

The Japan Rubber Futures Weekly Report:

23 May 2022 – 27 May 2022

Note: Japan's Jibun Bank May PMI Manufacturing Index 53.2, May Core CPI +1.9% Year on Year

Rubber Futures Report:

Rubber futures prices closed the week generally higher in most major rubber exchanges. Trading activities were sluggish within the tight trading range without clear direction. The OSE Oct futures closed slightly firmer with slow trading volume. The SHFE rubber futures closed 1.2% higher as speculators seemed to add new long positions. The INE market closed 1.7% higher amid active roll trading from July to August contracts. The SICOM rubber futures closed marginally higher in very quiet trading. Anticipation of easing lockdown in Shanghai has gradually improved market sentiment while recovering rubber supply of major producing countries like Thailand and Vietnam puts downside pressure on the prices from this month onwards. On global news, US equities markets showed a strong recovery as the expectation of accelerating monetary tightening in light of inflation calmed down. The war in Ukraine is in its 3rd month, and Russian forces have waged all-out war and encircled Ukrainian troops in the Eastern cities of the Donetsk and Lugansk regions.

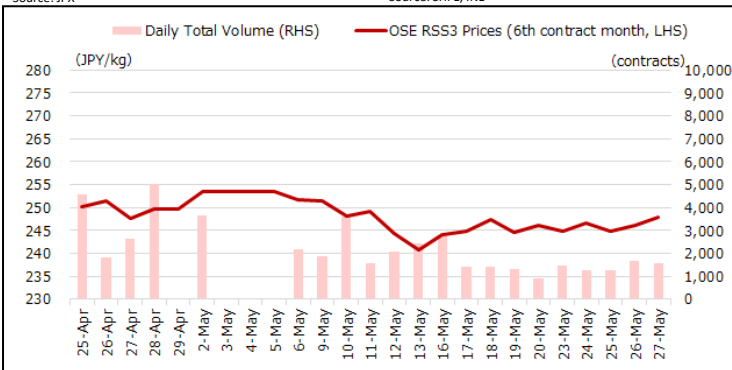
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
May 22	251.1	Expired	SCR/RSS Sep22	13,235	+155	Jun 22	163.9	+0.3	RSS3 Sep 22	67.20	+0.3
Jun 22	248.0	+4.0	SCR/RSS Jan23	14,305	+135	Jul 22	164.4	+0.8	RSS3 Oct 22	67.10	+0.55
Jul 22	242.4	+1.1	Total Vol.	1,813,459	+5,104	Aug 22	164.4	+0.9	JRF Sep 22	244.9	-1.7
Aug 22	244.4	+2.4	Total OI	297,817	+9,049	Sep 22	164.9	+1.4	JRF Oct 22	245.2	-1.9
Sep 22	245.7	+0.7	INE TSR Jul 22	11,400	+195	Oct 22	165.0	+1.5	ICEX Last (INR)	Net	
Oct 22	246.3	+0.1	INE TSR Aug 22	11425	+175	Nov 22	165.7	+1.6	RSS4 Jun 22	Untraded	-
Total Vol.	7,242	-593	Total Vol.	247,835	+45,809	Total Vol.	24,821	-7,023	MCX Last (INR)	Net	
Total OI	8,621	-469	Total OI	70,637	-3,879	Total OI	38,137	-2,212	RSS4 May 22	17,852	+52

Source: JPX

Source: SHFE, INE

Source: SGX

Source: TFEX, ICEX, MCX



Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 10 May)	8,032	-94
Shanghai SHFE Rubber Stocks (ton, 27 May)	272,128	+2,781
Shanghai INE Rubber Stocks (ton, 27 May)	99,651	-2,742
China Vehicle Total Sales (unit, 30 Apr 22)	1,180,903	-1,053,009
China Passenger Car Sales (unit, 30 Apr 22)	965,120	-899,240
China Commercial Car Sales (unit, 30 Apr 22)	215,783	-153,769
US Unemployment Rate (% Apr)	3.6	0.0
US Non-Farm Payroll (Apr)	428,000	0
Japan Unemployment Rate (% Mar)	2.6	-0.1
Japan Manufacturing PMI (Apr)	53.4	+0.2
Japan Tankan Large Manufacturing (1Q)	+14	-3
China Manufacturing PMI (Apr)	47.4	-2.1
China GDP 1Q (%)	+4.8	+0.4

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	127.11	-0.77
EUR/USD	1.0735	+0.0171
GBP/USD	1.2631	+0.0151
USD/CHF	0.9568	-0.0178
AUD/USD	0.7162	+0.0122
USD/CNY	6.6994	+0.0064
USD/INR	77.57	+0.0238
USD/SGD	1.3692	-0.0112
USD/MYR	4.3787	-0.0103
USD/THB	34.134	-0.272
USD/IDR	14,567	-75
USD/VND	23,200	+30

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	26,781.68	+42.65
TOPIX Japan	1,887.30	+9.93
Dow Jones US	33,212.68	+1,951.06
S&P 500 US	4,158.24	+256.88
Nasdaq US	12,131.13	+776.51
CSI 300 China	4,001.30	-76.30
Shanghai China	3,130.24	-16.33
HSI Hong Kong	20,697.36	-19.88
STI Singapore	3,230.55	-10.03
KLCI Malaysia	1,546.76	-2.36
SET Thailand	1,638.75	+15.80
IDX Indonesia	7,026.26	+108.11
VSE Vietnam	1,285.45	+44.74

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Jun 22	26,810	+40
JPX TOPIX Jun 22	1,889.0	+8.5
JPX NK 400 Jun 22	17,035	+100
JPX TSE REIT Jun 22	1,983.0	+5.0
JPX NK 225 VI Jun 22	22.90	-1.45
JPX JGB 10 Year Jun 22	149.95	+0.17
JPX Gold 1 Kg Apr 23	7,532	-35
JPX Platinum Apr 23	3,801	-71
JPX Silver Apr 23	90.7	-0.4
JPX Palladium Apr 23	8,350	0
JPX TSR20 Aug 22	207.0	+0.5
JPX Corn May 23	53,540	-3,540
JPX Dubai Crude Oct 22	79,300	+2,380

Source: JPX

Rubber Trading – Technical Analysis OSE Oct Futures:

Oct contracts were traded within a very tight range with smaller trading volume and closed at 246.3 (+0.1), with little change from last week. The nearest two-month contracts closed higher in response to strong physical demand. The support remains crucial at 240.5, and the resistance is 253.5 and then 256.5. 14-day RSI is at 45.6%. Breaking the 240.0 level could indicate further downside pressure to the 200-day average level, 236.4. Next week, the prices are expected to move in a tight trading range until seeing further breakout.



Rubber Trading – SGX SICOM Aug Futures Technical Analysis:

SICOM Aug futures settled at 164.4 (+0.9) amid quiet trading activities. The prices were confined in a tight trading range all week while market sentiment remained steady. The support is expected at 160.5-161.0, and the resistance is at 166.0 and then 169.5 (gap). Market trading volume dropped sharply (-7,023 lots) as traders stayed sidelined. 14-days RSI had recovered to the neutral level, 51.0%. Breaking the crucial resistance level of 166.0 or closing above 165.3 could signal a further rally to the 170 level.



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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