

# FIS Macro Report

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10/10/2023

	Last	Previous	% Change
<b>U.S. Dollar Index(DXY)</b>	106.01	107.00	<b>-0.93%</b>
<b>USD/CNY</b>	7.2803	7.3228	<b>-0.58%</b>
<b>U.S. FOMC Upper Interest Rate</b>	5.50	5.50	<b>0</b>
<b>China Repo 7 day</b>	2.01	1.95	<b>3.08%</b>
<b>Caixin China Manufacturing PMI</b>	50.60	51.00	<b>-0.78%</b>
<b>Markit U.S. Manufacturing PMI</b>	50.60	47.90	<b>5.64%</b>

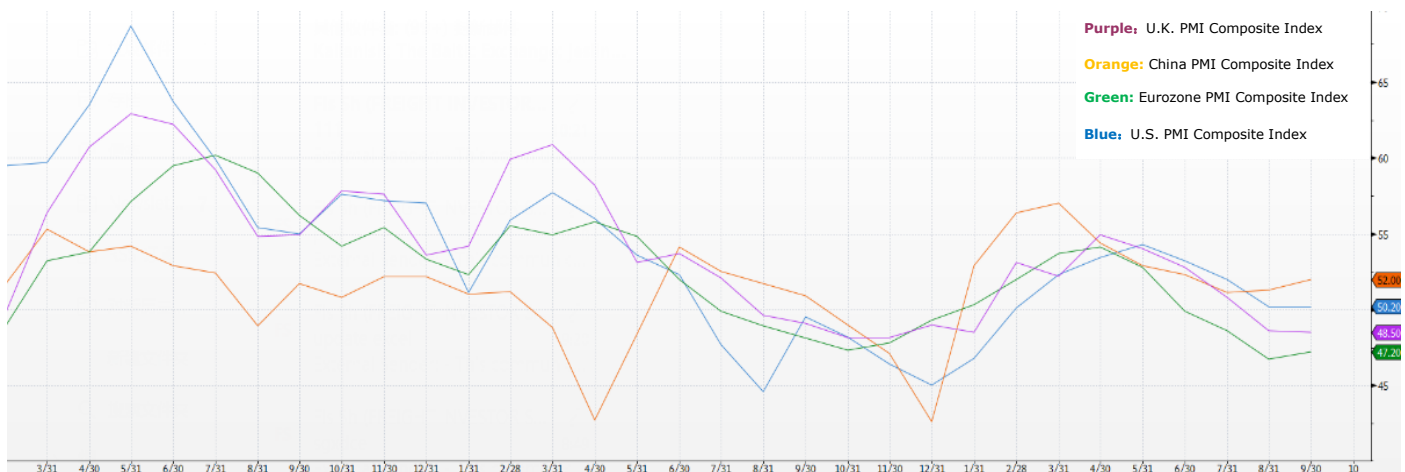
## September Manufacturing PMI

The Global Manufacturing PMI in September reached 48.7%, up 0.4% on the month, securing three consecutive months of growth. The major contributing continents were Asia and North America. The absolute number below 50% indicated that the global manufacturing industry was experiencing a slow recovery.

North America Manufacturing PMI created three consecutive months of growth, still below 50%. The growth was attained prevalently by the strong new orders and production data from U.S. Asia secured four consecutive months of growth, however, the manufacturing PMI was higher than 50%, indicating a slow expansion period in manufacturing industry. China, Singapore and Philippines saw a modest level of growth. India saw a fast drop by 1.1%, however, maintained the highest absolute number at 57.5% among all major economies.

