

The Japan Rubber Futures Weekly Report:

02 Jan – 06 Jan 2023

Note: Japan Dec Manufacturing PMI 48.9, Dec Vehicle Sales -4.4% on Year, Dec Consumer Confidence higher at 30.3

Rubber Futures Report:

World rubber futures closed slightly firmer on the first week of the New Year. China's news about re-opening its borders to foreigners from Jan 8th positively impacted rubber futures prices despite concerns about spreading COVID-19 infection. OSE rubber futures gained 1.3%, and SHFE and INE futures added 1.5% and 0.7%, respectively. SICOM futures rose 1.6% with generally quiet transactions. In Chinese markets, the open interest of SHFE dropped 13,241 contracts in response to active position liquidation, while INE gained 9,625 contracts by adding new buying positions. In other news, Japan's new car sales in 2022 dropped 5.6% from the previous year to the lowest level in 45 years. In the US, the unemployment rate in December fell 0.2 percentage points to 3.5%, and the non-farm payroll added 223,000 jobs. The numbers beat market expectations and sparked a strong rally in the US equity market. The US Fed will hold the next FOMC meeting on 31 Jan-01 Feb, and further policy rate hikes will be expected.

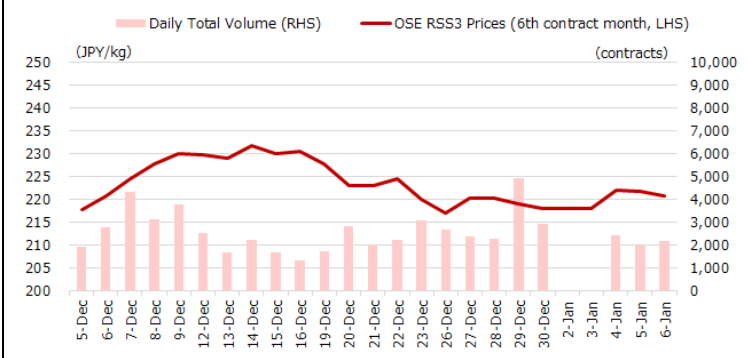
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USc)	Net	TFEX	Last (THB)	Net
Jan 23	210.0	+6.2	SCR/RSS May23	12,855	+185	Feb 23	132.5	+2.9	RSS3 May 23	53.75	-2.00
Feb 23	210.0	+5.1	SCR/RSS Sep23	12,675	+40	Mar 23	134.7	+2.1	RSS3 Jun 23	53.95	-2.65
Mar 23	214.0	+5.7	Total Vol.	1,484,144	+319,811	Apr 23	136.1	+2.1	JRF May 23	221.0	+3.6
Apr 23	217.9	+3.6	Total OI	294,745	-13,241	May 23	137.2	+2.2	JRF Jun 23	221.4	+3.9
May 23	221.0	+3.5	INE TSR Mar 23	9,630	+65	Jun 23	138.1	+2.4	ICEX	Last (INR)	Net
Jun 23	220.8	+2.8	INE TSR Apr 23	9,680	+45	Jul 23	138.5	+2.8	RSS4 Jan 23	Untraded	0
Total Vol.	6,627	-8,621	Total Vol.	277,108	+5,779	Total Vol.	25,907	-1,985	MCX	Last (INR)	Net
Total OI	12,292	+435	Total OI	96,642	+9,576	Total OI	53,482	-1,402	RSS4 Jan 23	Untraded	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, 20 Dec)	5,004	+381
Shanghai SHFE Rubber Stocks (ton, 06 Jan)	186,744	+42
Shanghai INE Rubber Stocks (ton, 06 Jan)	34,000	+302
China Vehicle Total Sales (unit, 30 Nov 22)	2,327,721	-176,962
China Passenger Car Sales (unit, 30 Nov 22)	2,074,816	-156,381
China Commercial Car Sales (unit, 30 Nov 22)	252,905	-20,581
US Unemployment Rate (% Dec)	3.5	-0.2
US Non-Farm Payroll (Dec)	223,000	-33,000
Japan Unemployment Rate (% Nov)	2.5	-0.1
Japan Manufacturing PMI (Dec)	48.9	-0.5
Japan Tankan Large Manufacturing (4Q)	7	-1
China Manufacturing PMI (Nov)	50.1	+0.9
China GDP 3Q (%)	+3.9	+3.5

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	132.08	+0.96
EUR/USD	1.0644	-0.0061
GBP/USD	1.2093	+0.0010
USD/CHF	0.9279	+0.0034
AUD/USD	0.6877	+0.0064
USD/CNY	6.8280	-0.0706
USD/INR	82.725	-0.010
USD/SGD	1.3395	0
USD/MYR	4.4037	-0.0008
USD/THB	33.719	-0.889
USD/IDR	15,633	+60
USD/VND	23,472	-161

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	25,973.85	-120.65
TOPIX Japan	1,875.76	-15.95
Dow Jones US	33,630.61	+483.36
S&P 500 US	3,895.08	+55.58
Nasdaq US	10,569.29	+102.81
CSI 300 China	3,980.89	+109.26
Shanghai China	3,157.64	+68.38
HSI Hong Kong	20,991.64	+1,210.23
STI Singapore	3,276.72	+25.40
KLCI Malaysia	1,480.55	-14.94
SET Thailand	1,673.86	+5.20
IDX Indonesia	6,684.56	-166.06
VSE Vietnam	1,051.44	+44.35

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Mar 23	25,930	-150
JPX TOPIX Mar 23	1,872.0	-19.5
JPX NK 400 Mar 23	16,885	-150
JPX TSE REIT Mar 23	1,827.0	-48.0
JPX NK 225 VI Jan 23	19.55	-1.45
JPX JGB 10 Year Mar 23	145.89	+0.43
JPX Gold 1 Kg Dec 23	7,905	+159
JPX Platinum Dec 23	4,436	+53
JPX Silver Dec 23	99.0	-1.0
JPX Palladium Dec 23	7,700	+0
JPX TSR20 Apr 23	180.0	+5.0
JPX Corn Jan 23	44,470	-380
JPX Dubai Crude May 23	61,290	-1,880

Source: JPX

Technical Analysis on the OSE June-2023 Contracts:

OSE's June-2023 contracts slightly closed up JPY2.8 to JPY220.8 this week. The trading volume was moderately small due to the 2-day New Year holidays, and the open interest marginally gained 435 contracts in response to creating new buying positions. The weaker JPY against the USD could also have supported the prices. The support level will be 216.5, followed by 212.0, and the resistance level will be 224.5 and then 229.0. June-2023 contracts will likely move within a tight range of 215.0-223.0 the next week. The current volatile JPY movement would keep affecting OSE's rubber futures prices.



Source: Bloomberg

Technical Analysis on the SGX SICOM April-2023 Contracts:

Active April-2023 contracts gained 2.1 cents to 136.1 cents this week. The prices remained in positive territory, although some profit-taking and liquidation transactions were observed. The technical outlook improved as the price stayed close to the 50-day MA. The support level will be 134.0, followed by 132.0, and the resistance level will be 138.5 to 140.0. Breaking and closing above the 140.0 level for April-2023 contracts will become a clear signal of the further upside expectation, or otherwise, the price will stay challenging consolidation of 132.0-139.0 for a few weeks. The 14-day RSI was situated around the 40% level.



Source: Bloomberg

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