

The Japan Rubber Futures Weekly Report:

03 Jan 2022 – 07 Jan 2022

Note: Japan Manufacturing PMI in Dec higher at 54.3, Tokyo Dec CPI +0.5% & Dec Vehicle Sales -10.2%

Rubber Futures Report:

Rubber Futures prices closed the first week of the New Year mostly higher in renewed buying although volume was light in a shortened week trading. Most exchanges were closed on Mon 3 Jan for the New Year holiday except the SICOM market. Japan OSE closed +1.4% while SHFE and INE closed mixed -0.4% and +0.3% respectively. SGX SICOM was +1.5%. Heavy rain in major rubber producing countries and floods in Malaysia may have supported rubber prices as it disrupted tapping and deliveries. Weekly rubber stockpile on SHFE and INE rose again +3,945 tonnes and +3,489 tonnes respectively may capped rubber prices from any strong rally. On global economic news, Japan Manufacturing PMI in Dec was higher at 54.3, Tokyo CPI in Dec +0.5% was with market expectation and Japan Dec Vehicle sales -10.2% after falling 13.4% in Nov. In US, Dec Unemployment rate fell 0.3% to 3.9% but Non-farm payroll was much lower at +199,000 against an expectation of +400,000. On global equity markets, US equities were hovering near record highs but closed the week weaker after the Dec FOMC minutes of meeting said that the Fed likely to hike interest rate earlier.

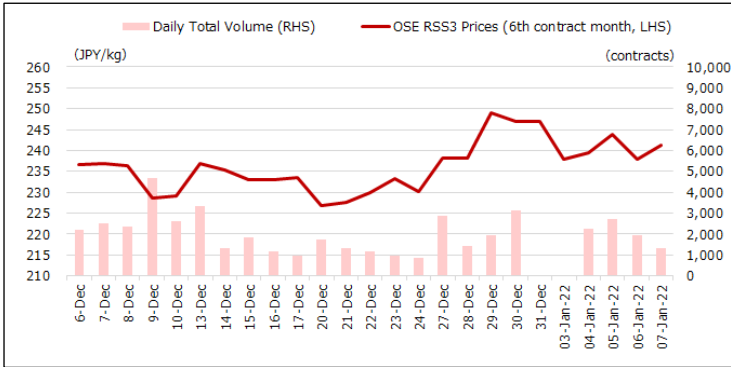
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Jan 22	226.0	+3.2	SCR/RSS May22	14,770	-60	Feb 22	176.6	+2.8	RSS3 May 22	67.05	+0.8
Feb 22	227.8	+2.7	SCR/RSS Sep22	14,950	-65	Mar 22	177.6	+2.6	RSS3 Jun 22	67.45	+0.4
Mar 22	230.7	+2.6	Total Vol.	1,215,721	-211,027	Apr 22	178.4	+2.5	JRF May 22	237.1	+3.1
Apr 22	234.0	+4.0	Total OI	323,516	+10,691	May 22	179.2	+2.5	JRF Jun 22	241.1	+3.3
May 22	236.9	+2.9	INE TSR Mar 22	11,695	+35	Jun 22	180.0	+2.2	ICEX	Last (INR)	Net
Jun 22	241.4	+3.4	INE TSR Apr 22	11,790	+55	Jul 22	180.7	+2.1	RSS4 Feb 22	17,508	0
Total Vol.	8,287	-1,094	Total Vol.	143,053	-35,991	Total Vol.	27,267	+1,358	MCX	Last (INR)	Net
Total OI	8,730	+310	Total OI	60,092	+4,398	Total OI	49,690	+646	RSS4 Jan 22	16,260	-615

Source: JPX

Source: SHFE, INE

Source: SGX

Source: TFEX, ICEX, MCX



Source: JPX

Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 31 Dec)	9,168	-143
Shanghai SHFE Rubber Stocks (ton, 07 Jan)	234,800	+3,945
Shanghai INE Rubber Stocks (ton, 07 Jan)	72,682	+3,489
China Vehicle Total Sales (unit, 30 Nov)	2,521,591	+188,790
China Passenger Car Sales (unit, 30 Nov)	2,191,953	+185,137
China Commercial Car Sales (unit, 30 Nov)	329,638	+3,653
US Unemployment Rate (% Dec)	3.9	-0.3
US Non-Farm Payroll (Dec)	199,000	-50,000
Japan Unemployment Rate (% Nov)	2.8	+0.1
Japan PMI (Dec)	54.2	-0.2
Japan Tankan Large Manufacturing (4Q)	+18	0
China PMI (Dec)	50.3	+0.2
China GDP 3Q (%)	+4.9	-3.0

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	115.56	+0.48
EUR/USD	1.1360	-0.0010
GBP/USD	1.3588	+0.0056
USD/CHF	0.9188	+0.0059
AUD/USD	0.7181	-0.0082
USD/CNY	6.3778	+0.0217
USD/INR	74.3075	-0.03
USD/SGD	1.3557	+0.0067
USD/MYR	4.2075	+0.0410
USD/THB	33.610	+0.399
USD/IDR	14,351	+88
USD/VND	22,706	-120

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	28,478.56	-313.15
TOPIX Japan	1,995.68	+3.35
Dow Jones US	36,231.66	-106.64
S&P 500 US	4,677.03	-89.15
Nasdaq US	14,935.90	-709.07
CSI 300 China	4,822.37	-118.0
Shanghai China	3,579.54	-60.24
HSI Hong Kong	23,493.38	+95.71
STI Singapore	3,205.26	+81.58
KLCI Malaysia	1,543.11	-24.42
SET Thailand	1,657.62	0
IDX Indonesia	6,701.32	+119.84
VSE Vietnam	1,528.48	+30.20

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Mar 22	28,450	-330
JPX TOPIX Mar 22	1,991.5	-0.5
JPX NK 400 Mar 22	17,975	-15
JPX TSE REIT Mar 22	2,005.5	-42.5
JPX NK 225 VI Feb 22	21.75	+0.05
JPX JGB 10 Year Mar 22	150.97	-0.62
JPX Gold 1 Kg Dec 22	6,655	-8
JPX Mini Gold 100g Dec 22	6,655	-8
JPX Gold Rolling Spot	6,669	+18
JPX Silver Dec 22	82.4	-3.5
JPX Platinum Dec 22	3,590	+30
JPX Palladium Dec 22	7,200	0
JPX Corn Jan 22	40,250	+280

Source: JPX

Rubber Trading – Technical Analysis OSE June Rubber futures:

OSE June active contract closed +3.4 at 241.4, there was light renewed buying in thin volume. Technical outlook remains firm, and prices may trend higher as moving averages look healthy. Support seen at 233.6 and 224.0 while resistance at 249.3 and further at 254.5. 14-day RSI is at 56.9%. The USD/JPY is trading strong at 115.56 and the weaker JPY could be another supportive factor. Any long positions entered should be placed stop-loss at below 220.0



Source: Bloomberg

Rubber Trading – SGX SICOM Mar Futures Technical Analysis:

SGX SICOM Mar rubber futures closed +2.6 cents higher at 177.6. The closed above 176.0 signaled a short-term bullish run. Prices are likely to move higher and likely to challenge 179.5-180 levels. Support levels are now at 173.7 and 171.5 while resistance is likely to be at 179.5 then 181.9. 14 days RSI (Relative Strength Index) is at 58.4% and plenty of room to go either way. On the medium-term trading, buying on any dips with stop-loss below 169.0 could be a strategy.



Source: Bloomberg

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