

The Japan Rubber Futures Weekly Report:

12 Apr. 2021 – 16 Apr. 2021

Golf Champion: First Asian and First Japanese Hideki Matsuyama wins Augustus Masters - Congratulations!

Rubber Futures Report:

Rubber Futures prices closed the week mostly mixed in uncertain and nervous trading. The OSE market saw the forward curve steepening as the back months rose making it a clear Contango market. SHFE and INE rubber prices were down dominated mostly by commodity funds and speculative selling while SGX SICOM prices were almost unchanged from previous week after a mid-week rally. Futures market sentiment overall remains weak and uncertain despite firmer physical prices and some producing countries are facing higher raw material prices and wintering season in the Northern Hemisphere. On world and economic news, J&J vaccine was held back due to some experienced blood clot. China Q1 GDP +18.3% is up sharply from 4Q +6.5%, Strong US banks quarterly earnings and a stronger US Retail sale in Mar (+9.8%) propelled US stocks to record highs while the 10Year bond yield eased slightly to 1.59%. The USD was softer on the easing bond yield which in turn gave some rally to commodities like copper, soybean and Gold. Rising tensions between the US and Russia saw sanctions imposed while Russia asked 10 Diplomats to leave is a concern.

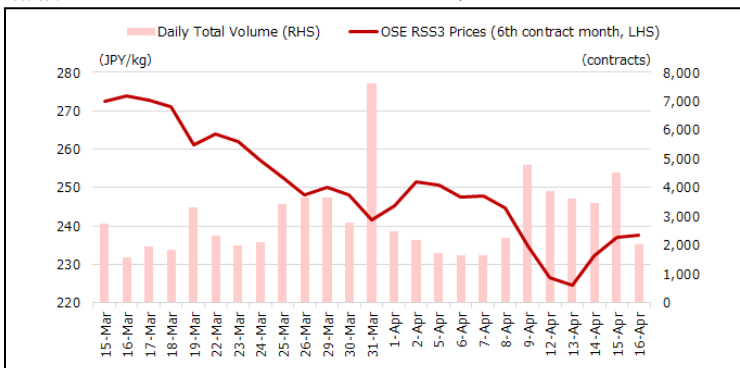
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Apr 21	225.2	-6.5	SCR/RSS May 21	13,500	-160	May 21	161.6	-1.2	RSS3 Aug 21	66.95	-0.35
May 21	227.5	-3.5	SCR/RSS Sep 21	13,735	-135	Jun 21	163.0	-0.1	RSS3 Sep 21	67.15	-0.15
Jun 21	231.8	-0.2	Total Vol.	2,312,630	+652,885	Jul 21	163.7	+0.3	JRF Aug 21	234.4	-3.1
Jul 21	234.8	+0.6	Total OI	299,383	-19,438	Aug 21	164.3	-0.2	JRF Sep 21	235.6	-1.2
Aug 21	237.0	+3.2	INE TSR Jun 21	10,875	-50	Sep 21	165.3	+0.6	ICEX Last (INR)	Net	
Sep 21	237.7	+2.9	INE TSR Jul 21	11,020	-10	Oct 21	166.2	+0.6	RSS4 May 21	16,994	-99
Total Vol.	17,524	+5,459	Total Vol.	133,111	+52,484	Total Vol.	35,282	+11,347	MCX Last (INR)	Net	
Total OI	11,780	+269	Total OI	56,008	+821	Total OI	41,155	-2,413	RSS4 May 21	16,789	+29

Source: JPX

Source: SHFE, INE

Source: SGX

Source: TFEX, ICEX, MCX



Source: JPX

Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 31 Mar)	7,839	+607
Shanghai SHFE Rubber Stocks (ton, 16 Apr)	177,602	0
Shanghai INE Rubber Stocks (ton, 16 Apr)	58,846	-838
China Vehicle Total Sales (unit, 31 Mar)	2,525,000	+1,070,194
China Passenger Car Sales (unit, 31 Mar)	1,874,000	+718,113
China Commercial Car Sales (unit, 31 Mar)	651,000	+352,081
US Unemployment Rate (% Mar)	6.0	-0.2
US Non-Farm Payroll (Mar)	+916,000	+448,000
Japan Unemployment Rate (% Feb)	3.0	+0.1
Japan PMI (Mar)	52.7	+1.3
Japan Tankan Large Manufacturing (31/3)	+5	+15
China PMI (Mar)	51.9	+1.3
China GDP 1Q (%)	+18.3	+11.8

