

27/1/2026

	Last	Previous	% Change
U.S. Dollar Index(DXY)	97.14	98.64	-1.52%
USD/CNY	6.9554	6.9557	-0.00%
U.S. FOMC Upper Interest Rate	3.75	4.00	-6.25%
China Repo 7 day	1.63	1.56	4.49%
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:

Over the past week, US GDP growth beat expectations. Consumer income diverged during the shutdown period, the PCE Price Index remained stable, the Consumer Confidence Index was revised upward, and inflation expectations were revised downward, signaling a mild improvement in US economic outlook with muted inflation pressure. China's manufacturing PMI returned to expansion territory in January, with intensified policies to stabilize. UK inflation rebounded alongside a pick-up in the sentiment index, reflecting a gradual recovery in domestic demand. Japan saw a sharp pullback in inflation with a broad-based rebound in PMIs, as activity in both manufacturing and service sector improved. The divergent macro trends across major economies have led to mixed expectations for global monetary policy, which in turn has impacted the price volatility of bulk commodities such as industrial metals and energy. The ongoing standoff over the Greenland issue, shifts in the hierarchy of US Federal Reserve candidate appointments, evolving developments in Iran, and tariff disputes among the United States, the European Union, and Canada have remained key macroeconomic variables in recent weeks.

FFA:

The Capesize market held firm last week on the back of multiple positive drivers for shipping capacity. Australian miners continued to solicit vessel enquiries in the market, with cargo volumes on long-haul mineral routes rising. Meanwhile, affected by the cold wave in China, some ports were closed to navigation, tightening the short-term vessel supply. For long-haul mineral routes, Vale's COA contracts from Brazil kept being released, continuously absorbing shipping capacity. In addition, bauxite port departures in January stayed at a year-on-year high, driving up demand for shipping capacity. Overall, the overlapping of capacity absorption from iron ore and bauxite sectors supported the strong trend of the Capesize market last week.

Daily TC rates in the Panamax market bottomed out and rebounded. In the Pacific market, Indonesian coal cargo volumes were low and available shipping capacity was abundant, yet shipowners maintained strong confidence and kept raising their quotes, keeping rates from declining. In the grain market, expectations for a bumper South American grain harvest boosted bullish sentiment in the spot market, leading to a surge in short-term TC trades and a rise in grain freight rates.

	Last	Previous	
LME Copper 3 Month Rolling	13199.00	12965.50	1.80%
LME Aluminium 3 Month Rolling	3188.50	3158.50	0.95%
WTI Cushing Crude Oil	60.63	59.44	2.00%
Platts Iron Ore Fe61%	103.35	104.45	-1.05%
U.S. Gold Physical	5064.03	4763.43	6.31%
BDI	1780.00	1567.00	13.59%

Oil:

The US announced the imposition of export tariffs on certain goods to eight European countries and the suspension of trade agreements, which exerted bearish pressure on the forward demand of the international crude oil market. The tariffs were subsequently put on hold, easing short-term demand-side concerns to some extent. Venezuela pushed forward its oil reform plan in an attempt to boost crude production. The potential resumption of US military options against Iran may once again roil market sentiment, introducing geopolitical risk premium.

On the supply and demand front, the Tengiz oil field in Kazakhstan has been shut down since January 18th due to power supply disruptions. Since January, US commercial crude inventories, Strategic Petroleum Reserve (SPR) stocks and Cushing crude inventories have all edged higher. Additionally, US gasoline and distillate inventories have also seen a sustained rebound throughout January, with the overall inventory build weighing on near-term crude oil prices. IEA monthly report predicted 2.5 million barrels/day increase on global petroleum supply in 2026, higher than 2.4 million barrels/day in the last report. Saudi Arabia's crude oil exports surged to approximately 6.33 million barrels per day in December, hitting a nine-month high.

