

4/11/2025

	Last	Previous	% Change
U.S. Dollar Index(DXY)	99.94	98.67	1.29%
USD/CNY	7.1272	7.0960	0.44%
U.S. FOMC Upper Interest Rate	4.25	4.50	-5.56%
China Repo 7 day	1.47	1.65	-10.91%
Caixin China Manufacturing PMI	50.60	51.20	-1.17%
Markit U.S. Manufacturing PMI	52.00	51.90	0.19%

Currency and Global Market:

The smooth progress of China-US trade talks has eased market concerns about potential global tariff frictions ahead. The Fed cut interest rates by 25 bps in October as scheduled and announced the conclusion of its balance sheet reduction on December 1st. However, subsequent hawkish remarks from Jerome Powell dampened the market's optimistic expectations for another rate cut in December.

The People's Bank of China (PBoC) has once again opened up government bond trading, which has helped curb extreme volatility (sharp rallies and slumps) in the secondary market. It has also narrowed the room for secondary market fluctuations as the year-end approaches. With improved risk appetite, commodities linked to the "anti-involution" theme, including steel, lithium batteries, and photovoltaics, could potentially gain upward momentum once again.

FFA:

The Capesize market has come under pressure and declined this week. In the Pacific market, although Australian iron ore cargoes have been released, demand remains low. Meanwhile, cargo volumes from Brazil and West Africa are relatively small.

In the Panamax market's Indonesia route, cargo volumes were low last week, but shipowners maintained high quotations, which supported FFAs. After the China-US negotiations, port dues were extended, leading to an increase in available shipping capacity and a subsequent decline in freight rates. Additionally, limited grain cargo volumes from South America further suppressed the market.

Oil:

Multiple factors have elevated supply risks in the crude oil market recently: US President Donald Trump has threatened actions against Venezuela and Nigeria. Israel has not fully implemented a ceasefire. The EU and the US have maintained sanctions on Russian crude oil exports.

Against this backdrop, US commercial crude oil, gasoline, and distillate inventories all saw drawdowns last week, which further boosted oil prices to stabilize and rebound. However, crude oil floating storage remains elevated, and the market is mired in oversupply.

	Last	Previous	
LME Copper 3 Month Rolling	10855.00	11029.00	-1.58%
LME Aluminium 3 Month Rolling	2902.00	2874.50	0.96%
WTI Cushing Crude Oil	61.05	61.31	-0.42%
Platts Iron Ore Fe62%	105.85	106.50	-0.61%
U.S. Gold Physical	3986.56	3952.14	0.87%
BDI	1945.00	1991.00	-2.31%

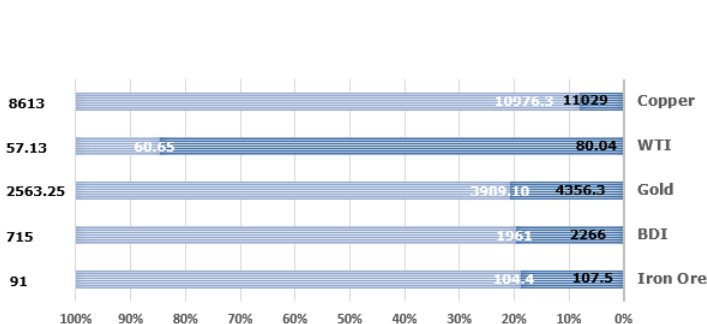
Metals:

Downstream enterprises in China have shown weak purchasing demand, with processing plants halting production and speculative demand remaining scarce. China's electrolytic copper inventories have continued to rise, while trading volumes dropped to this year's low in October. Freeport-McMoRan Inc. (FCX) announced that it has cut its Q3 2025 copper sales forecast by 4% to 770,000 metric tons. The total volume reduction accounts for approximately 1.17% of global copper supply.

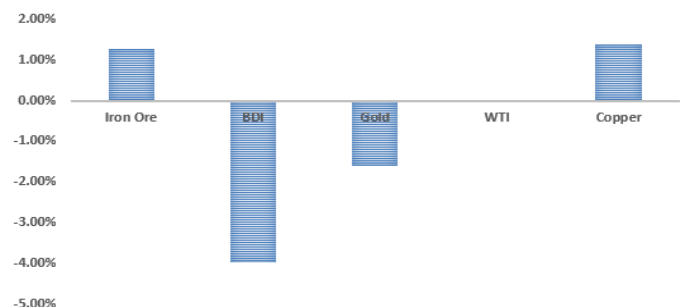
Ferrous:

During the past week, both construction and flat steel saw significant reduction on inventories, pointing to a sustainable demand in China. However, the market expects a colder weather in the next weeks, which could potentially limit downstream activities. Hot metal output is expected to enter a downward trend, which could resist growth of iron ore and coking coal in Q4. On the other side, coking coal was supported by maintenance, production cut in China and Mongolia and environmental inspections.