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	108.80	-0.87
EUR/USD	1.1983	+0.0084
GBP/USD	1.3832	+0.0125
USD/CHF	0.9201	-0.0041
AUD/USD	0.7734	+0.0111
USD/CNY	6.5206	-0.0032
USD/INR	74.355	-0.3912
USD/SGD	1.3341	-0.0074
USD/MYR	4.1257	-0.0083
USD/THB	31.20	-0.176
USD/IDR	14,565	0
USD/VND	23,062	-1

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	29,683.37	-84.69
TOPIX Japan	1,960.87	+1.40
Dow Jones US	34,200.67	+400.07
S&P 500 US	4,185.47	+56.67
Nasdaq US	14,052.34	+152.15
CSI 300 China	4,966.18	-69.16
Shanghai China	3,426.62	-24.06
HSI Hong Kong	28,969.71	+270.91
STI Singapore	3,201.76	+17.22
KLCI Malaysia	1,608.38	-3.87
SET Thailand	1,548.96	-17.38
IDX Indonesia	6,086.26	+16.05
VSE Vietnam	1,238.71	+7.05

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Jun 21	29,730	-40
JPX TOPIX Jun 21	1,963.5	+3.5
JPX NK 400 Jun 21	17,695	+15
JPX TSE REIT Jun 21	2,054.5	+7
JPX NK 225 VI May 21	20.20	-1.85
JPX JGB 10 Year Jun 21	151.36	+0.12
JPX Gold 1 Kg Feb 22	6,173	+15
JPX Mini Gold 100g Feb 22	6,173	+15
JPX Gold Rolling Spot	6,186	+22
JPX Silver Feb 22	91.1	+0.5
JPX Platinum Feb 22	4,219	-53
JPX Palladium Feb 22	9,500	+195
JPX Corn Mar 22	32,010	-620

Source: JPX

Rubber Trading – Technical Analysis (OSE Sept Rubber):

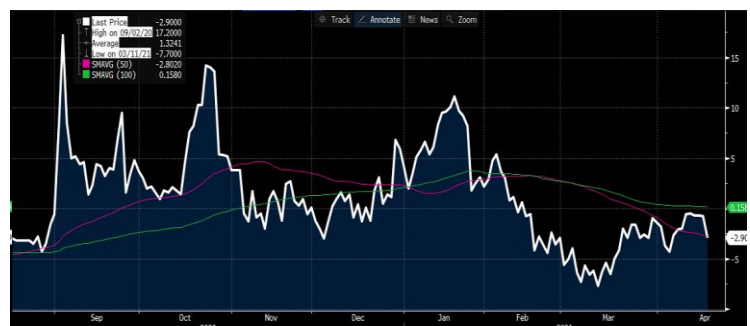
The OSE Sept futures closed at 237.7 on Friday marginally higher (+2.9) from the previous week after touching a low of 222.5 on 14 April. During the mid-week, prices tried to recover but the bear market continues to dominate the week and the market seems likely to congest and may be poised for lower prices again. Resistances are building at 241/242 (previous break) and then 247/248 levels. RSI (14 days) is now at 41%. The long term 200 moving average at 217.3 and any breach is severe.



Source: Bloomberg

Rubber Trading – OSE July, Aug Sept Butterfly Spread:

The Spreader put on a short Butterfly in the OSE July/Aug/Sep Spread at +0.6 last week and based on the DSP Friday July 234.8, Aug 237.0 and Sep 237.7, he noticed the spread has dropped to -1.5 (234.8-237.0) – (237.0-237.7) in his favor. Although he is delighted that the spread has narrowed and turned negative, he is looking to take profit at around -4.5/-5 level. The spreader maintains his buy stop at +5.0 and he hopes to close in a couple of weeks.



Source: Bloomberg

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