Metals:

Negotiations over the labor dispute at Chile's Mantoverde copper mine (with an output of 74,000 metric tons of copper in 2025) have failed, and the strike will continue, with the mine now fully shut down. The mine's copper output stood at 74,000 metal tons in 2025. China's refined copper output (SMM data) reached 1.18 million tons in December, a month-on-month increase by 6.8% and a year-on-year rise of 7.54%. LME copper inventories have accumulated rapidly, reducing the risk of a short squeeze. Following the concentrated delivery last Wednesday, the market structure quickly shifted from backwardation to contango. Ahead of Chinese New Year holiday in mid-February, downstream enterprises are under pressure with their stocking-up demand remaining limited. Meanwhile, refined copper continues to flow into the US, and inventories across the three major exchanges have surged recently. In general, the high inventory level is exerting a certain restraining effect on copper prices.

From a macro perspective, the improvement in US employment data, the PCE Price Index coming in line with expectations, along with China's indication of continuing a proactive fiscal policy in recent meetings, has collectively provided macro support for base metal prices. Gold and silver reached new highs, which attracted marginal capital flows to metal market.

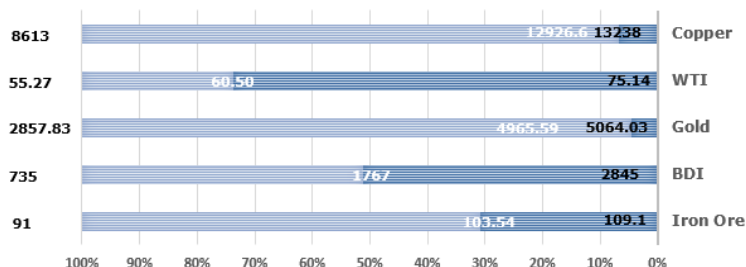
Sources: Bloomberg, FIS

Ferrous:

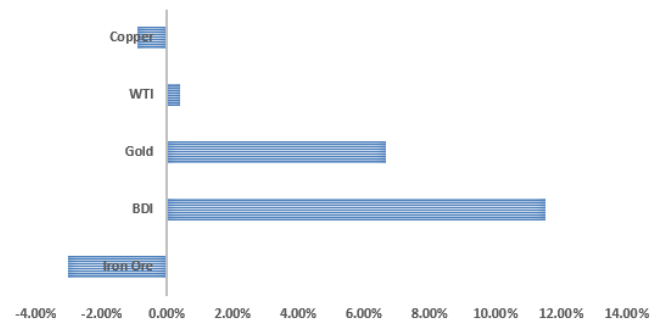
Post-Chinese New Year restocking demand supported later-delivery cargo liquidity. Chinese steel mills still face a significant inventory gap in iron ore, with historical low iron ore turnover inventories, which drive up marginal prices. However, due to limited environment related production curbs and high port inventories, lump premiums stabilized at 4.5 cents/dmtu, an extreme low level in history. High-grade Simandou iron ore (65.37% Fe) entered the seaborne market, priced against the 65% Fe index first time in China.

India's JSW Steel reported Q3 FY26 (April-March) saleable steel sales of 7.64 million mt, a 14% year-over-year increase, driven by strong domestic demand. Australian supply tightness driven by wet weather disruptions and strong Indian demand fueled price gains. Australian PLV refreshed highest at \$229/mt since July 2024, while FOB index reached \$250.0/mt. Coking plants in China continue to maintain their coking coal procurement pace. Spot coking coal prices in Shanxi keep edging up, but traders' enthusiasm for chasing price gains to procure cargoes has weakened. The auctions saw active bidders compared to December.

