

FIS Macro Report

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	Last	Previous	% Change
U.S. Dollar Index(DXY)	104.26	104.27	-0.01%
USD/CNY	7.2902	7.2891	0.02%
U.S. FOMC Upper Interest Rate	5.50	5.50	0
China Repo 7 day	1.85	1.85	0
Caixin China Manufacturing PMI	51.80	51.70	0.19%
Markit U.S. Manufacturing PMI	51.10	52.00	-1.73%

Currency and Global Market:

The US dollar rebounded from 103.64 to 104.28 on Monday, which resisted growth on major commodities, in particular for metals. The China Third Plenum unveiled several policies on securing livelihood, introduced support for high-tech, foreign investment, business opening, and reforms on finance and tax. China lowered the LPR by 10 bps, slightly outperforming market expectations. There have been signals of a possible easing of tensions in the Middle-East.

FFA:

The L/B spread widened during the last two months gradually from 500 vessels to 1800 vessels, hinting to a reduction of available ships on backhauls for bulkers market. Meanwhile, the dry bulk shipments dropped from their 7-year high level to seasonal average level.

Metals:

Copper has dropped by more than 15% from the high at \$10857/t of mid-May. During the same time, strong US dollar resisted commodity growth in general.

Ferrous:

Iron ore corrected massively during the past week dragged down by correction in other metals and a strong dollar performance. In addition, China port stock refreshed to a year-high and seasonal high last week as expected. Coking coal resales from end-users led to oversupply on current laycans. China decreased the late July delivered rebar price.

Sources: Bloomberg

	Last	Previous	
Shanghai&Shenzhen 300 Index	3514.93	3476.25	1.11%
Dow Jones Industrial Average	40415.44	40211.72	0.51%
FTSE 100 Index	8198.78	8182.96	0.19%
Nikkei 225 Index	39599.00	41190.68	-3.86%
BVAL U.S. 10-year Note Yield	4.2675	4.2388	0.68%
BVAL China 10-year Note Yield	2.2423	2.2668	-1.08%

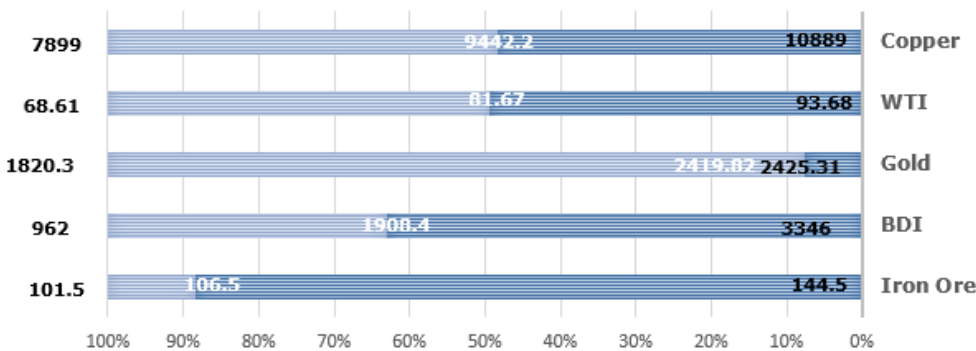
Oil:

Both bearish and bullish signals contributed to the uncertainty in the market. The commercial and gas inventories both decreased during the past week in US. However, China saw a two month drop on crude oil consumption. In the long run, OPEC cuts supported market from huge drop. On the other side, weak global consumption has resisted sustainable growth.

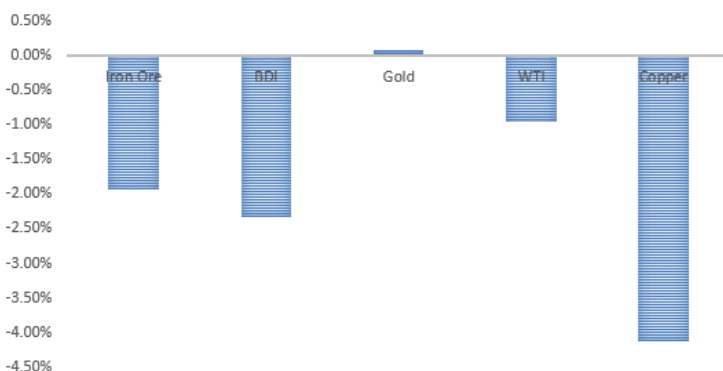
Agribulks:

The weak sentiment will last through the entire June and July for crops, including soybean and corns. Argentina and Uruguay’s exports in 2024 are expected to increase 71% on the year, boosted by improved crop conditions. Top importers were Latin America, Mainland China, Europe and South East Asia. However, some market participants were worried about the forecast of a drier weather in October.

