

13/1/2026

| | Last | Previous | % Change |
|--------------------------------|--------|----------|----------|
| U.S. Dollar Index(DXY) | 98.92 | 98.58 | 0.35% |
| USD/CNY | 6.9723 | 6.9805 | -0.12% |
| U.S. FOMC Upper Interest Rate | 3.75 | 4.00 | -6.25% |
| China Repo 7 day | 1.52 | 1.49 | 2.01% |
| Caixin China Manufacturing PMI | 50.10 | 49.90 | 0.40% |
| Markit U.S. Manufacturing PMI | 49.70 | 50.70 | -1.97% |

Currency and Global Market:

The Federal Reserve, which has already implemented three consecutive precautionary rate cuts, looks more inclined to adopt a wait-and-see stance, also due to the weakly balanced labor market. Investors price in further rate cuts and wait the Supreme Court ruling on US tariffs. Meanwhile, inflationary pressures in Europe have eased slightly. Subsequently, amid escalating geopolitical crises and President Trump looking for a replacement for Jerome Powell at the helm of the Fed, gold and silver prices hit fresh record highs. The US will immediately begin refining and selling up to 50 million barrels of Venezuelan oil.

FFA:

During the Christmas period, some Australian miners solicited vessel quotes in the market, while overall market activity remained sluggish. Following the New Year, shipping demand in both the Atlantic and Pacific markets showed no signs of improvement. Ample available shipping capacity weighed on freight rates, which edged lower. For long-haul iron ore routes, Brazil was in its rainy season, resulting in moderate shipment volumes. Meanwhile, an increasing number of ballast vessels arrived at loading ports, exerting downward pressure on freight rates.

Following the post-holiday period, China's coal prices have stabilized and edged higher. Imported coal still maintains a price advantage, while power plants have released their post-holiday restocking demand. Against this backdrop, Indonesian coal cargoes scheduled for loading in mid-to-late January have increased significantly, absorbing part of the spot shipping capacity and driving a recovery in the daily charter rates of Panamax vessels. In the grain market, shipping for the new South American grain season has not yet kicked off, leaving the market relatively quiet with stable freight rates.

Oil:

Early last week, President Trump announced plans to release 30–50 million barrels of Venezuelan oil, triggering a sharp but short-lived drop in oil prices. However, an unexpected geopolitical conflict in the Middle East quickly fueled a price rebound. According to the latest EIA data, US commercial crude inventories drew down last week, while refined product stocks built up more than expected. Amid winter weather disruptions hampering transportation, overall oil demand remained weak. In the near term, geopolitical risks will remain the primary driver of oil price.

| | Last | Previous | |
|--------------------------------------|----------|----------|----------------|
| LME Copper 3 Month Rolling | 13209.50 | 12991.50 | 1.68% |
| LME Aluminium 3 Month Rolling | 3184.50 | 3085.50 | 3.21% |
| WTI Cushing Crude Oil | 59.50 | 58.32 | 2.02% |
| Platts Iron Ore Fe61% | 106.65 | 109.25 | -2.38% |
| U.S. Gold Physical | 4588.46 | 4494.83 | 2.08% |
| BDI | 1688.00 | 1877.00 | -10.07% |

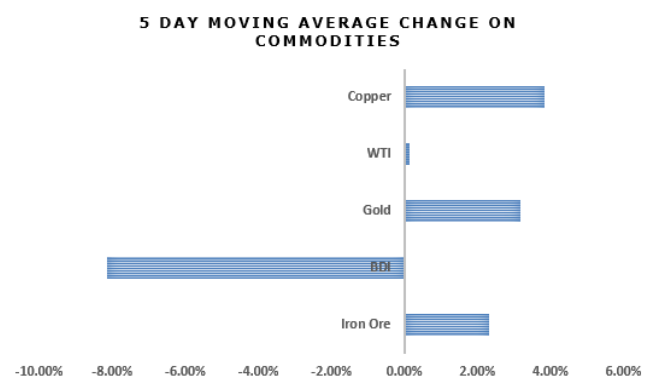
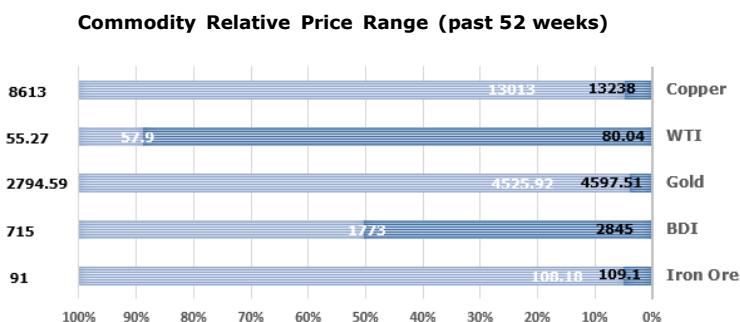
Metals:

