

The Japan Rubber Futures Weekly Report:

06 June 2022 – 10 June 2022

Note: Japan 1Q GDP -0.1% Q/Q, 1Q GDP -0.5% Y/Y, April Leading Index 102.9, Current Account Balance JPY 501.1B

Rubber Futures Report:

Rubber futures prices closed the week mixed in major rubber exchanges. The prices were higher early in the week but narrowed their gains in response to the news that Covid-19 cases had re-surfaced in China, and the authorities had imposed mass testing and the lockdowns in Beijing and Shanghai. OSE rubber futures closed 1.6% higher in active trading even though some profit taking occurred in the market. Both SHFE and INE closed in positive territory, and there were heavy transactions at SHFE with new speculative buying, while short covering was seen at INE. SICOM rubber futures closed marginally lower within a tight trading range all week. On global news, Japan's Q1 GDP growth was -0.1%, higher than the market expectation of -0.3%. US CPI in May was +8.6%, the highest level since 1981, and the outcome sparked a resurgence of the fear that the Fed has to raise its key interest rates at a faster pace in the next three FOMC meetings. US 10Y Bond yields jumped to their highest level to close at 3.165%. The JPY against the USD weakened to a 20-year low at 134.40. US equities fell sharply; Dow Jones Index lost 1,506 points this week.

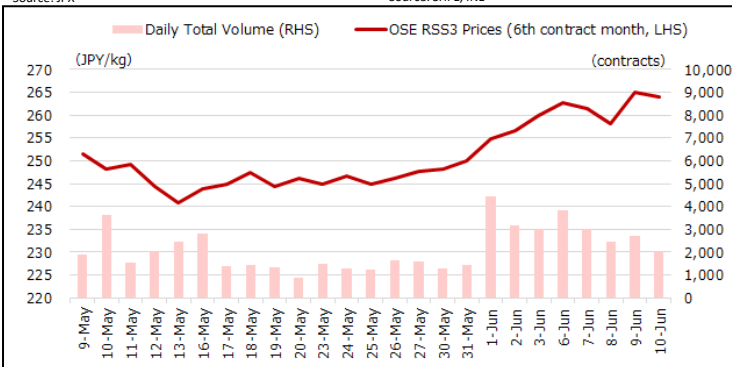
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Jun 22	260.0	+2.7	SCR/RSS Sep22	13,400	+80	Jul 22	167.3	-1.1	RSS3 Oct 22	69.55	+0.25
Jul 22	257.7	+3.7	SCR/RSS Jan23	14,490	+45	Aug 22	167.4	-1.0	RSS3 Nov 22	69.05	+0.10
Aug 22	258.0	+2.5	Total Vol.	1,650,545	+172,868	Sep 22	167.5	-1.3	JRF Oct 22	260.9	+6.4
Sep 22	259.6	+3.1	Total OI	313,180	+9,448	Oct 22	167.5	-1.7	JRF Nov 22	262.3	+6.3
Oct 22	262.4	+4.4	INE TSR Aug 22	11,660	+15	Nov 22	168.0	-1.4	ICEX	Last (INR)	Net
Nov 22	264.0	+4.2	INE TSR Sep 22	11,695	+45	Dec 22	168.4	-1.6	RSS4 Jun 22	Untraded	0
Total Vol.	14,082	+678	Total Vol.	204,430	-3,798	Total Vol.	24,531	-4,426	MCX	Last (INR)	Net
Total OI	8,222	-662	Total OI	70,918	-2,115	Total OI	40,163	+1,251	RSS4 Jun 22	17,730	+230

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 May)	7,455	-87
Shanghai SHFE Rubber Stocks (ton, 10 June)	257,425	+299
Shanghai INE Rubber Stocks (ton, 10 June)	100,054	+1,915
China Vehicle Total Sales (unit, 30 Apr 22)	1,180,903	-1,053,009
China Passenger Car Sales (unit, 30 Apr 22)	965,120	-899,240
China Commercial Car Sales (unit, 30 Apr 22)	215,783	-153,769
US Unemployment Rate (% , May)	3.6%	0
US Non-Farm Payroll (May)	390,000	-46,000
Japan Unemployment Rate (% , Apr)	2.5	-0.1
Japan Manufacturing PMI (Apr)	53.3	-0.1
Japan Tankan Large Manufacturing (1Q)	+14	-3
China Manufacturing PMI (May)	49.6	+2.2
China GDP 1Q (%)	+4.8	+0.4

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	134.41	+3.53
EUR/USD	1.0519	-0.0200
GBP/USD	1.2315	-0.0173
USD/CHF	0.9880	+0.0259
AUD/USD	0.7058	-0.0149
USD/CNY	6.7091	+0.0488
USD/INR	77.84	+0.2087
USD/SGD	1.3879	+0.0118
USD/MYR	4.4015	+0.0125
USD/THB	34.732	+0.357
USD/IDR	14,553	+120
USD/VND	23,178	-19

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	27,824.29	+62.72
TOPIX Japan	1,943.09	+9.95
Dow Jones US	31,392.79	-1,506.91
S&P 500 US	3,900.86	-207.68
Nasdaq US	11,340.02	-672.71
CSI 300 China	4,238.99	+149.42
Shanghai China	3,284.83	+89.37
HSI Hong Kong	21,806.18	+724.05
STI Singapore	3,181.73	-50.24
KLCI Malaysia	1,493.95	-43.88
SET Thailand	1,632.62	-15.05
IDX Indonesia	7,086.65	-96.31
VSE Vietnam	1,284.08	-3.90

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Sep 22	27,850	+130
JPX TOPIX Sep 22	1,942.0	+13.0
JPX NK 400 Sep 22	17,495	+110
JPX TSE REIT Sep 22	1,983.5	+2.5
JPX NK 225 VI July 22	22.00	+0.50
JPX JGB 10 Year Sep 22	149.01	-0.51
JPX Gold 1 Kg Apr 23	7,911	+135
JPX Platinum Apr 23	4,057	-82
JPX Silver Apr 23	92.7	-1.6
JPX Palladium Apr 23	8,600	0
JPX TSR20 Sep 22	224.0	+7.0
JPX Corn May 23	55,840	+3,200
JPX Dubai Crude Nov 22	87,940	+7,180

Source: JPX

Rubber Trading – Technical Analysis OSE Nov futures:

OSE Nov futures closed 264.0 (+4.2) with active trading, and the drop in OI indicates closing-out positions. The prices broke the resistance of 265.6 and hit a high of 167.3 on June 9 but could not keep the trend. The prices will likely continue to try higher ranges as all three moving averages are in positive territory. The support seems to be 252.4 followed by 240.5, and the resistance is 267.3 followed by 269.2. The 14-day RSI is currently 61.2%. There could be a rebound at the 259-260 level by accumulating new buying positions.



Source: Bloomberg

Rubber Trading – SGX SICOM Sept futures Technical Analysis:

SICOM Sept futures closed slightly weaker at 167.5 (-1.3) with light trading volume. The trading was mainly in a narrow range between 165.0 and 170.0. The market sentiment remains steady, but the prices faced strong resistance at the 170.0/170.5 level. The support seems to be at 165.0, then 162.0. The 14-day RSI is 55.4%, close to the neutral balance level of 50%. Breaking above 170.5 will likely take the prices to 175.0, while the prices may return to 165.0 and 162.0, which could be a new buying level.



Source: Bloomberg

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