

The Japan Rubber Futures Weekly Report:

14 Nov 2022 – 18 Nov 2022

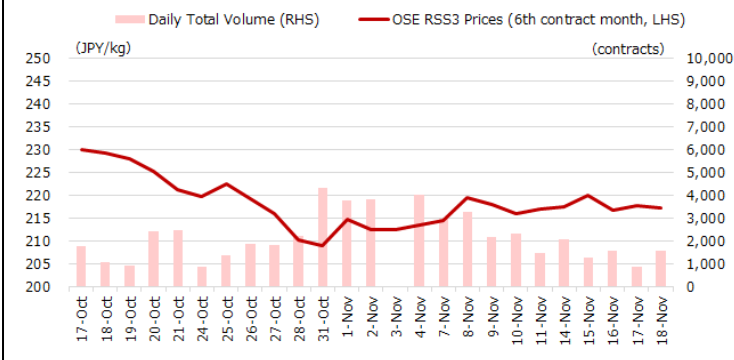
Note: Japan 3Q GDP -0.5% year/year, Sept Industrial Production weaker -1.7%, Sept Core Machine Orders -4.6%

Rubber Futures Report:

World rubber futures increased from the previous week under moderate trading activities. The trading volume dropped due to selling from producers and profit-taking transactions. OSE futures closed marginally higher, and SHFE and INE futures rose 1.4% and 1.2%, respectively. The positive talks between Joe Biden and Xi Jinping during the G20 meeting backed a rally in the Chinese markets. Chinese traders' demand for physical rubber tends to increase towards the year's end, and they usually purchase rubber futures, January-2023 contracts, that will expire before the Lunar New Year. SICOM futures rose marginally on mostly profit-taking and producers' light selling transactions. In the economic news, China vehicle sales in October fell 4% to 2.5 mil units, another sign of the weak perspectives of the Chinese economy. In addition, China reported an increased number of new Covid cases of 24,473, which would cast a dark cloud over stocks and rubber prices. WTI crude oil price fell below USD 80 per barrel, stemming from concerns about supply conditions and sluggish global demand. The US markets will close Thursday for Thanksgiving Day.

OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Nov 22	214.8	+5.3	SCR/RSS Jan23	12,775	+175	Dec 22	128.7	-0.2	RSS3 Mar 23	55.40	+1.35
Dec 22	215.8	+3.0	SCR/RSS May23	12,600	+170	Jan 23	129.9	+0.6	RSS3 Apr 23	56.25	+1.40
Jan 23	218.0	+3.3	Total Vol.	1,875,382	-40,099	Feb 23	129.9	+0.8	JRF Mar 23	216.3	+0.3
Feb 23	217.7	+2.4	Total OI	310,001	-576	Mar 23	130.4	+1.4	JRF Apr 23	216.4	-0.2
Mar 23	217.6	+0.6	INE TSR Jan 23	9,675	+110	Apr 23	130.7	+1.7	ICEX	Last (INR)	Net
Apr 23	217.2	+0.2	INE TSR Feb 23	9,660	+110	May 23	131.0	+1.8	RSS4 Nov 22	Untraded	0
Total Vol.	7,399	-4,869	Total Vol.	316,876	-36,266	Total Vol.	43,289	-20,268	MCX	Last (INR)	Net
Total OI	9,665	+226	Total OI	93,116	-2,071	Total OI	52,211	-2,320	RSS4 Nov 22	16,200	untraded

Source: JPX, SHFE, INE, SGX, TFEX, ICEX, MCX



Source: JPX

Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 10 Nov)	4,604	+352
Shanghai SHFE Rubber Stocks (ton, 18 Nov)	338,280	+6,416
Shanghai INE Rubber Stocks (ton, 18 Nov)	43,515	-503
China Vehicle Total Sales (unit, 31 Oct 22)	2,504,683	-105,642
China Passenger Car Sales (unit, 31 Oct 22)	2,231,197	-100,572
China Commercial Car Sales (unit, 31 Oct 22)	273,486	-5,070
US Unemployment Rate (% , Oct)	3.7	+0.2
US Non-Farm Payroll (Oct)	261,000	-54,000
Japan Unemployment Rate (% , Sept)	2.6	+0.1
Japan Manufacturing PMI (Oct)	50.7	-0.1
Japan Tankan Large Manufacturing (3Q)	8	-1
China Manufacturing PMI (Oct)	49.2	-0.9
China GDP 3Q (%)	+3.9	+3.5

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	140.37	+1.56
EUR/USD	1.0325	-0.0024
GBP/USD	1.1890	+0.0060
USD/CHF	0.9547	+0.0130
AUD/USD	0.6673	-0.0030
USD/CNY	7.1198	+0.0225
USD/INR	81.6875	+0.8775
USD/SGD	1.3759	+0.0041
USD/MYR	4.5530	-0.0695
USD/THB	35.835	-0.167
USD/IDR	15,684	+189
USD/VND	24,808	-13

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	27,899.77	-363.80
TOPIX Japan	1,967.03	-10.73
Dow Jones US	33,745.69	-2.12
S&P 500 US	3,965.34	-27.59
Nasdaq US	11,146.06	-177.27
CSI 300 China	3,801.57	-13.13
Shanghai China	3,097.24	+9.95
HSI Hong Kong	17,992.54	+666.88
STI Singapore	3,272.23	+43.90
KLCI Malaysia	1,449.32	-18.89
SET Thailand	1,617.38	-19.91
IDX Indonesia	7,082.18	-7.03
VSE Vietnam	969.33	+14.80

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Dec 22	27,880	-390
JPX TOPIX Dec 22	1,967.5	-15
JPX NK 400 Dec 22	17,760	-100
JPX TSE REIT Dec 22	1,947.5	-25.5
JPX NK 225 VI Dec 22	17.05	-3.70
JPX JGB 10 Year Dec 22	149.38	+0.90
JPX Gold 1 Kg Oct 23	7,915	-75
JPX Platinum Oct 23	4,321	-288
JPX Silver Oct 23	93.9	-3.1
JPX Palladium Oct 23	9,200	+200
JPX TSR20 Feb 23	183.0	+7.0
JPX Corn Nov 23	46,250	-1,940
JPX Dubai Crude Apr 23	69,930	-3,480

Source: JPX

Technical Analysis on the OSE April-2023 Contracts:

Apr-2023 contracts closed marginally higher under listless trading activities. The market had no clear direction and traded within a tight trading range with low trading volume. OI slightly increased by 226 contracts, reflecting small new buying from traders. The support level will be 216.0, then 213.0, and the resistance level will be 222.5, followed by 229.0 of 50-day MA. The 14-day RSI is at the neutral level of 44.7%. As the price rose, sellers' orders became dominant in the market. The current rally seems to fizzle out, and the trading range will likely be between 212.0 and 222.0 next week.



Source: Bloomberg

Technical Analysis on the SGX SICOM February-2023 Contracts:

Feb-2023 contracts rose slightly by 0.8 cents to 129.9. The trading was moderately active, but trading volume was much lower than the previous week, reflecting the end of profit-taking and liquidation transactions. The price could not remain above 131.0 under persistent selling pressures, signaling weak market sentiment. The support level will be 125.0 to 126.0, while the resistance will be 133.5 and then 138.6. The 14-day RSI is 55.5%. The prices of back months rose bigger than the front months, and the curve moved to the contango. This normal market condition indicates that a tight long-term supply has been improving.



Source: Bloomberg

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