

The Japan Rubber Futures Weekly Report:

18 April 2022 – 22 Apr 2022

Note: Japan CPI +1.2% year/year, Feb Industrial Production +2.0% on month, Apr Manufacturing PMI 53.4 (+0.2)

Rubber Futures Report:

Rubber futures prices closed lower in all major exchanges presumably due to the selling of commodity funds and speculative flows. OSE rubber futures were down by almost 4% while SHFE and INE prices fell by 2.2% and 2.0%. SICOM rubber futures also fell by 4.2%. There is a concern about Chinese economy's slow-down, which could be accelerated after the recent lockdown in major cities. The potential impact of this will be a slowdown in vehicle sales and demand for tyres, and this estimation has dampened the rubber market sentiment. The end of the wintering period and full production of major producers in Thailand are also giving a downside pressure on rubber prices. On global markets, the rise of US 10yr yield (2.905%) is signalling that the Fed is likely to be aggressive to raise FF rate at least 0.5% at the next FOMC meeting. This had resulted in the strengthening of the USD where USD/JPY touched a high of 129.40. The IMF revised their economic growth estimation to +3.6% in 2022. The 2-month war in Ukraine continued with Russian President Putin declaring victory in the port city of Mariupol despite Ukraine fighters holding on.

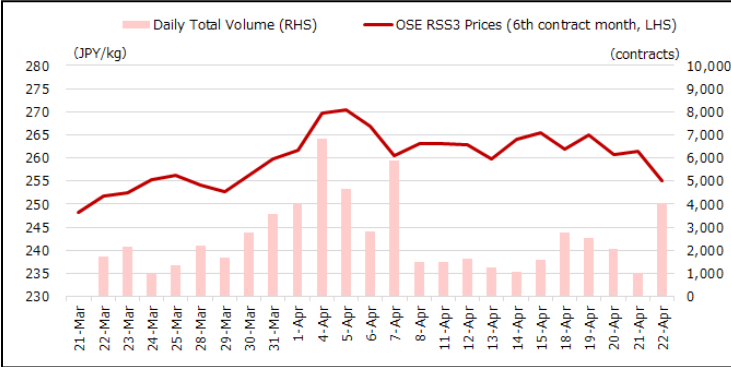
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
May 22	252.9	-19.7	SCR/RSS Sep22	13,105	-295	May 22	167.2	-6.3	RSS3 Aug 22	68.5	-0.95
Jun 22	253.7	-15.7	SCR/RSS Jan23	14,160	-330	Jun 22	166.1	-6.8	RSS3 Sep 22	68.5	-0.95
Jul 22	252.3	-12.7	Total Vol.	1,465,445	+43,692	Jul 22	166.1	-7.3	JRF Aug 22	252.6	-8.8
Aug 22	253.4	-12.9	Total OI	365,327	+12,130	Aug 22	166.6	-7.3	JRF Sep 22	255.8	-5.9
Sep 22	255.0	-10.5	INE TSR Jun 22	11,000	-220	Sep 22	167.4	-7.1	ICEX Last (INR)	Net	
Oct 22	256.3	-9.2	INE TSR July 22	11,075	-215	Oct 22	168.2	-7.0	RSS4 May 22	17,666	0
Total Vol.	12,424	+5,403	Total Vol.	193,582	+24,879	Total Vol.	34,974	+16,431	MCX Last (INR)	Net	
Total OI	8,980	-197	Total OI	71,591	+1,965	Total OI	37,407	+751	RSS4 Apr 22	16,506	-658

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 Apr)	8,229	-39
Shanghai SHFE Rubber Stocks (ton, 22 April)	262,162	+1,184
Shanghai INE Rubber Stocks (ton, 22 April)	101,769	-5,745
China Vehicle Total Sales (unit, 31 Mar 22)	2,233,912	+496,526
China Passenger Car Sales (unit, 31 Mar 22)	1,864,360	+376,918
China Commercial Car Sales (unit, 31 Mar 22)	369,552	+119,608
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 (Apr)	53.4	+0.2
Japan Tankan Large Manufacturing (1Q)	+14	-3
China Manufacturing PMI (Mar)	49.5	-0.7
China GDP 1Q (%)	+4.8	+0.4

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	128.50	+2.04
EUR/USD	1.0790	-0.0020
GBP/USD	1.2839	-0.0221
USD/CHF	0.9575	+0.0144
AUD/USD	0.7244	-0.0151
USD/CNY	6.5014	+0.1299
USD/INR	76.4837	+0.30
USD/SGD	1.3711	+0.0141
USD/MYR	4.3250	+0.0895
USD/THB	33.967	+0.361
USD/IDR	14,362	-19
USD/VND	22,968	+68

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	27,105.26	+12.07
TOPIX Japan	1,905.15	+8.84
Dow Jones US	33,811.40	-639.83
S&P 500 US	4,271.78	-120.81
Nasdaq US	12,839.29	-511.79
CSI 300 China	4,013.25	-17.55
Shanghai China	3,086.92	-124.33
HSI Hong Kong	20,638.52	-879.56
STI Singapore	3,361.11	+25.26
KLCI Malaysia	1,601.97	+10.04
SET Thailand	1,690.59	+16.25
IDX Indonesia	7,225.61	-9.92
VSE Vietnam	1,379.23	-79.33

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Jun 22	27,100	+20
JPX TOPIX Jun 22	1,903.0	+6.5
JPX NK 400 Jun 22	17,160	+80
JPX TSE REIT Jun 22	1,985.0	+0.5
JPX NK 225 VI May 22	23.80	+0.85
JPX JGB 10 Year Jun 22	149.09	-0.32
JPX Gold 1 Kg Feb 23	8,018	-37
JPX Platinum Feb 23	3,918	-42
JPX Silver Feb 23	102.1	-2.8
JPX Palladium Feb 23	10,100	+311
JPX TSR20 July 22	211.6	-5.4
JPX Corn May 23	57,410	New
JPX Dubai Crude Sep 22	77,600	-2,400

Source: JPX

Rubber Trading – Technical Analysis OSE Sep Futures:

OSE Sept futures closed at 255.0 with active trading. The prices had fallen sharply and broke support at 257.0 (MA50) and touched a low of 250.8 before slight rebound later in the week. The prices are now below the 50-day moving average and show a slight bearish signal. Support is at 249.2 and more support at 240.0. Resistance is 262.0 followed by 269.2 (previous high). 14-day RSI is 46%. If prices could stay above the blue support line, chances of higher prices is intact. A close below 140 is very bearish.



Source: Bloomberg

Rubber Trading – SGX SICOM July Futures Technical Analysis:

SICOM July futures closed at 166.1. The Prices broke the critical support at 171.0 and dipped below 166.0 just before Friday's closing. That was a sharp drop and the current RSI of 29.4% would indicate short-term oversold. The prices had also breached an important trend-line and rectangular formation, which implies a possibility of further drop to 155 to 157 target levels. Meanwhile, there is a technical gap between 168.3 and 169.5, and the prices may rebound if there is a correction movement. A new trading range will be the 163-169.5 level next week.



Source: Bloomberg

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