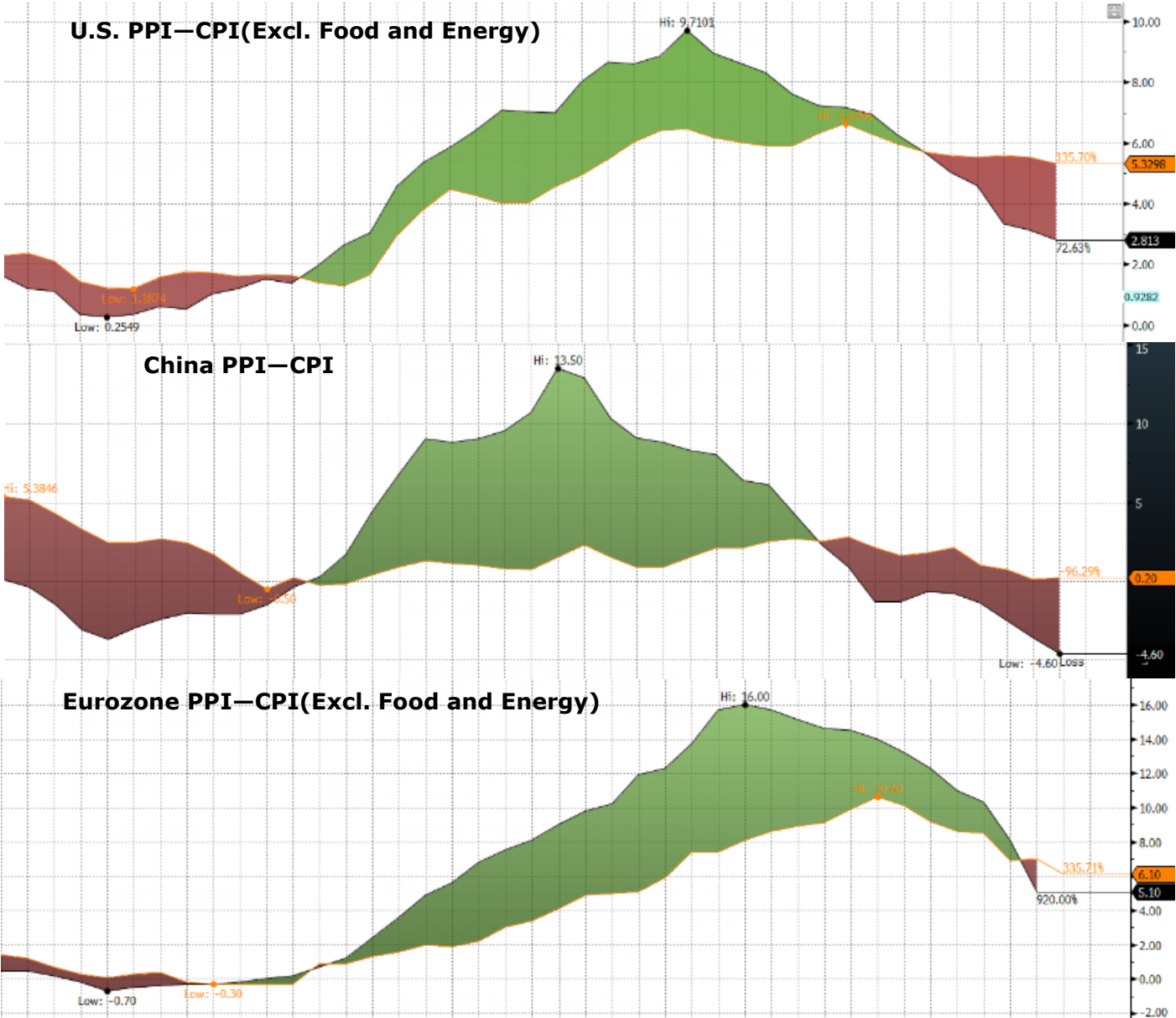
EU decreased its growth rate from 1% to 0.8% during the strong interest hike cycle. The market was concerned that the steady manufacturing recovery in U.S. could potentially become a reference of further hikes. The Asia Development Bank indicated a positive outlook in Asian countries, and estimated a 4.7% growth rate for Asia in 2023.

PMI Index



Sources: Bloomberg

	Last	Previous	
<b>Shanghai&amp;Shenzhen 300 Index</b>	3689.52	3672.45	<b>0.46%</b>
<b>Dow Jones Industrial Average</b>	33604.65	33433.35	<b>0.51%</b>
<b>FTSE 100 Index</b>	7492.21	7510.72	<b>-0.25%</b>
<b>Nikkei 225 Index</b>	30994.67	31857.62	<b>-2.71%</b>
<b>BVAL U.S. 10-year Note Yield</b>	4.8123	4.5911	<b>4.82%</b>
<b>BVAL China 10-year Note Yield</b>	2.7121	2.7095	<b>0.10%</b>

