

The Japan Rubber Futures Weekly Report:

10 May 2021 – 14 May 2021

Rubber Futures Report:

Rubber Futures prices closed the week lower influenced by strong selling of commodities from the Chinese Exchanges and sharp fall on copper and iron ore prices. There is also concern of higher inflationary pressure and some market talk of the Fed may increase interest rate earlier after the US reported a 13-year high CPI data which was +4.2% on year. There were both funds and speculative selling in the rubber futures market started from the SHFE on Thurs and Friday which fell 7.5%. The selling had brought both OSE and SICOM rubber futures sharply lower where OSE and SICOM rubber futures fell 5.3% and 4.7% respectively. Inflationary fear also jolted the global equity markets where many major markets were down sharply with the Japanese Nikkei down almost 1,300 points and DJ -395 points. On other world news, Israel and Palestinian fighting is escalating while the rest of the world is busy fighting the Covid-19 virus and its new 1617 variant. Dallas Fed president R. Kaplan said rising inflation expectation is worrisome while the US reported a flat April retail sale lower than +1% expectation. Malaysia & Indonesia markets will be back on Monday.

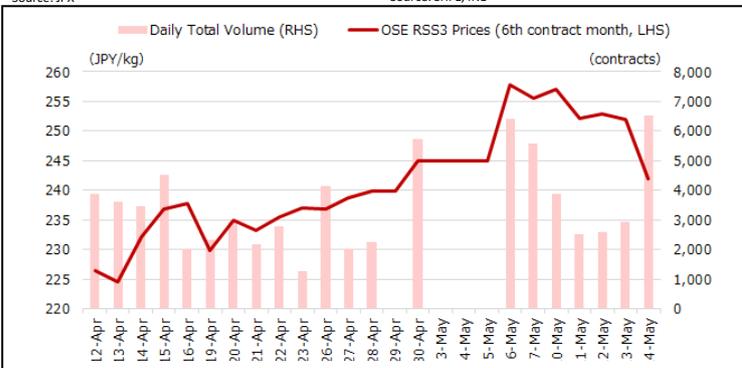
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
May 21	253.0	-5.0	SCR/RSS Sep 21	13,390	-1,080	Jun 21	164.4	-8.0	RSS3 Sep 21	71.65	-0.3
Jun 21	254.0	-5.0	SCR/RSS Jan 22	14,475	-1,070	Jul 21	165.1	-8.2	RSS3 Oct 21	71.65	-0.3
Jul 21	253.0	-5.6	Total Vol.	3,320,947	+2,501,621	Aug 21	166.3	-8.0	JRF Sep 21	246.7	-8.2
Aug 21	248.8	-8.4	Total OI	302,787	+27,623	Sep 21	167.3	-7.4	JRF Oct 21	245.2	-8.9
Sep 21	243.2	-13.2	INE TSR Jul 21	10,830	-890	Oct 21	168.6	-6.5	ICEX	Last (INR)	Net
Oct 21	242.0	-13.5	INE TSR Aug 21	10,935	-890	Nov 21	169.1	-6.6	RSS4 Jun 21	17,221	+243
Total Vol.	18,445	+6,463	Total Vol.	215,153	+153,328	Total Vol.	40,288	+18,028	MCX	Last (INR)	Net
Total OI	10,936	+104	Total OI	51,230	-51	Total OI	41,084	-2,248	RSS4 Jun 21	17,537	+396

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 Apr)	7,992	-214
Shanghai SHFE Rubber Stocks (ton, 14 May)	178,432	+250
Shanghai INE Rubber Stocks (ton, 14 May)	59,442	+415
China Vehicle Total Sales (unit, 31 Mar)	2,525,691	+1,070,885
China Passenger Car Sales (unit, 31 Mar)	1,874,311	+718,424
China Commercial Car Sales (unit, 31 Mar)	651,380	+352,461
US Unemployment Rate (% Apr)	6.1%	+0.1
US Non-Farm Payroll (Apr)	266,000	-544,000
Japan Unemployment Rate (% Mar)	2.6	-0.3
Japan PMI (Apr)	53.3	+0.6
Japan Tankan Large Manufacturing (31/3)	+5	+15
China PMI (Apr)	51.1	-0.8
China GDP 1Q (%)	+18.3	+11.8

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	109.35	+0.75
EUR/USD	1.2141	-0.0025
GBP/USD	1.4097	+0.0113
USD/CHF	0.9014	+0.0006
AUD/USD	0.7771	-0.0073
USD/CNY	6.4371	+0.0039
USD/INR	73.2937	-0.2175
USD/SGD	1.3323	+0.0075
USD/MYR	4.1252	+0.0024
USD/THB	31.367	+0.0229
USD/IDR	14,197.5	-87.5
USD/VND	23,040.5	-24.5

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	28,084.47	-1,273.35
TOPIX Japan	1,883.42	-49.63
Dow Jones US	34,382.13	-395.63
S&P 500 US	4,173.85	-58.75
Nasdaq US	13,429.98	-322.26
CSI 300 China	5,110.59	+114.54
Shanghai China	3,490.38	+71.51
HSI Hong Kong	28,027.57	-583.08
STI Singapore	3,055.02	-145.24
KLCI Malaysia	1,582.52	-4.93
SET Thailand	1,549.48	-35.55
IDX Indonesia	5,938.35	+10.04
VSE Vietnam	1,266.36	+24.55

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Jun 21	28,040	-1,350
JPX TOPIX Jun 21	1,881.0	-53.0
JPX NK 400 Jun 21	16,975	-470
JPX TSE REIT Jun 21	2,003.5	-49
JPX NK 225 VI May 21	21.70	+3.25
JPX JGB 10 Year Jun 21	151.35	-0.09
JPX Gold 1 Kg Apr 22	6,432	+48
JPX Mini Gold 100g Apr 22	6,432	+48
JPX Gold Rolling Spot	6,432	+41
JPX Silver Apr 22	95.1	-0.6
JPX Platinum Apr 22	4,308	-82
JPX Palladium Apr 22	10,135	-265
JPX Corn May 22	35,400	-1,300

Source: JPX

Rubber Trading – Technical Analysis (OSE Oct Rubber):

OSE Oct rubber futures fell to close at 242.0 (-13.5 from previous week). The drop on Friday had settled below the 50 day and 100 days moving averages and prices are likely to head further south. The next key support levels are at 224.8 (200 MA) and 221.0 levels. RSI (14 days) is at 49% which is neutral. Any recovery may be short live at 251.0 and further resistance at 261.5/262.0 area. Sellers may likely to appear at 245-247 levels next week with buy stops above 251.5 or higher.



Source: Bloomberg

Rubber Trading – Technical Analysis (SICOM July Rubber):

SICOM July futures fell sharply on Friday at the opening after sharp overnight sell off in SHFE. Prices opened gap down at 167.5 and traded to day's low at 160.0 before recovered to close at 165.1 (-8.2) There is a gap at 168.5 and 170.5 levels which prices may likely to recover to close the gap in the future. Support is seen at 160.0 and 157.5 levels and resistance are 168 and 170.5 (gap). RSI is 43% Market sentiment has changed to be more bearish tone after the sell off on Friday.



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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