A strike at Capstone Copper's Mantoverde copper-gold mine in Chile, triggered by the breakdown of negotiations over wages and working conditions, kicked off on 2nd January and remains ongoing as of now. While this mine's impact on global copper supply is limited, it has significantly amplified market expectations of a tight global copper supply and further fueled a record high in copper prices. At the same time, downstream buyers globally have adopted a more cautious procurement stance. Meanwhile, improved profit margins have boosted the supply of scrap copper in China. Social inventories of copper in both US and China are hovering at relatively high levels. As we entered January, slower growth in grid-related demand coupled with a contraction in automobile production has led to a marginal decline in copper demand.

Ferrous:

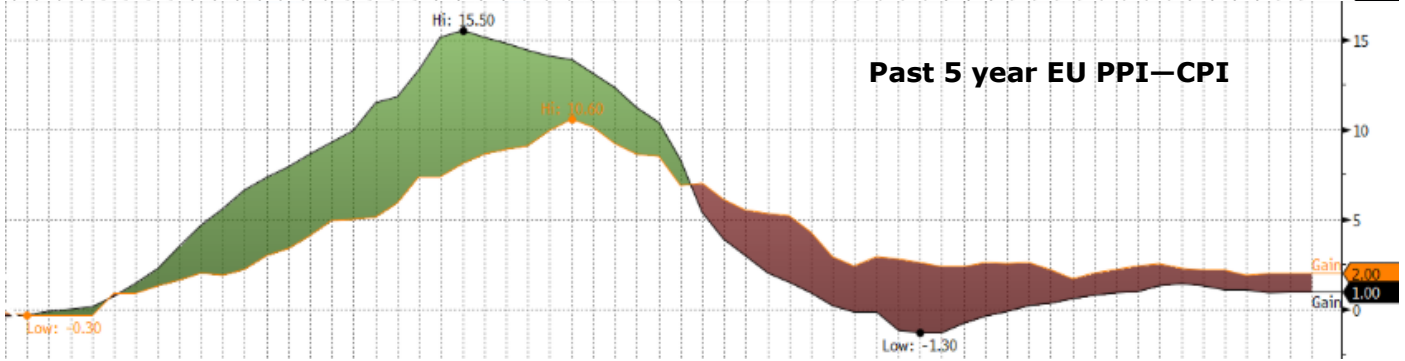
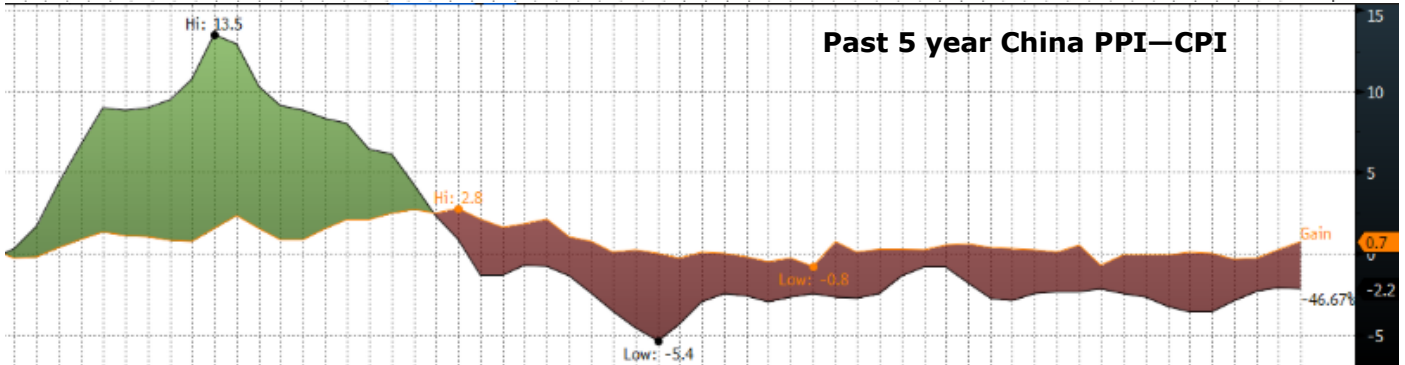
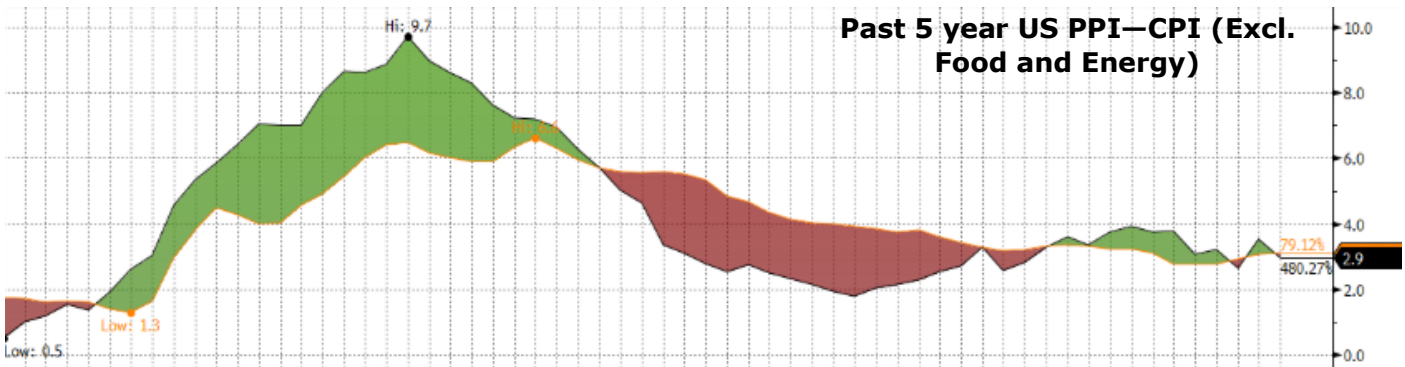
After twelve consecutive weeks of destocking, total inventories of China's five major steel products and rebar have reversed the downward trajectory to an upward trend, posting the first weekly growth as of the week ended. Against the backdrop of a post-holiday rebound in steel prices, electric arc furnace (EAF) steel mills have seen a notable improvement in profit margins, which has accelerated their production resumption pace. As a result, both their operating rates and capacity utilization rates have climbed for two consecutive weeks.

