

The Japan Rubber Futures Weekly Report:

09 May 2022 – 13 May 2022

Note: April Jibun Bank Japan PMI Services improved to 50.7, Mar Japan Household Spending -2.3% Year on Year.

Rubber Futures Report:

Rubber futures prices closed the week lower in most rubber exchanges. OSE rubber futures fell 4.3%, and the SHFE market closed weaker on position squaring, while INE prices closed marginally higher. SICOM rubber prices were down 1.4% on renewed speculative selling. The continued lock-down in Shanghai and supply chain issues are causing a slowdown and strain on the Chinese economy. China's April passenger vehicle sales dropped a hefty 35.5% YoY due to supply chain constraints due to a resurgence of the covid-19. Weekly official rubber warehouse stocks reported mixed with SHFE +3,557 tonnes and INE -6,230 tonnes. Physical rubber prices remained firm, as heavy rains reported in Southern Thailand have kept rubber prices checked. On global economic news, US April CPI and PPI were up 8.3% and 11.0%, and both indicators were higher than market expectations. The Fed is poised to increase the Fed Fund Rates by another 0.5% in the following two meetings. Finland and Sweden are looking to participate in NATO amid Moscow's warnings. Thailand, Malaysia, Indonesia, and Singapore markets will close for the Vesak Day holiday on Monday.

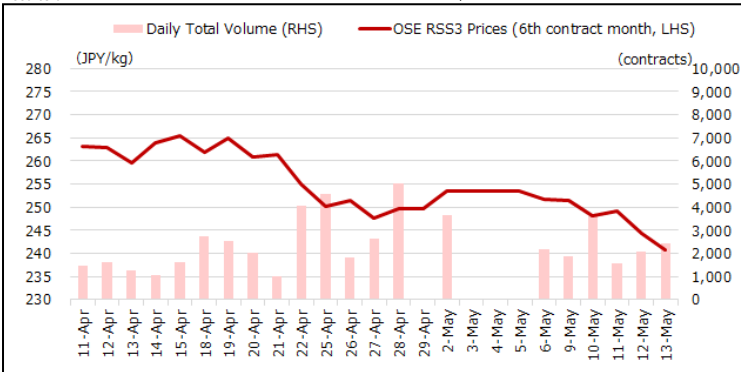
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
May 22	241.8	-6.0	SCR/RSS Sep22	12,795	-25	Jun 22	159.2	-0.3	RSS3 Sep 22	68.50	-1.15
Jun 22	242.1	-5.7	SCR/RSS Jan23	13,890	-65	Jul 22	158.0	-1.3	RSS3 Oct 22	68.25	-1.40
Jul 22	238.0	-9.8	Total Vol.	1,888,861	+1,400,043	Aug 22	157.3	-2.3	JRF Sep 22	240.7	-13.3
Aug 22	239.2	-10.3	Total OI	304,342	-7,450	Sep 22	157.1	-3.1	JRF Oct 22	241.0	-11.4
Sep 22	240.1	-10.0	INE TSR Jul 22	10,860	+5	Oct 22	157.8	-3.1	ICEX Last (INR)	Net	
Oct 22	240.9	-10.8	INE TSR Aug 22	10,915	+35	Nov 22	158.6	-3.4	RSS4 May 22	17,666	0
Total Vol.	11,573	+5,727	Total Vol.	263,016	+161,404	Total Vol.	41,015	+23,780	MCX Last (INR)	Net	
Total OI	9,456	+367	Total OI	81,219	+3,646	Total OI	40,415	+869	RSS4 May 22	17,400	+110

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 Apr)	8,507	+162
Shanghai SHFE Rubber Stocks (ton, 13 May)	267,123	+3,557
Shanghai INE Rubber Stocks (ton, 13 May)	96,707	-6,230
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 (% Apr)	3.6%	0
US Non-Farm Payroll (Apr)	428,000	0
Japan Unemployment Rate (% Mar)	2.6	-0.1
Japan Manufacturing PMI (Apr)	53.4	+0.2
Japan Tankan Large Manufacturing (1Q)	+14	-3
China Manufacturing PMI (Apr)	47.4	-2.1
China GDP 1Q (%)	+4.8	+0.4

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	129.22	-1.34
EUR/USD	1.0412	-0.0139
GBP/USD	1.2262	-0.0086
USD/CHF	1.0012	+0.0122
AUD/USD	0.6940	-0.0136
USD/CNY	6.7893	+0.1226
USD/INR	77.4463	+0.5288
USD/SGD	1.3929	+0.0077
USD/MYR	4.3987	+0.0322
USD/THB	34.735	+0.412
USD/IDR	14,613	+133
USD/VND	23,095	+136

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	26,427.65	-575.91
TOPIX Japan	1,864.20	-51.71
Dow Jones US	32,196.66	-702.71
S&P 500 US	4,023.89	-99.35
Nasdaq US	11,805.00	-339.66
CSI 300 China	3,988.60	+79.78
Shanghai China	3,084.28	+82.72
HSI Hong Kong	19,898.77	-103.19
STI Singapore	3,191.16	-100.73
KLCI Malaysia	1,544.41	-19.93
SET Thailand	1,584.38	-45.20
IDX Indonesia	6,597.99	-630.92
VSE Vietnam	1,182.77	-146.49

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Jun 22	26,390	-720
JPX TOPIX Jun 22	1,862.0	-57.5
JPX NK 400 Jun 22	16,765	-540
JPX TSE REIT Jun 22	1,966.5	-22.0
JPX NK 225 VI Jun 22	26.50	+0.80
JPX JGB 10 Year Jun 22	149.52	+0.34
JPX Gold 1 Kg Apr 23	7,521	-329
JPX Platinum Apr 23	3,843	-52
JPX Silver Apr 23	86.8	-8.3
JPX Palladium Apr 23	8,400	-700
JPX TSR20 Aug 22	205.0	-2.0
JPX Corn May 23	57,890	+530
JPX Dubai Crude Oct 22	76,890	-2,460

Source: JPX

Rubber Trading – Technical Analysis OSE Oct futures:

Oct futures closed sharply lower at 240.9 (-10.8). Prices closed at the critical support level of 240/241 after touching the week's low at 240.4. Strong speculation selling pushed prices to nearly oversold conditions with a 14-day RSI at 33.6%. A rebound is assumed, but the rally could be capped under the resistance line of 248.9 and then 254.4. The support level is at 240.0, then 234.8. The bearish sentiment could persist if prices continue to stay below the 100-day moving average of the green line.



Source: Bloomberg

Rubber Trading – SGX SICOM Aug futures Technical Analysis:

SICOM Aug futures closed at 157.3 (-2.3). The price hit a low of 150.2 with heavy stop-loss selling after breaking 155.0 but rebounded quickly to 154.5-155.0. After prices broke the channel, the objective target was reached (yellow dashed line). A rebound is assumed as the prices below 155.0 and the RSI of 34.5% show an oversold sign. Next week, the support level will be 155.0 and 151.0, with the resistance level of 160.0 and then 164.0. A close above 160.0 could regain an upside momentum.



Source: Bloomberg

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