

The Japan Rubber Futures Weekly Report:

04 July 2022 – 08 July 2022

Note: Jibun Bank Japan PMI Services 54.0, May Current Account Balance JPY +128.4B, May Leading Index 101.4

Rubber Futures Report:

World rubber futures closed the week lower across all major exchanges. The prices fell due to strong selling from the plunge in the Chinese market. OSE rubber futures slipped 3%, and SHFE and INE markets closed -1.5%, respectively. SICOM rubber futures fell 2.1% with moderate trading volume. China's news of further restrictions and mass testing in some cities harmed the rubber market. Macau has shut all casinos as the outbreak surged. A stronger USD arising from the battle against inflation and fear of recession also put pressure on commodity prices, where copper, grains, and crude oil prices fell sharply. On global and economic news, the US June unemployment rate was stable at 3.6%, and the non-farm payroll became stronger at 372,000. British PM Johnson resigned after losing support from his party. The news shocked the world that Japan's former PM Abe was assassinated during the upper house campaign. The US Secretary of State blamed China for supporting Russia at the G20 Foreign Ministerial meeting. China is planning a USD 220B stimulus package for building infrastructure and supporting the economy.

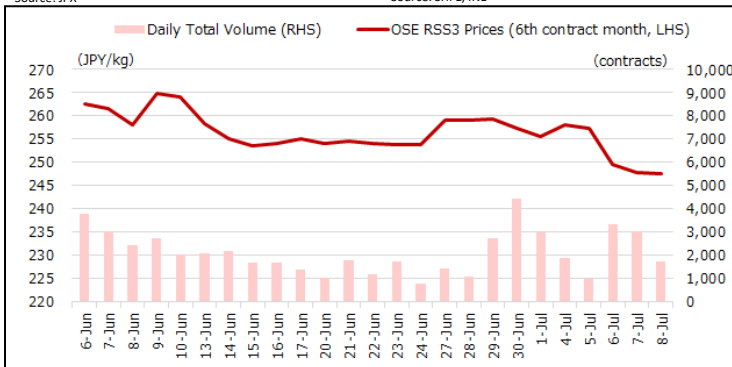
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Jul 22	255.4	-4.4	SCR/RSS Sep22	12,720	-200	Aug 22	160.5	-2.7	RSS3 Nov 22	66.45	-2.2
Aug 22	254.0	-5.8	SCR/RSS Jan23	13,815	-185	Sep 22	159.4	-3.4	RSS3 Dec 22	66.45	-2.3
Sep 22	251.3	-4.7	Total Vol.	2,218,325	+100,145	Oct 22	159.2	-3.6	JRF Nov 22	247.5	-8.5
Oct 22	250.7	-4.5	Total OI	286,426	-10,412	Nov 22	159.3	-3.7	JRF Dec 22	247.9	-8.8
Nov 22	247.8	-5.8	INE TSR Sep 22	11,070	-170	Dec 22	159.8	-3.8	ICEX	Last (INR)	Net
Dec 22	247.7	-7.8	INE TSR Oct 22	11,030	-190	Jan 23	160.4	-4.0	RSS4 Jul 22	Untraded	-
Total Vol.	11,004	-1,682	Total Vol.	366,141	-15,956	Total Vol.	28,709	+1,808	MCX	Last (INR)	Net
Total OI	7,782	-788	Total OI	94,272	+12,676	Total OI	42,464	+601	RSS4 Jul 22	17,700	0

Source: JPX

Source: SHFE, INE

Source: SGX

Source: TFEX, ICEX, MCX



Source: JPX

Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 30 June)	5,915	-598
Shanghai SHFE Rubber Stocks (ton, 08 July)	280,377	+1,346
Shanghai INE Rubber Stocks (ton, 08 July)	77,334	-2,984
China Vehicle Total Sales (unit, 31 May 22)	1,861,975	+681,072
China Passenger Car Sales (unit, 31 May 22)	1,622,879	+657,759
China Commercial Car Sales (unit, 31 May 22)	239,096	+23,313
US Unemployment Rate (% June)	3.6	0.0
US Non-Farm Payroll (June)	372,000	-12,000
Japan Unemployment Rate (% May)	2.6	+0.1
Japan Manufacturing PMI (June)	52.7	-0.6
Japan Tankan Large Manufacturing (2Q)	+9	-5
China Manufacturing PMI (June)	50.2	+0.6
China GDP 1Q (%)	+4.8	+0.4

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	136.10	+0.89
EUR/USD	1.0185	-0.0229
GBP/USD	1.2033	-0.0062
USD/CHF	0.9772	+0.0161
AUD/USD	0.6861	+0.0047
USD/CNY	6.6946	-0.0069
USD/INR	79.2538	+0.2113
USD/SGD	1.3988	+0.0021
USD/MYR	4.4260	+0.0187
USD/THB	35.88	+0.298
USD/IDR	14,979	+36
USD/VND	23,357.5	+78.5

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	26,517.19	+581.57
TOPIX Japan	1,887.43	+42.39
Dow Jones US	31,338.15	+240.89
S&P 500 US	3,899.38	+74.05
Nasdaq US	11,635.31	+507.47
CSI 300 China	4,428.87	-37.94
Shanghai China	3,356.08	-31.56
HSI Hong Kong	21,725.78	-134.01
STI Singapore	3,131.26	+35.67
KLCI Malaysia	1,425.79	-23.95
SET Thailand	1,557.87	-14.80
IDX Indonesia	6,740.22	-54.11
VSE Vietnam	1,171.31	-27.59

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Sep 22	26,610	+780
JPX TOPIX Sep 22	1,894.5	+57.5
JPX NK 400 Sep 22	17,055	+545
JPX TSE REIT Sep 22	1,926.0	-1.0
JPX NK 225 VI July 22	22.75	-1.00
JPX JGB 10 Year Sep 22	149.24	+0.34
JPX Gold 1 Kg June 23	7,563	-209
JPX Platinum June 23	3,734	-70
JPX Silver June 23	81.2	-5.6
JPX Palladium June 23	8,400	-300
JPX TSR20 Oct 22	213.0	-3.0
JPX Corn July 23	46,820	-1,900
JPX Dubai Crude Nov 22	74,230	-3,120

Source: JPX

Rubber Trading – Technical Analysis OSE Dec Futures:

OSE Dec futures slipped JPY 7.8 and closed at 247.7. The prices broke short-term support of 252.0 and touched a new close price low of 247.0, below the 250.0 level. Trading volume was light amid some liquidation of long positions. The market outlook has turned slightly bearish and is likely to slide further. The support is expected at 242.8 and 240.0, while the resistance is 254.1 and 261.0. The 14-day RSI dropped to 38.1%. Due to the tight physical market conditions, the nearer contract months are trading higher than the far months.



Source: Bloomberg

Rubber Trading – SGX SICOM Sept Futures Technical Analysis:

SICOM Sept futures closed 159.4, -3.4 cents lower from the previous week. There is a small gap in charts between 160.7 and 161.5 as the prices opened sluggish on Wed, so the market will try to cover this gap in the future. The 14-day RSI became 40.9%, and the three MAs turned downward. The support is expected to be 158.0 and 156.4, and the resistance to be 162.4 and 164.5. The prices next week are likely to move within a range between 156.6 and 162.5. SICOM is closed for a public holiday on Monday.



Source: Bloomberg

Contact us

Kensuke Yazu

Derivatives Business Development
Osaka Exchange, Inc.

Tel: +81 (0) 50 3377 8645

Email: deri-w1@jpx.co.jp

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