5% | WTI | 73.92 | 73.72 | -0.3% |
| Smx Cal 25 | 13125 | 13150 | 0.2% | Iron ore | 103.55 | 102.85 | -0.7% |

Iron Ore

Source FIS/Bloomberg

We noted this morning that the rejection of the 200-period MA warned that there is potentially a larger, bearish Elliott wave cycle in play, making USD 100.75 the key support to follow. We are little changed in the evening session with price closing the day USD 0.25 lower at USD 102.50, meaning the futures continue to trade on the 34-55 period EMA's.

Copper

Copper steadied in a mixed session for metals on Tuesday, with prices hovering slightly above a four-month low hit a day earlier as commodities got caught up in a tumultuous global selloff of risk assets (Bloomberg). Technically bearish but in divergence this morning, warning we could see a momentum slowdown. However, our intraday Elliott wave analysis (on a lower timeframe) suggested that intraday upside moves looked like they could be countertrend. We have seen a slowdown in sell side momentum with the futures closing the day USD 22.50 higher at USD 8,911, meaning the futures have risen USD 86.5 since the morning report, we maintain our view that upside moves look like they will be countertrend.

Capesize

The index continues to find light support with price USD 419 higher at USD 19,918 today. The Sep futures opened with bid support this morning with the RSI testing resistance, meaning we had a minor divergence in play. Price was also testing the base of the resistance zone that initially formed in May, meaning we had a note of caution on upside moves. We noted that if the divergence failed, then the futures should test the 200-period MA at USD 25,557, whilst a close above that held above the average would further support a bull argument. We were a cautious bull as price and the RSI were at resistance, we also noted that above USD 25,175 the intraday technical would be bullish, making this the key level to follow in the near-term. Market bulls would want to see a divergence failure to avoid a technical pullback. The futures have traded above the USD 25,175 resistance, meaning the intraday technical is now bullish, the upside moves means that the negative divergence has also failed. Technically bullish, the 200-period MA (intraday) is at USD 25,561, a close above that holds above the average will further support a bullish technical. However, a rejection of the MA, or failure to hold above it, will result in a technical pullback.

Panamax

The index continues to weaken with price USD 171 lower at USD 13,766 today. The Sep futures came under pressure on the open due to the double top formation off the 200-period MA, making the USD 14,325 support the key level to follow. We close the day USD 350 lower at USD 14,500 having traded to a low of USD 14,350, meaning key support is holding at this point. For more information on the technical, please click on the link. Panamax Technical Report 06/08/24 <https://fisapp.com/wp-content/uploads/2024/08/FIS-PANAMAX-4-PAGE-TECHNICAL-REPORT-06-08-24.pdf>

Supramax

We continue to come under pressure with the index USD 117 lower at USD 14,518. Bullish with a neutral bias this morning in the September futures. The move below USD 15,180 warned that support could come under pressure. However, we had a note of caution on downside moves as there was a positive divergence with the RSI on the 1-hour chart, warning we could see a momentum slowdown. We have not moved since this morning with the futures continuing to trade at USD 15,175, meaning we maintain a cautious view on downside moves due to the lower timeframe divergence.

Oil

Oil bounced back from a seven-month low as equities led risk assets in a recovery from a global market selloff. West Texas Intermediate rose about 1% to trade above \$73 a barrel, after tumbling more than 6% over the previous three sessions. As prices neared the lowest levels this year, traders received multiple warning signs that futures were oversold. Still, it was only when the S&P 500 recovered in New York trading hours that was crude able to recoup its losses (Bloomberg). Technically bearish with our intraday Elliott wave analysis suggesting that upside moves look like they could be countertrend. We are cautious on downside moves, as the rejection candle (on the daily chart) warned that we could be vulnerable to an intraday move higher. We were trading at the 50% retracement of yesterday range at USD 76.40, we noted that this level had the potential to be an area of interest for market buyers, as intraday traders would look to buy the pullback on the rejection candle whilst running risk below the 75.05 low, as it would reduce their exposure. The futures have seen a small move higher on the day with price trading USD 0.55 higher at USD 76.85 going into the European close. We maintain our view that the daily bullish rejection candle is warning of underlying support in the market; however, Elliott wave analysis is suggesting upside moves are still considered as countertrend.

Written by **Ed Hutton**, FIS Senior Technical Research Analyst

EdwardH@freightinvestor.com

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com