



The Japan Rubber Futures Weekly Report:

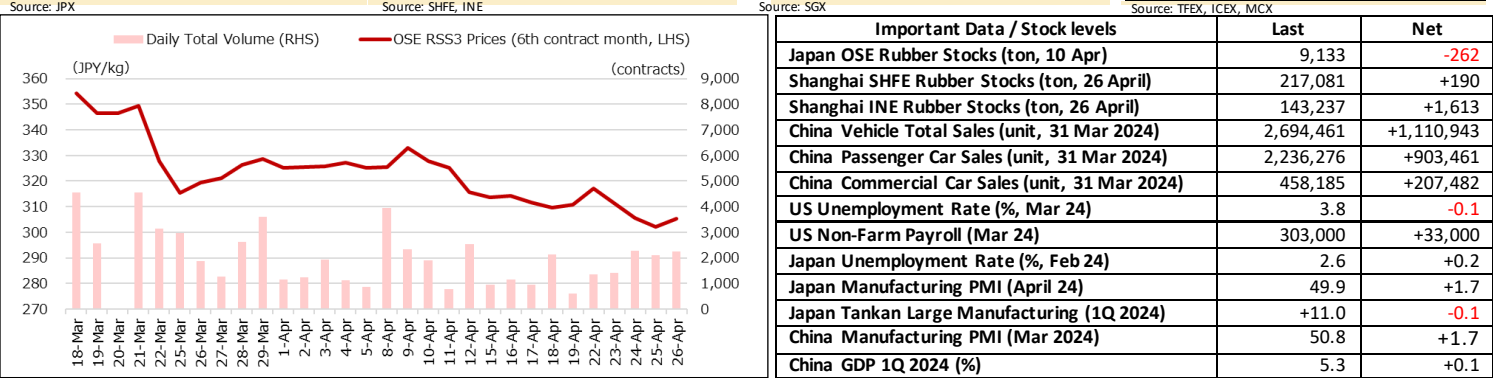
22 April – 26 April 2024

Japan: Japan Manufacturing PMI higher at 49.9, Services PMI higher at 54.6 in Apr, CPI lower at 1.8% y/y in Mar

Rubber Futures Report:

Global rubber futures closed the week lower across all major rubber exchanges. OSE rubber fell 1.2%, SHFE and INE rubber fell 3.4% and 3.7%, respectively, and SICOM rubber dropped 2.6%. Open interest in both the SHFE and INE markets has fallen significantly, with decreases of 35,719 lots (357,000 tons) and 25,613 lots (256,000 tons), respectively, since reaching their highs at the end of March 2024, when speculative funds drove rubber prices to recent peaks. Long liquidation from funds and speculators remains prevalent, driven by concerns about market uncertainty and weaker demand from China, which have dampened prices and open interest. Weak physical demand, coupled with the end of the wintering season, may prompt producers to return to their normal production capacity, potentially adding further pressure on prices. In other news, US President Biden has signed a USD 95 billion war aid bill into law, alongside a ban on TikTok in the US if its owner, Byte Dance, does not divest within nine months. The USD 95 billion allocation is intended to provide military assistance to Ukraine, Israel, and Asia Pacific allies, including Taiwan. In Japan, Manufacturing PMI recorded 49.9 (+1.7) in April, while CPI in March was lower at 1.8%. Despite an earlier stern warning from the BOJ, the USD/JPY surged to a new high at 158.44 before closing at 158.33. The US Personal Consumption Expenditures (PCE) index, closely monitored by the Fed, rose to 2.7%, potentially delaying further Fed easing policies. A Goldman Sachs analyst suggested that China's stock may rally by 40%, led by reform activities.

OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USc)	Net	TFEX JRF	Last (THB)	Net
May 24	309.5	-13.5	SCR/RSS Sep 24	14,075	-500	May 24	159.8	-2.0	Aug 24	308.4	-2.2
Jun 24	306.0	-8.2	SCR/RSS Jan 25	15,165	-500	Jun 24	159.2	-3.8	Sep 24	307.4	-0.6
Jul 24	305.3	-6.8	Total Vol.	2,498,523	+187,769	July 24	159.9	-4.2	SHFE BR	Last (CNY)	Net
Aug 24	308.0	-4.2	Total OI	286,942	-5,776	Aug 24	160.8	-4.2	May 24	12,965	-245
Sep 24	307.0	-3.8	INE TSR Jun 24	11,355	-435	Sep 24	161.7	-4.3	Jun 24	12,915	-280
Oct 24	305.4	-2.5	INE TSR July 24	11,480	-415	Oct 24	162.2	-4.4	Jul 24	13,140	-260
Total Vol.	9,374	+3,604	Total Vol.	452,018	+14,521	Total Vol.	80,937	+1,942	Total Vol.	150,611	+43,344
Total OI	7,856	-462	Total OI	99,456	-6,708	Total OI	72,264	-5,769	Total OI	24,899	+1,111



Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 10 Apr)	9,133	-262
Shanghai SHFE Rubber Stocks (ton, 26 April)	217,081	+190
Shanghai INE Rubber Stocks (ton, 26 April)	143,237	+1,613
China Vehicle Total Sales (unit, 31 Mar 2024)	2,694,461	+1,110,943
China Passenger Car Sales (unit, 31 Mar 2024)	2,236,276	+903,461
China Commercial Car Sales (unit, 31 Mar 2024)	458,185	+207,482
US Unemployment Rate (% Mar 24)	3.8	-0.1
US Non-Farm Payroll (Mar 24)	303,000	+33,000
Japan Unemployment Rate (% Feb 24)	2.6	+0.2
Japan Manufacturing PMI (April 24)	49.9	+1.7
Japan Tankan Large Manufacturing (1Q 2024)	+11.0	-0.1
China Manufacturing PMI (Mar 2024)	50.8	+1.7
China GDP 1Q 2024 (%)	5.3	+0.1

FOREX	Last	Net
USD/JPY	158.33	+3.69
EUR/USD	1.0693	+0.0037
GBP/USD	1.2493	+0.0123
USD/CHF	0.9142	+0.0040
AUD/USD	0.6533	+0.0115
USD/CNY	7.2465	+0.0072
USD/INR	83.3844	-0.0881
USD/SGD	1.3628	+0.0012
USD/MYR	4.7680	-0.0152
USD/THB	37.009	+0.174
USD/IDR	16,210	-50
USD/VND	25,339	-91

Stock Index	Last	Net
NK225 Japan	37,934.76	+866.41
TOPIX Japan	2,686.48	+60.16
Dow Jones US	38,239.66	+253.26
S&P 500 US	5,099.96	+132.73
Nasdaq US	15,927.90	+645.89
CSI 300 China	3,584.27	+42.61
Shanghai China	3,088.64	+23.38
HSI Hong Kong	16,615.15	+1,391.01
STI Singapore	3,280.10	+103.59
KLCI Malaysia	1,575.15	+27.59
SET Thailand	1,359.94	+27.86
IDX Indonesia	7,036.08	-51.24
VSE Vietnam	1,209.52	+34.67

JPX Derivatives	Last	Net
JPX NK225 Jun 24	37,900	+800
JPX TOPIX Jun 24	2,689.5	+63.5
JPX NK 400 Jun 24	24,375	+615
JPX TSE REIT Jun 24	1,799.0	+29.5
JPX NK 225 VI May 24	21.35	-2.15
JPX JGB 10 Year Jun 24	143.93	-0.74
JPX Gold 1 Kg Feb 25	11,735	-102
JPX Platinum Feb 25	4,636	-32
JPX Silver Feb 25	137.9	-3.1
JPX Palladium Feb 25	5,000	-100
JPX TSR20 July 24	247.0	-7.0
JPX Corn Mar 25	40,000	-10
JPX Dubai Crude Sept 24	81,460	+1,000

Technical Analysis on the OSE Sept-2024 Contract:

Sep-2024 contract dropped JPY 3.8 to close at 307.0 in moderately active trading. While trading volume increased by 3,604 lots, open interest decreased by 462 lots, driven by light liquidation. There was minimal buying interest, and long positions were initiated to square positions. Prices have breached the 50-day MA and are heading towards the 100-day MA, which is around the 287.0 level. Anticipated support levels are at 300.0 and 287.0, while resistance levels are at 318.0-320.0. The 14-day RSI stands at 41.2%. Prices are likely to range between 300 and 318 next week, with October futures becoming the new active month.

Technical Analysis on the SGX SICOM July-2024 Contract:

SICOM's active July-2024 contract closed lower by 4.2 cents at 159.9 in active trading. Prices had broken some support levels, and the trade and closing were below the 160.0 level, suggesting further weakness may prevail. Long liquidation has been observed, with open interest falling by 5,769 lots, indicating that long positions were closed out and market sentiment remains weak. The 14-day RSI has fallen to 41.7%, and prices are near the 100-day MA. Light support levels are expected at 159.0 and 155.5, while resistance levels are at 164.5 and 169.



Contact us

Kensuke Yazu

Derivatives Business Development
Osaka Exchange, Inc.

Tel: +81 (0) 50 3377 8645

Email: deri-w@jpx.co.jp

Disclaimer

The copyrights for this document belong to Japan Exchange Group ("JPX"), and part or all of this document shall not be reproduced, republished, uploaded, linked, posted, transmitted, adapted, copied, translated, modified, edited, or otherwise displayed or distributed in any manner without JPX's prior consent.

This document is not an offer or solicitation to buy or sell, nor financial advice or recommendation for any investment product. This document is for the general circulation of the overview of JPX's futures markets only. It does not address any person's specific investment objectives, financial situation, or particular needs. Advice should be sought from a financial adviser regarding the suitability of any investment product before investing or adopting any investment strategies. Use of and/or reliance on this document is entirely at the reader's own risk. Investment products are subject to significant investment risks, including the possible loss of the principal amount invested. The past performance of investment products is not indicative of their future performance. The examples provided are for illustrative purposes only.

A designated person/company has compiled the information contained in this document from sources believed to be reliable. Still, no representation or warranty, express or implied, is made by JPX and the person/company as to its fairness, accuracy, completeness, or correctness. JPX shall not be responsible or liable, whether, under contract, tort including negligence or otherwise, for any loss or damage of any kind, whether direct, indirect, or consequential losses or other economic loss of any kind, including without limitation loss of profit, loss of reputation and loss of opportunity suffered or incurred by any person due to any omission, error, inaccuracy, incompleteness, or otherwise, any reliance on such information, or arising from and/or in connection with this document.