

The Japan Rubber Futures Weekly Report:

28 Mar 2022 – 01 Apr 2022

Note: Japan Feb Unemployment Rate better at 2.7%, Q1 Tankan Report +14, Feb Retail Sales weaker at -0.8%

Rubber Futures Report:

Rubber futures closed the week firmer in all major exchanges. Prices gained due to light speculative buying and short covering after some positive news regarding meetings between Ukraine and Russia. OSE rubber futures were higher on the back of the weakening JPY and light speculative buying where Sept futures was +2%. Both SHFE and INE markets were liquidating May futures positions, and some were switching to Sept and June futures respectively, which bring both open interests down. SICOM rubber futures were also higher amid light buying but mostly in a narrow trading range. Traders keep watching tight physical markets and wintering in the Northern Hemisphere is keeping rubber prices firm and steady. On the global news, the war in Ukraine continues into its 5th week but fighting seems had eased as negotiations continued. On economic news, Japan Jobless rate improved to 2.7% in Feb while US unemployment rate reported better at 3.6% in Mar, Non-farm payroll was softer at 431,000. Major US banks are now expecting the Fed to hike 0.5% at the meeting on May 4th.

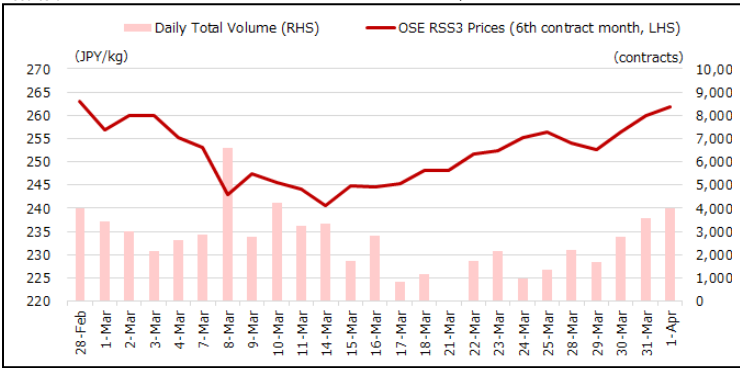
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Apr 22	257.3	-0.2	SCR/RSS May22	13,680	+200	Apr 22	173.6	Expired	RSS3 Aug 22	73.10	+4.85
May 22	259.9	+1.9	SCR/RSS Sep22	13,870	+175	May 22	174.8	+2.4	RSS3 Sep 22	73.45	+4.85
Jun 22	259.1	+1.1	Total Vol.	1,743,781	+376,936	Jun 22	175.3	+3.0	JRF Aug 22	259.9	+4.3
Jul 22	257.5	+1.9	Total OI	319,492	-19,901	Jul 22	175.7	+2.9	JRF Sep 22	262.3	+6.2
Aug 22	259.4	+3.1	INE TSR May 22	11,435	+250	Aug 22	176.1	+3.0	ICEX Last (INR)	Net	
Sep 22	261.8	+4.9	INE TSR Jun 22	11,505	+200	Sep 22	176.6	+3.3	RSS4 Apr 22	17,491	+171
Total Vol.	14,179	+7,972	Total Vol.	242,800	+65,685	Total Vol.	20,488	-1,562	MCX Last (INR)	Net	
Total OI	8,151	+311	Total OI	64,504	-5,519	Total OI	38,943	+66	RSS4 Apr 22	17,750	+430

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 Mar)	8,170	+196
Shanghai SHFE Rubber Stocks (ton, 01 April)	258,010	+357
Shanghai INE Rubber Stocks (ton, 01 April)	107,251	+3,770
China Vehicle Total Sales (unit, 28 Feb22)	1,737,386	-793,198
China Passenger Car Sales (unit, 28 Feb22)	1,487,442	-698,902
China Commercial Car Sales (unit, 28 Feb22)	249,944	-94,296
US Unemployment Rate (% Mar)	3.6%	-0.2
US Non-Farm Payroll (Mar)	431,000	-319,000
Japan Unemployment Rate (% Feb)	2.7	-0.1
Japan Manufacturing PMI (Mar)	53.2	+0.5
Japan Tankan Large Manufacturing (1Q)	+14	-3
China Manufacturing PMI (Mar)	49.5	-0.7
China GDP 4Q (%)	+4.0	-0.9

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	122.52	+0.47
EUR/USD	1.1043	+0.0060
GBP/USD	1.3114	-0.0068
USD/CHF	0.9264	-0.0036
AUD/USD	0.7496	-0.0019
USD/CNY	6.3629	-0.0033
USD/INR	75.7887	-0.4176
USD/SGD	1.3570	-0.0011
USD/MYR	4.2122	+0.0027
USD/THB	33.465	-0.121
USD/IDR	14,370	+24
USD/VND	22,843	-28

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	27,665.98	-483.86
TOPIX Japan	1,944.27	-37.20
Dow Jones US	34,818.27	-42.97
S&P 500 US	4,545.86	+2.80
Nasdaq US	14,261.50	+92.20
CSI 300 China	4,276.16	+101.59
Shanghai China	3,282.72	+70.48
HSI Hong Kong	22,039.55	+634.67
STI Singapore	3,419.11	+5.42
KLCI Malaysia	1,602.41	-0.89
SET Thailand	1,700.24	+23.44
IDX Indonesia	7,078.76	+76.23
VSE Vietnam	1,516.44	+17.94

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Jun 22	27,660	-250
JPX TOPIX Jun 22	1,941.5	-21.5
JPX NK 400 Jun 22	17,545	-165
JPX TSE REIT Jun 22	2,014.0	+64.0
JPX NK 225 VI Apr 22	22.25	-0.95
JPX 10-Year JGB Jun 22	149.70	+0.22
JPX Gold 1 Kg Feb 23	7,600	-52
JPX Platinum Feb 23	3,840	-119
JPX Silver Feb 23	97.7	-2.8
JPX Palladium Feb 23	8,700	-1,400
JPX TSR20 Aug 22	213.0	+6.0
JPX Corn Mar23	50,510	-170
JPX Dubai Crude Aug 22	71,730	-4,490

Source: JPX

Rubber Trading – Technical Analysis OSE Sep Futures:

OSE Sept futures, a new active contract month, settled at 261.8 (+4.9) which was close to the weekly high price. There was continuous buying all week due to the weakening JPY against the USD. Trading volume also improved: +7,972 lots from the previous week. Market sentiment remains firm and is likely to try the important resistance level of 265.2 which was the previous high. Support is seen at 250.7 (50-day Moving Average) with more support at 247.0 RSI 14-Day is 63.6%. Long positions may place a sell stop below 240.0.



Source: Bloomberg

Rubber Trading – SGX SICOM June Futures Technical Analysis:

SICOM April futures for delivery expired for TSR20 at 173.6 while April RSS3 expired at 212.0 on Thurs. Prices have been struggling to move higher but had met with little interest (low volume) and strong resistance at 175.5-176.0. June futures is now hovering around the resistance level (blue line) and it has to decisively close higher to see further upside momentum. RSI 14 days is 52.7% and it is neutral. Market sentiment is positive but profit taking (selling) is expected at 178/179.



Source: Bloomberg

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