

The Japan Rubber Futures Weekly Report:

09 Jan 2023 – 13 Jan 2023

Note: Japan Household Spending -0.9% on month, Tokyo Dec CPI higher 4.0%, Dec Core CPI also higher at 4.0%

Rubber Futures Report:

World rubber futures increased this week across all major rubber exchanges. There observed strong new buying flows, lifting prices to their recent month's high. All exchanges' weekly trading volume and open interest increased, which indicated new buying interests. As Reuters reported in the poll that China would likely rebound to 4.9% in 2023, the expectation of recovering the Chinese economy supported rubber futures prices after opening its borders to foreigners and easing travel restrictions on its citizens. There was also buying-interest expectation ahead of China's long Lunar New Year holiday from 21 to 27 January. In other news, Japan's core CPI in December was recorded at 4.0%, hitting a fresh 40-year-high, while its household spending in November fell a real 1.2% from a year earlier. The JPY appreciated sharply against the USD after the report of the US CPI in December, +0.1% for the month and +6.5% for the year. The outcome of the US CPI also triggered a rally in global stock markets. JPX will talk about a rubber forecast at a webinar on Jan. 17. Please join us from the following URL: <https://helixtap.com/2023/01/09/webinar-2023-rubber-market-analysis-forecasting-predictions/>

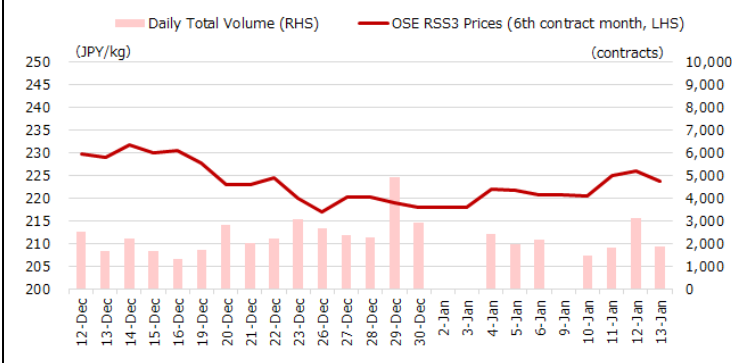
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USc)	Net	TFEX	Last (THB)	Net
Jan 23	205.0	-5.0	SCR/RSS May23	13,015	+160	Feb 23	136.8	+4.3	RSS3 May 23	54.95	+1.2
Feb 23	209.1	-0.9	SCR/RSS Sep23	12,820	+145	Mar 23	138.9	+4.2	RSS3 Jun 23	55.15	+1.2
Mar 23	215.1	+1.1	Total Vol.	1,591,161	+107,017	Apr 23	139.8	+3.7	JRF May 23	223.2	+2.2
Apr 23	220.8	+2.9	Total OI	304,064	+9,319	May 23	140.7	+3.5	JRF Jun 23	223.5	+2.1
May 23	223.7	+2.7	INE TSR Mar 23	9,705	+75	Jun 23	141.8	+3.7	ICEX	Last (INR)	Net
Jun 23	223.7	+2.9	INE TSR Apr 23	9,750	+70	Jul 23	142.4	+3.9	RSS4 Jan 23	Untraded	0
Total Vol.	8,325	+1,698	Total Vol.	310,975	+33,867	Total Vol.	42,553	+16,646	MCX	Last (INR)	Net
Total OI	12,651	+359	Total OI	99,396	+2,754	Total OI	54,417	+935	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, 31 Dec)	5,167	+163
Shanghai SHFE Rubber Stocks (ton, 13 Jan)	190,204	+3,460
Shanghai INE Rubber Stocks (ton, 13 Jan)	35,915	+1,915
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	127.87	-4.21
EUR/USD	1.0830	+0.0186
GBP/USD	1.2227	+0.0134
USD/CHF	0.9269	-0.0010
AUD/USD	0.6968	-0.0009
USD/CNY	6.7010	-0.127
USD/INR	81.335	-1.39
USD/SGD	1.3188	-0.0207
USD/MYR	4.335	-0.0687
USD/THB	32.875	-0.844
USD/IDR	15,149	-484
USD/VND	23,441	-31

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	26,119.52	+145.67
TOPIX Japan	1,903.08	+27.32
Dow Jones US	34,302.61	+672.00
S&P 500 US	3,999.09	+104.01
Nasdaq US	11,079.16	+509.87
CSI 300 China	4,074.38	+93.49
Shanghai China	3,195.31	+37.67
HSI Hong Kong	21,738.66	+747.02
STI Singapore	3,293.75	+17.03
KLCI Malaysia	1,495.03	+14.48
SET Thailand	1,681.73	+7.87
IDX Indonesia	6,641.83	-42.73
VSE Vietnam	1,060.17	+8.73

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Mar 23	26,080	+150
JPX TOPIX Mar 23	1,901.5	+29.5
JPX NK 400 Mar 23	17,180	+295
JPX TSE REIT Mar 23	1,817.5	-9.5
JPX NK 225 VI Feb 23	19.20	-0.85
JPX JGB 10 Year Mar 23	144.41	-1.48
JPX Gold 1 Kg Dec 23	7,853	-52
JPX Platinum Dec 23	4,339	-97
JPX Silver Dec 23	97.6	-1.4
JPX Palladium Dec 23	7,700	+0
JPX TSR20 Apr 23	180.0	+0
JPX Corn Jan 23	43,460	-1,010
JPX Dubai Crude June 23	62,090	+1,420

Source: JPX

Technical Analysis on the OSE June 2023 Contracts:

OSE's June-2023 contracts added JPY 2.9 the week to JPY 223.7. The trading volume was moderate due to one national holiday. The open interest rose by 359 contracts, reflecting some new buying flows. Market sentiment seems steady, but the strong JPY against the USD may cap the OSE's rubber futures prices for further rallies. The support level will be 222.0 and 219.0, and the resistance level will be 227.0 and 233.2. The 14-day RSI is now at a neutral level of 52.4%, indicating a possibility of either price direction. Closing above 230.0 would turn the market into bullish sentiment, and the next target price will be 240.0.



Source: Bloomberg

Technical Analysis on the SGX SICOM April 2023 Contracts:

SICOM's active April-2023 contracts closed 3.7 cents higher the week to 139.8 cents. The price kept increasing all week but couldn't break the resistance level of 140.0. Closing above 140.0 will signal a short-term breakout, and the price will likely rally to 146.3, the 200-day MA. There observed an early-stage bullish signal, which 50-day and 100-day MAs had crossed. Rising the 14-day RSI to 62.2% also supported the bullish sentiment. The support level will be 136.0 and 132.7, and the resistance level will be 140.5 and 146.3. The added open interest of 935 contracts indicated some new buying flows.



Source: Bloomberg

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