

The Japan Rubber Futures Weekly Report:

12 Dec 2022 – 16 Dec 2022

Note: Japan Nov PPI higher at 9.3% Y/Y, Q4 Tankan Large Manufacturing 7.0, Oct Industrial Production lower -3.2%

Rubber Futures Report:

World rubber futures closed slightly lower with diverse trading activities. OSE futures moved mixed amid active May-2023 contracts closed marginally higher. SHFE and INE futures were down slightly, less than 1%, while SICOM futures dropped 1.9%. After several rubber futures contracts hit over-bought levels, the prices remained moderate under profit-taking activities. Rubber futures prices rallied in the past four weeks from their low, and they had been over-bought conditions above 70% of RSI. Several factors supported the rally; the rainy season in producing countries, China's relaxation from its zero-COVID restrictions, and the demand of tire consumers before the Chinese New Year holidays. In other economic news, Japan's 4Q Tankan report for large manufacturing companies slightly increased to 7.0, and November PPI increased by 9.3% YoY. The US Fed raised the key rate by 0.5 percentage points to 4.5% as the market expected, but the poor outcome of November Retail Sales, -0.6%, triggered a sell-off in its equity market. The ECB and the BOE also raised interest rates by 0.5 percentage points, which aroused concerns about recession.

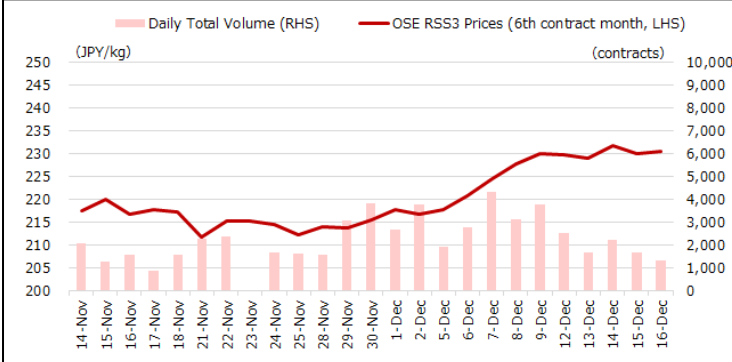
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Dec 22	221.2	-1.6	SCR/RSS May23	13,115	-65	Jan 23	136.4	-2.8	RSS3 Apr 23	56.15	+0.35
Jan 23	220.8	-4.1	SCR/RSS Sep23	13,080	-50	Feb 23	136.9	-2.6	RSS3 May 23	57.05	+0.85
Feb 23	222.1	-4.1	Total Vol.	1,596,771	+54,228	Mar 23	137.1	-2.7	JRF Apr 23	229.5	-0.7
Mar 23	226.4	-3.8	Total OI	312,132	-11,007	Apr 23	137.3	-2.6	JRF May 23	230.0	-0.1
Apr 23	229.3	-0.7	INE TSR Mar 23	10,050	-10	May 23	137.6	-2.3	ICEX	Last (INR)	Net
May 23	230.5	+0.5	INE TSR Apr 23	10,115	-20	Jun 23	137.5	-2.5	RSS4 Dec 22	Untraded	0
Total Vol.	9,450	-6,471	Total Vol.	375,022	+17,239	Total Vol.	39,351	+6,614	MCX	Last (INR)	Net
Total OI	9,160	-668	Total OI	96,602	+826	Total OI	55,517	-397	RSS4 Dec 22	16,250	untraded

Source: JPX

Source: SHFE, INE

Source: SGX

Source: TFEX, ICEX, MCX



Source: JPX

Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 30 Nov)	4,649	+77
Shanghai SHFE Rubber Stocks (ton, 16 Dec)	174,822	+2,946
Shanghai INE Rubber Stocks (ton, 16 Dec)	35,120	+806
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 (% , Nov)	3.7	+0.0
US Non-Farm Payroll (Nov)	263,000	-21,000
Japan Unemployment Rate (% , Oct)	2.6	+0.0
Japan Manufacturing PMI (Nov)	49.4	-1.3
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	136.60	+0.04
EUR/USD	1.0586	+0.0046
GBP/USD	1.2148	+0.0111
USD/CHF	0.9337	-0.0005
AUD/USD	0.6685	-0.0110
USD/CNY	6.9740	+0.0156
USD/INR	82.8687	+0.59
USD/SGD	1.3590	+0.0051
USD/MYR	4.4242	+0.0197
USD/THB	34.782	+0.027
USD/IDR	15,598	+15
USD/VND	23603	-180

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	27,527.12	-373.89
TOPIX Japan	1,950.21	-11.35
Dow Jones US	32,920.46	-556.0
S&P 500 US	3,852.36	-82.02
Nasdaq US	10,705.41	-299.21
CSI 300 China	3,954.23	-44.01
Shanghai China	3,167.86	-39.09
HSI Hong Kong	19,450.67	-450.20
STI Singapore	3,240.81	-5.16
KLCI Malaysia	1,478.54	+1.35
SET Thailand	1,619.01	-4.12
IDX Indonesia	6,812.19	+97.07
VSE Vietnam	1,052.48	+0.67

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Mar 23	27,470	-380
JPX TOPIX Mar 23	1,944.0	-41.0
JPX NK 400 Mar 23	17,560	-135
JPX TSE REIT Mar 23	1,953.0	+42.5
JPX NK 225 VI Jan 23	20.75	-0.65
JPX JGB 10 Year Dec 22	147.98	-0.45
JPX Gold 1 Kg Oct 23	7,840	-10
JPX Platinum Oct 23	4,338	-2
JPX Silver Oct 23	98.9	-0.4
JPX Palladium Oct 23	8,300	+0
JPX TSR20 Mar 23	185.0	-2.0
JPX Corn Jan 23	46,080	New
JPX Dubai Crude May 23	62,910	+2,860

Source: JPX

Technical Analysis on the OSE May-2023 Contracts:

OSE's May-2023 contracts closed a little higher JPY 0.5 from the last week at 230.5 with quiet trading activities. With some transactions for liquidation, the trading volume decreased by more than 6,000 contracts from the previous week. The price moved within a tight range before the year-end holidays. The market is expected to remain at the current level with several profit-taking trading towards the end of the year. The 14-day RSI is at 65.3%, the support level will be 224.2 and then 221.3, and the resistance level will be 238.7 and 241.0.



Source: Bloomberg

Technical Analysis on the SGX SICOM March 2023 Contracts:

SICOM's March-2023 contracts shed 2.7 cents to 137.1 from the previous week. The trading was moderately active: the trading volume increased by 6,614 contracts compared to the last week. The price was in correction territory as the 14-day RSI decreased to 62% from the over-bought level of 72% the previous week. Market sentiment remains cautious and steady, and the support level will be 135.5 and then 132.0. There is a strong resistance level at 141.0, indicating that the price will not gain a positive momentum unless it closes above 141.0. Otherwise, it would remain between 135.0 and 140.0 toward the rest of the year.



Source: Bloomberg

Contact us

Kensuke Yazu

Derivatives Business Development
Osaka Exchange, Inc.

Tel: +81 (0) 50 3377 8645

Email: deri-w1@jpx.co.jp

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