

The Japan Rubber Futures Weekly Report:

14 Mar 2022 – 18 Mar 2022

Note: Japan National Feb CPI +0.4% Month/Month, CPI +0.9% Year/Year, Core CPI exclude Fresh Food +0.6%

Rubber Futures Report:

Rubber futures prices closed the week mixed with OSE futures prices higher while SHFE, INE and SICOM prices were all lower. The weak JPY had gave support to the OSE rubber futures as USD/JPY closed higher at 119.17. OSE active Aug futures closed +1.6% while SHFE and INE closed -3.7% and -3.8% respectively, SICOM rubber futures fell 3.4% in active trading with many cutting its long positions. There was good selling all week in both the Chinese exchanges due to an increase in Covid-19 virus. The Chinese government also made several lockdowns and there is concern that the economy may further slowed down. On Global news, The Fed increased key interest rate 0.25% to 0.25%-0.5% target in its Fed Funds rate after its FOMC meeting and had indicated another six increases this year to combat a 40-year high inflation. The war in Ukraine continued despite some positive talks reported between the Ukrainian and Russian officials and Ukrainian President Zelensky agreed not to join NATO and requested to meet Russian President Putin face to face. Global stocks recovered sharply after the Fed interest rate hike and some fighting eased in Ukraine.

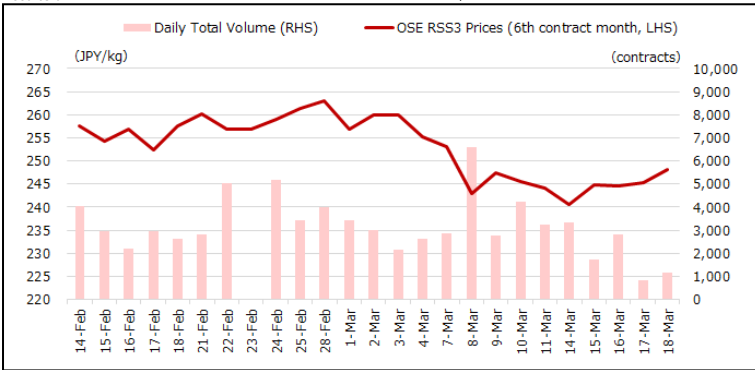
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Mar 22	247.5	+3.2	SCR/RSS May22	13,380	-520	Apr 22	172.4	-5.2	RSS3 Jul 22	68.00	+0.95
Apr 22	247.0	+1.6	SCR/RSS Sep22	13,620	-510	May 22	171.5	-6.0	RSS3 Aug 22	68.00	+0.85
May 22	247.5	-1.0	Total Vol.	1,508,087	-661,386	Jun 22	171.9	-5.9	JRF Jul 22	248.0	+2.5
Jun 22	246.7	-1.6	Total OI	356,839	+9,757	Jul 22	172.7	-5.3	JRF Aug 22	247.8	+2.6
Jul 22	247.3	+3.4	INE TSR May 22	11,095	-445	Aug 22	173.3	-5.2	ICEX Last (INR)	Net	
Aug 22	248.1	+4.0	INE TSR Jun 22	11,190	-440	Sep 22	173.6	-5.3	RSS4 Apr 22	17,320	+340
Total Vol.	9,866	-9,843	Total Vol.	214,786	-104,092	Total Vol.	52,968	+5,047	MCX Last (INR)	Net	
Total OI	8,370	-231	Total OI	73,804	+2,937	Total OI	39,424	-5,409	RSS4 Mar 22	16,841	-134

Source: JPX

Source: SHFE, INE

Source: SGX

Source: TFEX, ICEX, MCX



Source: JPX

Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 10 Mar)	7,974	-239
Shanghai SHFE Rubber Stocks (ton, 18 Mar)	253,563	+1,289
Shanghai INE Rubber Stocks (ton, 18 Mar)	101,802	+1,108
China Vehicle Total Sales (unit, 31 Jan22)	2,530,584	-255,334
China Passenger Car Sales (unit, 31 Jan22)	2,186,344	-235,214
China Commercial Car Sales (unit, 31 Jan22)	344,240	-20,120
US Unemployment Rate (% Feb)	3.8%	-0.2
US Non-Farm Payroll (Feb)	678,000	+197,000
Japan Unemployment Rate (% Jan)	2.8	+0.1
Japan Manufacturing PMI (Feb)	52.7	-2.7
Japan Tankan Large Manufacturing (4Q)	+18	+0
China Manufacturing PMI (Feb)	50.2	+0.1
China GDP 4Q (%)	+4.0	-0.9

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	119.17	+1.88
EUR/USD	1.1051	+0.0139
GBP/USD	1.3178	+0.0141
USD/CHF	0.9318	-0.0024
AUD/USD	0.7415	+0.0122
USD/CNY	6.3612	+0.0219
USD/INR	75.805	-0.7875
USD/SGD	1.3566	-0.0063
USD/MYR	4.1953	-0.0005
USD/THB	33.335	+0.036
USD/IDR	14,340	+39
USD/VND	22,863.8	+4.8

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	26,827.43	+1,664.65
TOPIX Japan	1,909.27	+109.73
Dow Jones US	34,754.93	+1,810.74
S&P 500 US	4,463.12	+258.81
Nasdaq US	13,893.84	+1,050.03
CSI 300 China	4,265.90	-40.62
Shanghai China	3,251.07	-58.68
HSI Hong Kong	21,412.40	+858.61
STI Singapore	3,330.63	+80.97
KLCI Malaysia	1,591.26	+23.04
SET Thailand	1,678.51	+20.50
IDX Indonesia	6,954.97	+32.37
VSE Vietnam	1,469.10	+2.56

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Jun 22	26,730	+1,640
JPX TOPIX Jun 22	1,898.0	+112.0
JPX NK 400 Jun 22	17,090	+995
JPX TSE REIT Jun 22	1,919.0	+57.0
JPX NK 225 VI Apr 22	23.80	-2.50
JPX JGB 10 Year Jun 22	150.07	-0.32
JPX Gold 1 Kg Feb 23	7,361	-70
JPX Platinum Feb 23	3,848	-57
JPX Silver Feb 23	96.1	-0.1
JPX Palladium Feb 23	9,700	-1,200
JPX TSR20 July 22	203.0	-2.4
JPX Corn Mar 23	48,610	-3,100
JPX Dubai Crude Aug 22	70,460	+3,010

Source: JPX

Rubber Trading – Technical Analysis OSE Rubber June/Aug Spread:

OSE June futures settled at 246.7 and the active Aug futures closed at 248.1. Based on the June/Aug calendar spread the market settled at -1.4 (246.6-248.1). Last week the spreader sold the June/Aug at +4.2 and was looking the spread to move to par or negative to take profit. Indeed, the June/Aug went negative -1.4 on closing and the spreader took profit at par which reap 4.2 points in profit. The spreader will look for further opportunities in the spread market again.

Rubber Trading – SGX SICOM May Futures Technical Analysis:

SICOM May rubber futures fell sharply after prices broke through critical support at 176.0 in the early week. There was heavy selling as many long positions liquidated. Prices fell to a week's low of 168.0 and managed to rebound to settle on Friday 171.5. The break of the triangle support line indicate that prices may fall to 158-160 target level. However, prices are now likely to congest within 168-175 range in the near term. RSI closed at 36% after touching a low of 31% which was near oversold condition.



Source: Bloomberg



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