Commodity Relative Price Range

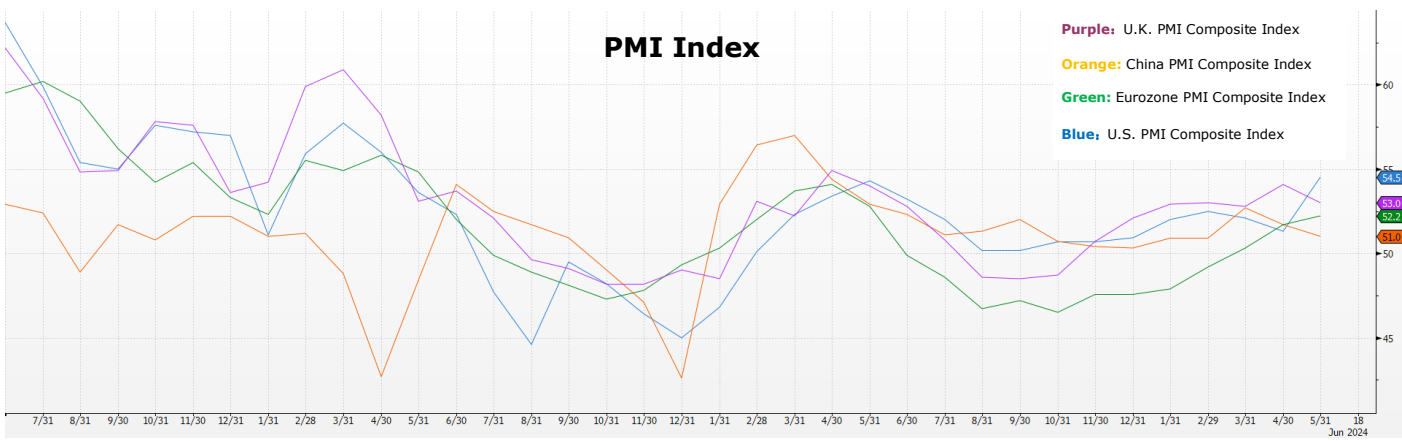
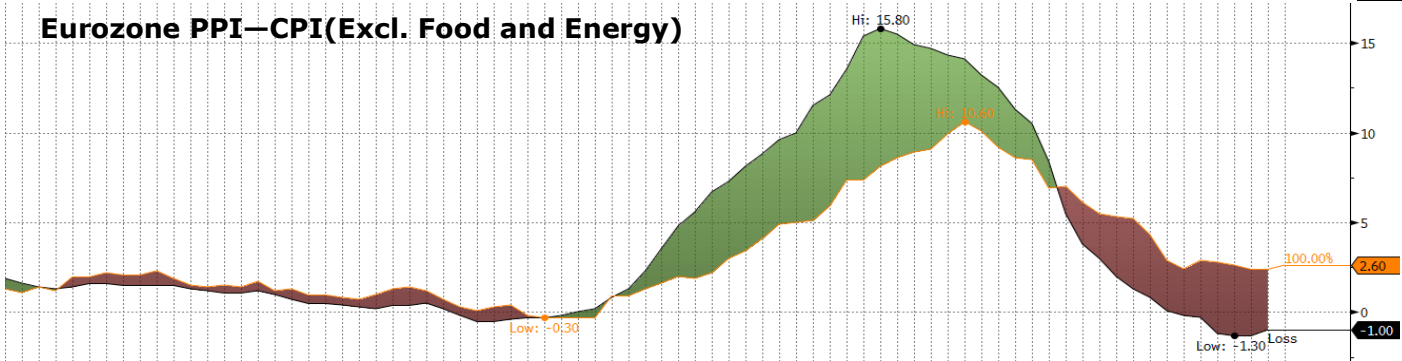
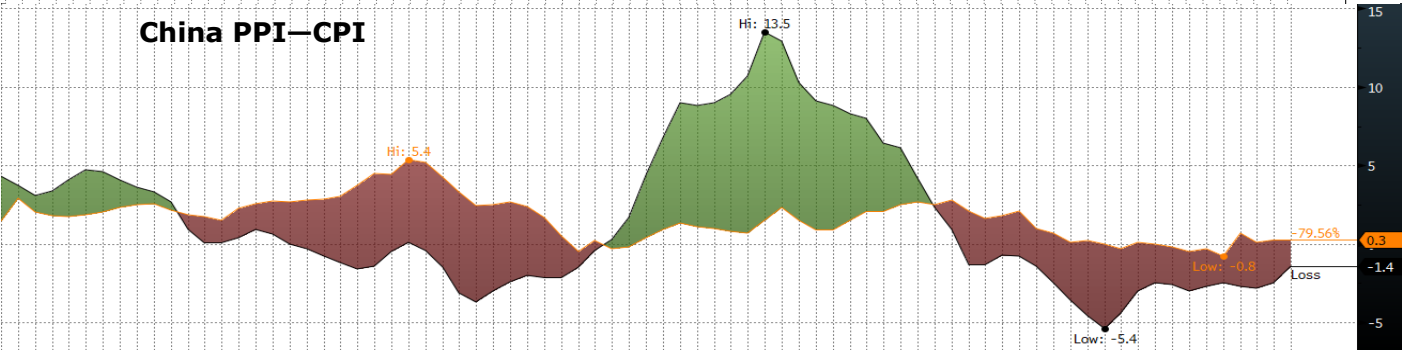
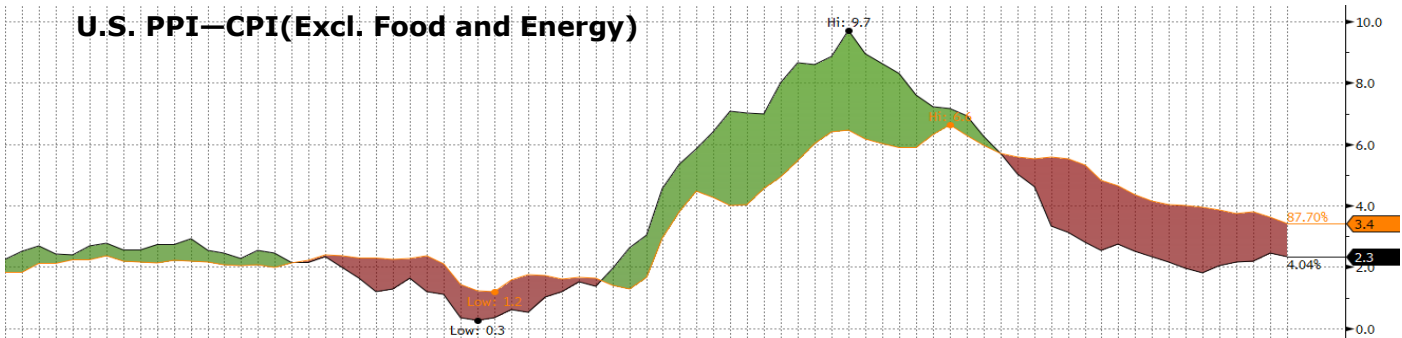


5 DAY MOVING AVERAGE CHANGE ON COMMODITIES



Sources: Bloomberg, FIS

	Last	Previous	
LME Copper 3 Month Rolling	9216.50	9806.00	-6.01%
LME Aluminium 3 Month Rolling	2299.50	2461.50	-6.58%
WTI Cushing Crude Oil	79.78	81.91	-2.60%
Platts Iron Ore Fe62%	103.20	108.75	-5.10%
U.S. Gold Physical	2397.80	2469.08	-2.89%
BDI	1896.00	1997.00	-5.06%



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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