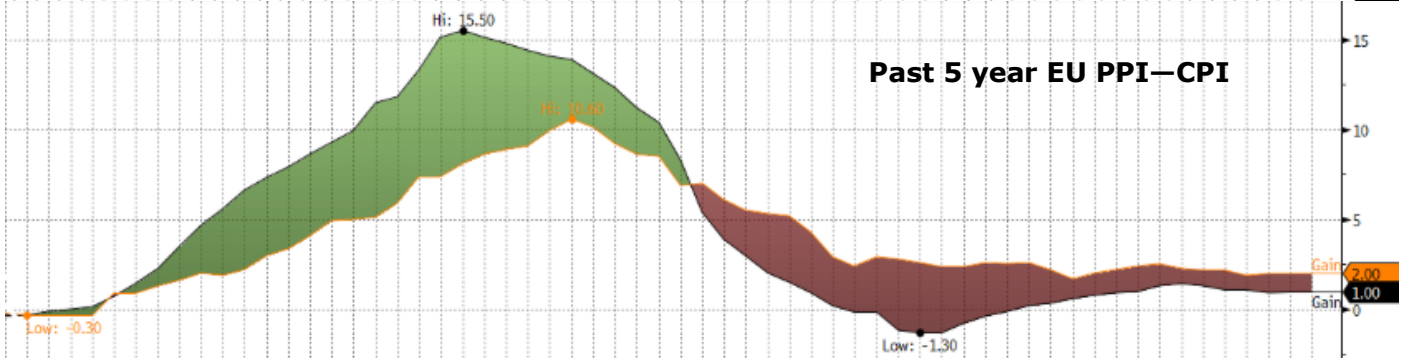
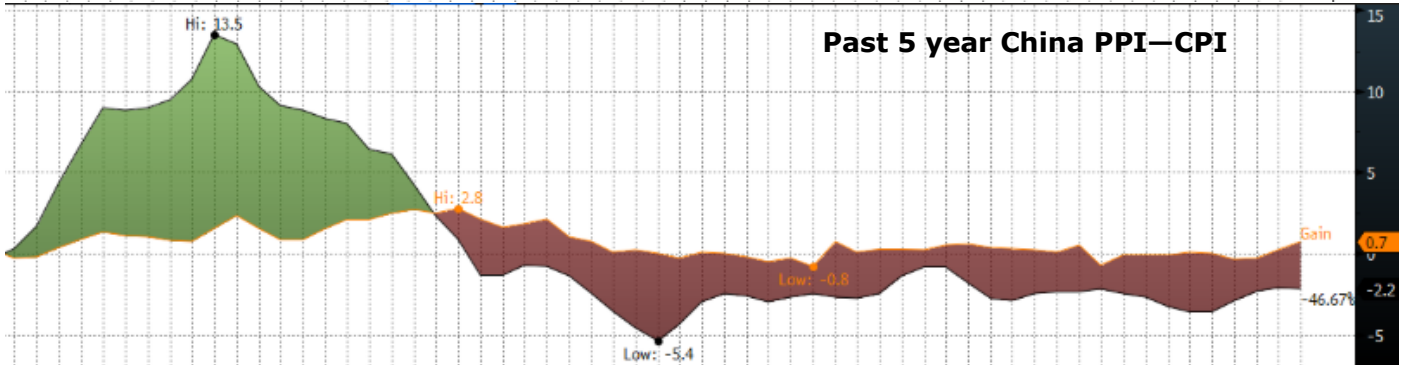
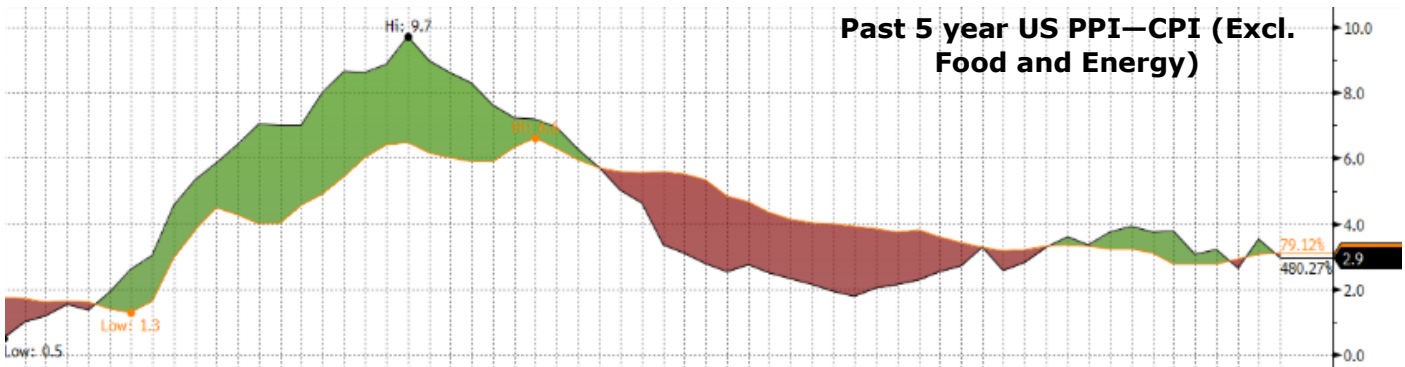
Commodity Relative Price Range (past 52 weeks)