Meanwhile, persistent heavy rainfall in Australia has disrupted coking coal exports and port operations, leaving vessels unable to berth on schedule. This supply disruption has prompted Indian buyers to accept higher price levels. GM3, a major Australian coking coal miner, has declared force majeure on its Illawarra mines, further tightening market supply and reinforcing Indian buyers' willingness to absorb elevated coking coal prices.

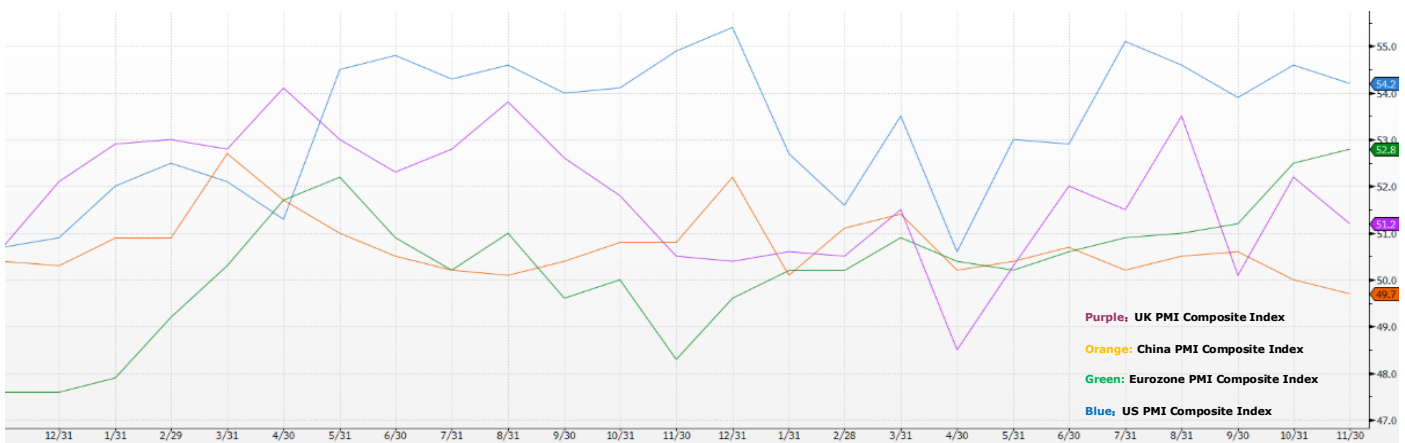


Sources: Bloomberg, FIS

| | Last | Previous | |
|-------------------------------|----------|----------|-------|
| Shanghai&Shenzhen 300 Index | 4758.92 | 4629.94 | 2.79% |
| Dow Jones Industrial Average | 49590.20 | 48977.18 | 1.25% |
| FTSE 100 Index | 10140.70 | 10004.57 | 1.36% |
| Nikkei 225 Index | 51939.89 | 50339.48 | 3.18% |
| BVAL U.S. 10-year Note Yield | 4.2055 | 4.1775 | 0.67% |
| BVAL China 10-year Note Yield | 1.8844 | 1.8754 | 0.48% |



Past 2 year PMI Index



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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