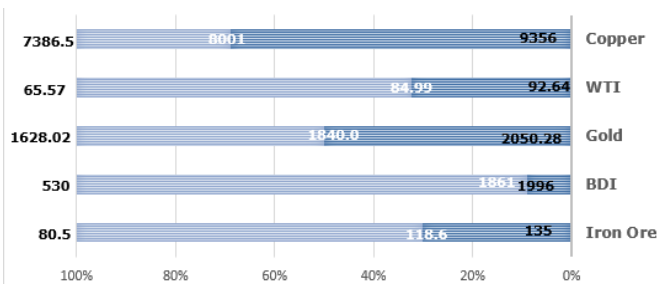


Sources: Bloomberg, FIS

	Last	Previous	
<b>LME Copper 3 Month Rolling</b>	8145.50	8359.50	<b>-2.56%</b>
<b>LME Aluminium 3 Month Rolling</b>	2233.50	2220.00	<b>0.61%</b>
<b>WTI Cushing Crude Oil</b>	90.68	91.48	<b>-0.87%</b>
<b>Platts Iron Ore Fe62%</b>	118.80	124.45	<b>-4.54%</b>
<b>U.S. Gold Physical</b>	1915.37	1931.36	<b>-0.83%</b>
<b>BDI</b>	1593.00	1381.00	<b>15.35%</b>

## Commodity Outlook and Major Economists Event

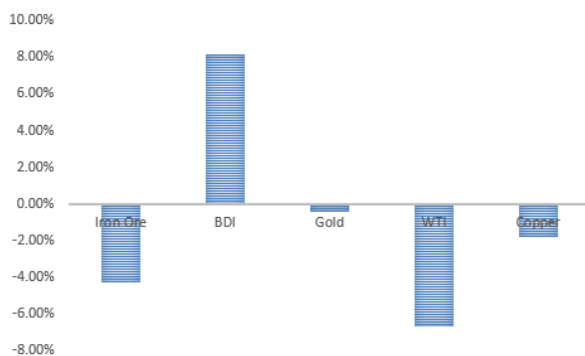
**Commodity Relative Price Range**



- Iron ore corrected, eyeing a marginal decrease in next few weeks.

- Seaborne coking coal rebounded given the shortage on seaborne market. However, market participants expect an increase on supply in November.

**5 DAY MOVING AVERAGE CHANGE ON COMMODITIES**



- The BDI rebounded due to the crowded laycans in Panamax canal and tight freight capacities in south America.

- Oil price corrected as US Federal shifted monetary strategies from "higher" to "longer". However, recent geopolitical tension supported oil price from further correction.

- The copper price corrected given the expanding supply.

Sources: Bloomberg, FIS

## —Fact Sheet—

**EMH: Efficient Market Hypothesis:** proposed by Eugene Fama in 1970, Economist, and Nobel Prize Winner in 2013. The EMH believed that in the stock market with sound laws, good functions, high transparency, and full competition, all valuable information should be timely, accurate, and fully reflected in the stock price trend. Unless there is market manipulation, investors can't obtain excess profits higher than the average level of the market.

**Eurostat:** is the highest administrative body of EU statistics, located in Luxembourg. The statistical system consists of Eurostat, statistical institutions, and central banks of EU Member States, Iceland, Norway, and Liechtenstein.

**FedWatch:** CME Group's FedWatch tool allows investors to gauge the market's expectations of a potential change quickly and efficiently to the Fed Funds target rate.

**Lagging Economic Indicators:** refers to the time lag of the indicator relative to the economic cycle. For example, if the peak or bottom of an indicator is several months behind the peak or bottom of the natural economic cycle, the indicator is called a lagging indicator. The common examples are the unemployment rate, materials inventory, and the scale of uncollected loans.

**Leading Economic Indicators:** Indicators that make forecasts on economic trends. The most common indicators are unemployment insurance application rate, money supply, weekly average working hours, new house construction rate, and stock index trend.

**U.S. Hiking Cycle:** refers to the decision of the Management Committee of the Federal Reserve System to adjust the monetary policy and raise the federal fund's interest rate after the meeting held in Washington.

**Stagflation:** an economic situation where there is high inflation (prices rising continuously) but no increase in the available jobs or business activity.

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