

14/10/2025

	Last	Previous	% Change
U.S. Dollar Index(DXY)	99.17	98.58	0.60%
USD/CNY	7.1421	7.1459	-0.05%
U.S. FOMC Upper Interest Rate	4.25	4.50	-5.56%
China Repo 7 day	1.48	1.65	-10.30%
Caixin China Manufacturing PMI	51.20	50.50	1.39%
Markit U.S. Manufacturing PMI	51.90	51.60	0.58%

Currency and Global Market:

Last week, China announced the imposition of a special port fee on US vessels, acting as a countermeasure to the service fees previously levied by the US on China-manufactured ships. Shortly thereafter, US President Donald Trump unveiled a further 100% tariff hike on select Chinese commodities. Amid market concerns over an escalation of trade tensions, global assets witnessed a broad-based decline on Friday, though the magnitude of the drop was smaller than the one recorded in early April. However, Monday's easing of trade frictions by US coupled with the progress in Middle East peace negotiations fueled a fast recovery in commodity markets. That said, gold and silver prices remained elevated, a signal that risk avoidance in the market remained relatively pronounced. Persistently low risk appetite continued to exert downward pressure on commodity prices.

FFA:

The recent Chinese policy of levying a special port fee on US-flagged vessels will impact ship owners with US capital ties. Consequently, these shipowners' operating costs could rise, and a portion of such cost increases may be passed on to the prices of seaborne commodities. In the long term, negotiations among relevant stakeholders are expected to take place. After the Chinese National Day holiday, a number of miners entered the market to charter ships, driving a temporary rebound in market sentiment. Short-haul routes are relatively active, while long-haul ones remain rather sluggish.

Owing to the adjustment of Indonesia's policy on coal sales prices in August, its coal products have gained export competitiveness. Meanwhile, the trade agreement signed between Indonesia and the EU in Bali could further boost Indonesia's share in the global trade. The coal market in the Asian region has kept high activity levels in September and October. In the grain market, the supply and demand of shipping capacity have been relatively balanced over the past two weeks.

Oil:

On 9th October, US president Donald Trump announced that Israel and Hamas had both signed the first phase of a peace agreement. Geopolitical premiums embedded in crude oil prices are expected to recede. In addition, the ceasefire could facilitate the resolution of the Red Sea crisis, alleviating tensions in the oil shipping market. Conversely, sanctions imposed on Russia and Iran could curtail crude oil supply.

Sources: Bloomberg

	Last	Previous	
LME Copper 3 Month Rolling	10820.50	10654.50	1.56%
LME Aluminium 3 Month Rolling	2763.00	2725.00	1.39%
WTI Cushing Crude Oil	59.49	61.69	-3.57%
Platts Iron Ore Fe62%	109.20	104.10	4.90%
U.S. Gold Physical	4115.50	3984.85	3.28%
BDI	2144.00	1901.00	12.78%

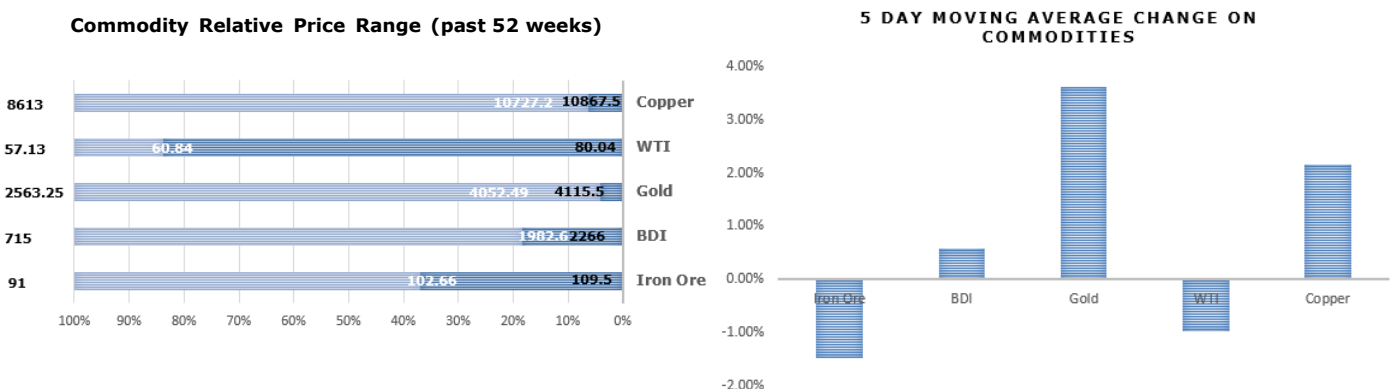
OPEC+ intends to increase output by 137,000 barrels/day(bpd) in November, though the actual production rise could undershoot the target. In its September monthly report, the International Energy Agency (IEA) forecast that global crude oil demand would rise by 740,000 bpd in 2025, while global crude oil supply may increase by 2.7 million bpd over the same year, with supply growth remaining substantially ahead of demand growth.