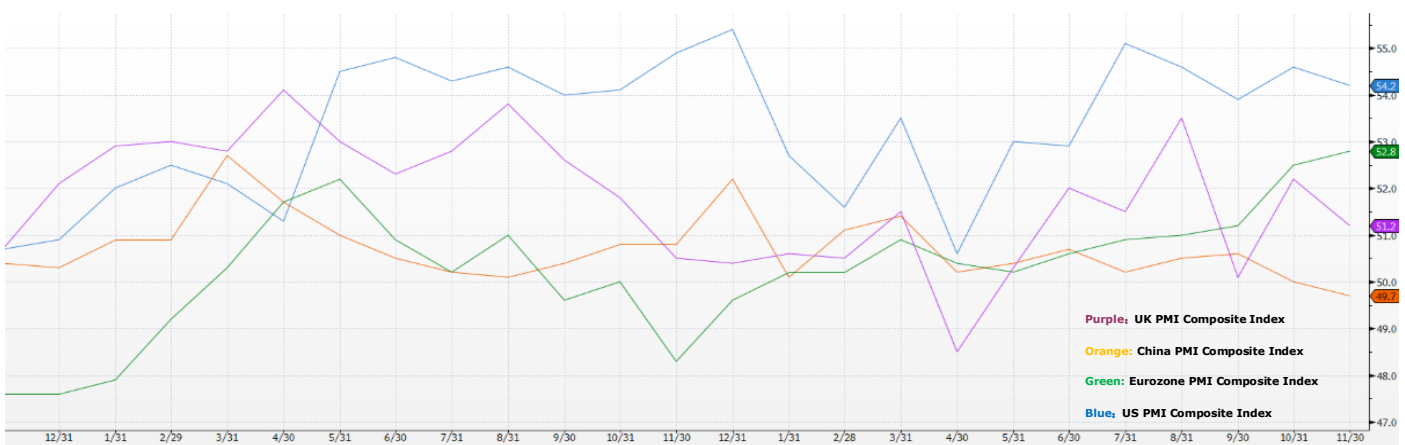
5 DAY MOVING AVERAGE CHANGE ON COMMODITIES



	Last	Previous	
Shanghai&Shenzhen 300 Index	4706.96	4734.46	-0.58%
Dow Jones Industrial Average	49412.40	49359.33	0.11%
FTSE 100 Index	10148.85	10195.35	-0.46%
Nikkei 225 Index	52885.25	53583.57	-1.30%
BVAL U.S. 10-year Note Yield	4.2328	4.2444	-0.27%
BVAL China 10-year Note Yield	1.8264	1.8496	-1.25%



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.

Written by **Hao Pei**,
FIS Senior Research Analyst
haop@freightinvestor.com