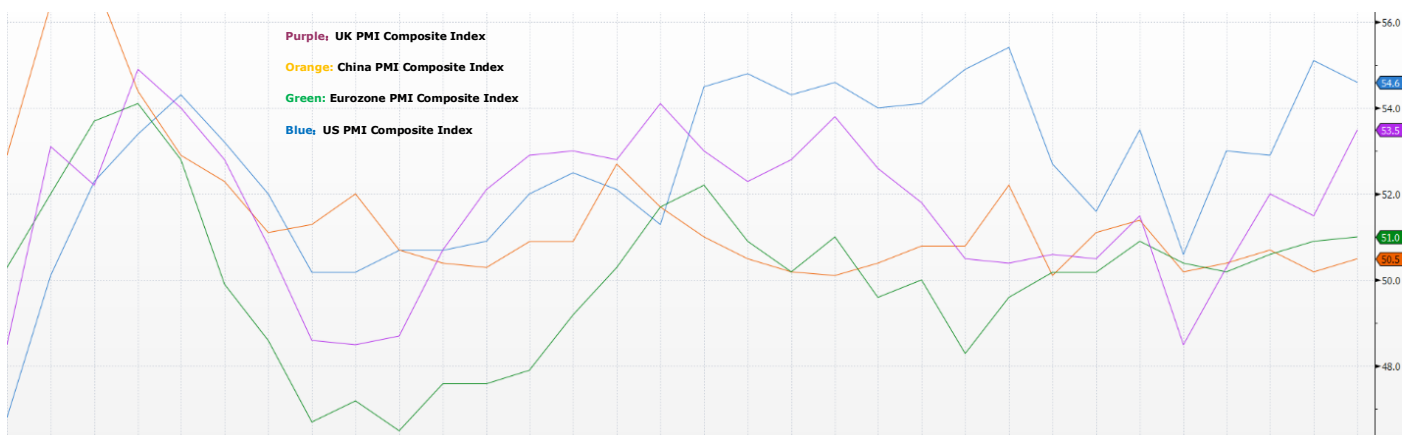
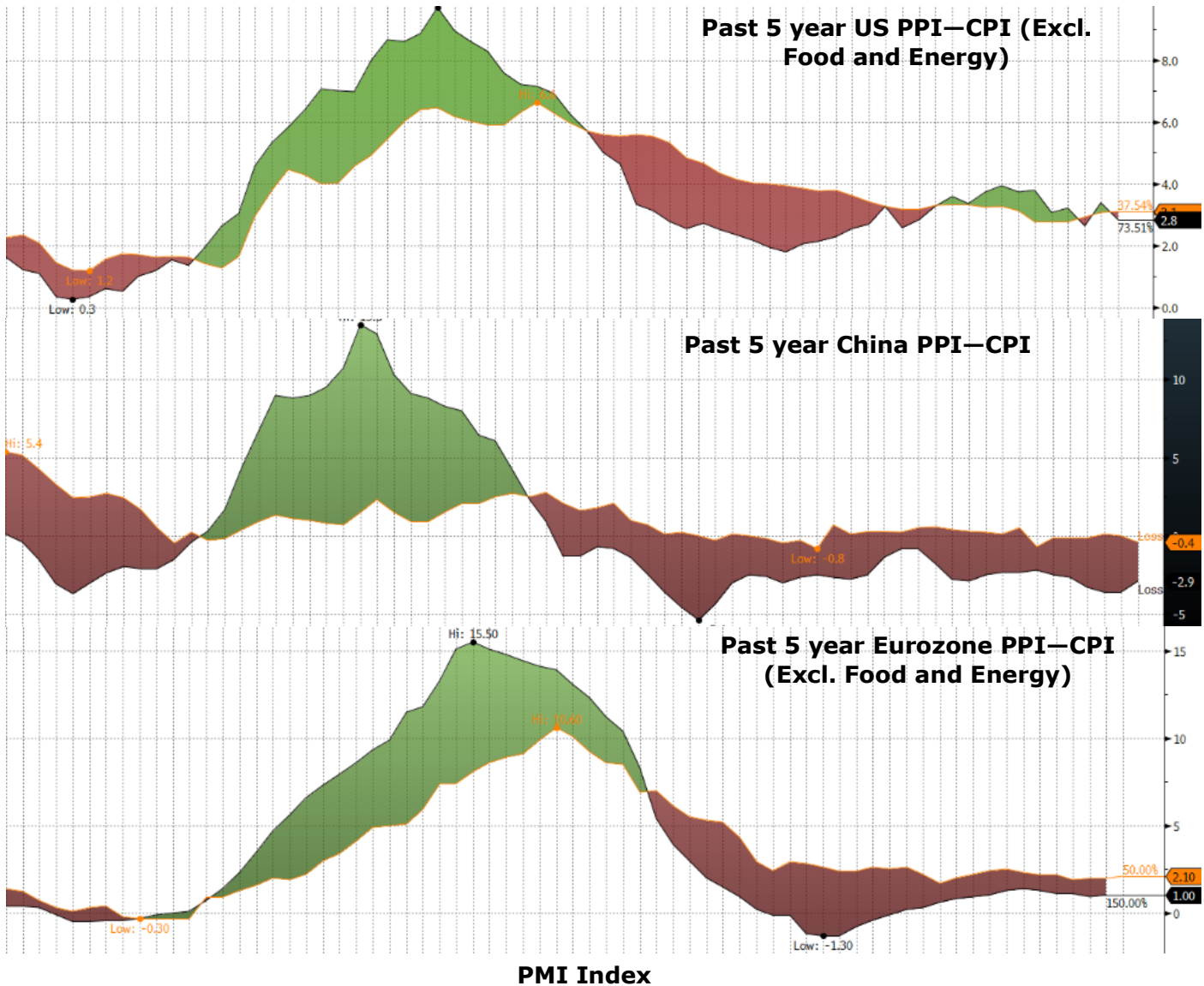
Commodity Relative Price Range (past 52 weeks)



5 DAY MOVING AVERAGE CHANGE ON COMMODITIES



	Last	Previous	
Shanghai&Shenzhen 300 Index	4653.40	4716.02	-1.33%
Dow Jones Industrial Average	47336.68	47544.59	-0.44%
FTSE 100 Index	9701.37	9653.82	0.49%
Nikkei 225 Index	52411.34	49299.65	6.31%
BVAL U.S. 10-year Note Yield	4.1265	4.0112	2.87%
BVAL China 10-year Note Yield	1.7872	1.8311	-2.40%



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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