Metals:

The US labor market has been gradually slowing down. This factor combined with weak data from the manufacturing and services sectors has fueled expectations for interest rate cuts by the Fed. Additionally, safe-haven assets demand triggered by the US shutdown, coupled with heightened risks of mining strikes, have amplified market concerns of supply shortages. Copper prices have continued to surge driven by these multiple factors. However, there are significant divisions within the Fed regarding the future course of monetary policy, and the achievement of a ceasefire agreement between Israel and Hamas has somewhat cooled market risk aversion. After a consecutive sharp rally, the upward momentum of copper prices has weakened.

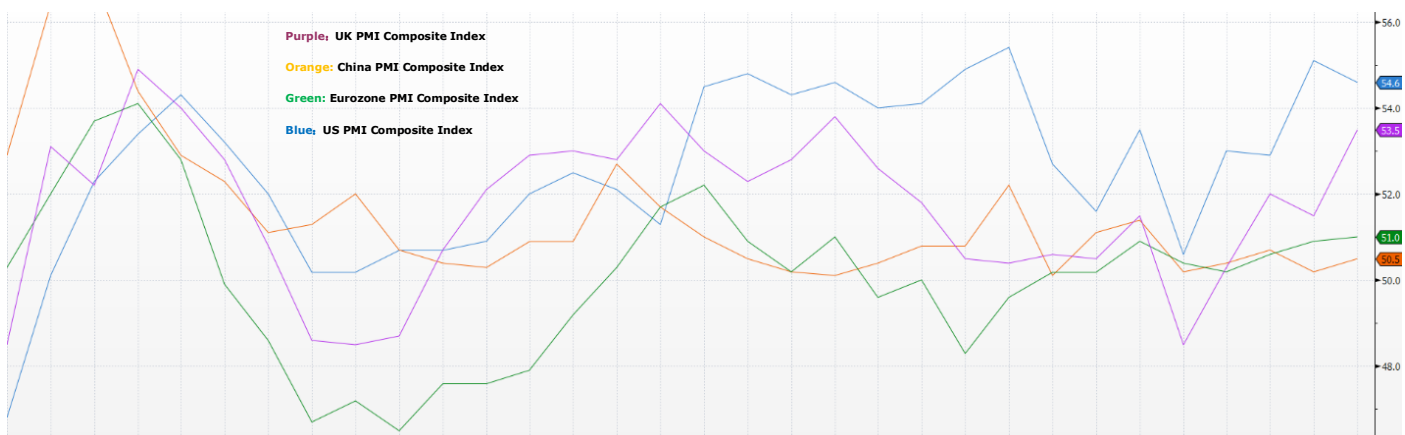
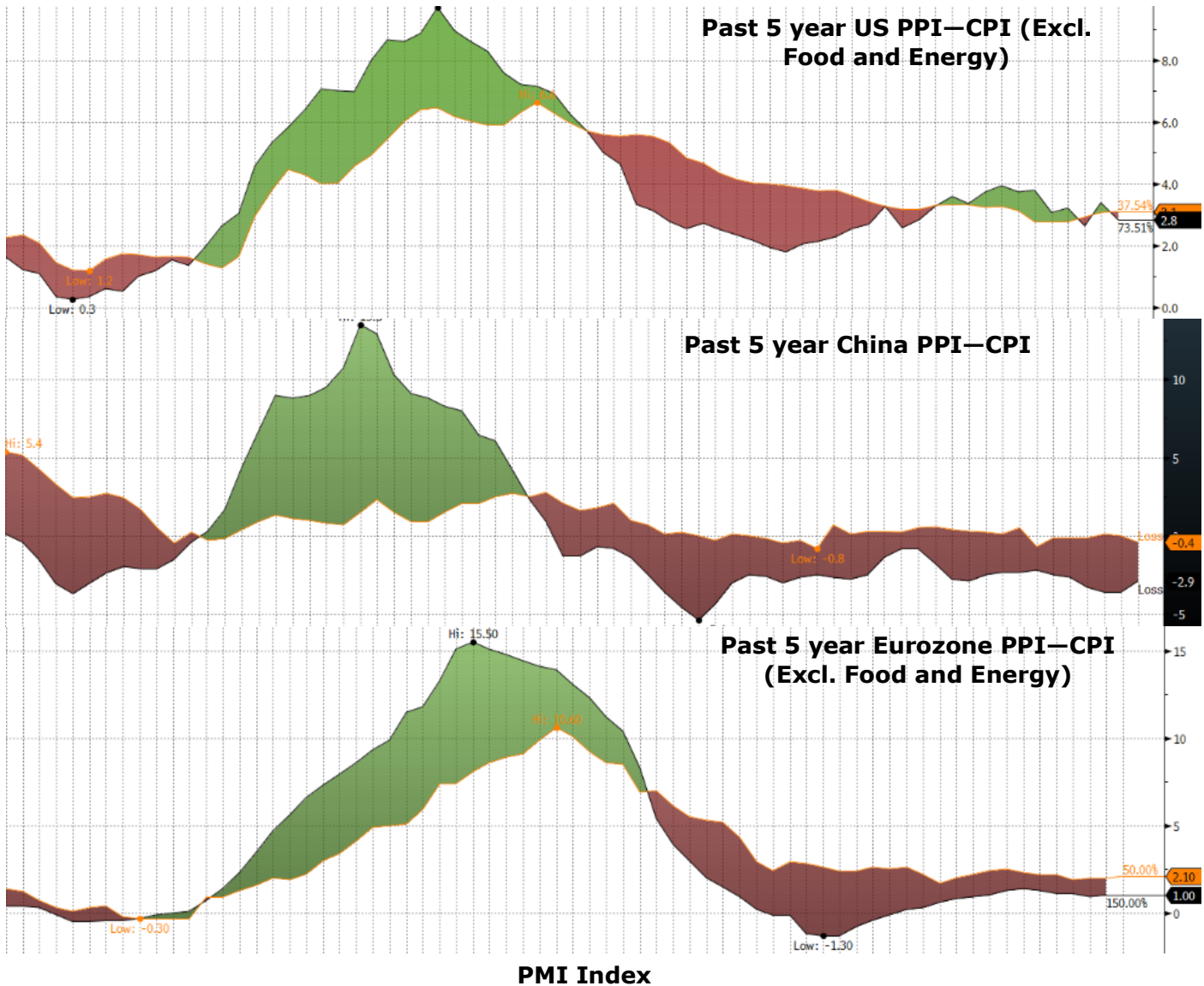
Ferrous:

Chinese domestic iron ore had a relatively low supply due to environmental controls. The seaborne iron ore trade was quiet, except for PBF and PBL. BHP reached an agreement to settle iron ore trade in Chinese yuan, released concerns over short-term supply. Steel consumption and exports are expected to decline in the last two months of the year, as the construction season in China is ending in early November and the EU has lowered its quota of steel imports.



Sources: Bloomberg, FIS

	Last	Previous	
Shanghai&Shenzhen 300 Index	4593.98	4550.05	0.97%
Dow Jones Industrial Average	46067.58	46694.97	-1.34%
FTSE 100 Index	9442.87	9479.14	-0.38%
Nikkei 225 Index	48088.80	45769.50	5.07%
BVAL U.S. 10-year Note Yield	4.0738	4.1388	-1.57%
BVAL China 10-year Note Yield	1.8307	1.8720	-2.21%



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.

US 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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