

The Japan Rubber Futures Weekly Report:

27 Feb 2023 – 03 Mar 2023

Note: Japan's jobless rate in Jan fell to 2.4%, Manufacturing PMI in Feb increased at 47.7, retail sales in Jan added 6.3% YoY.

Rubber Futures Report:

World rubber futures closed higher in most major exchanges. The rubber prices moved within a tight range, making most exchanges except for OSE fall their trading volumes. Many producing countries in ASEAN reported the start of rain the previous week, which could support rubber prices in the coming weeks. The beginning of the wintering season, which usually starts from March to the end of April, is also supportive of rubber prices. Malaysia reported flooding in many areas, and around 40,000 people were evacuated. The ANRPC published that global rubber consumption will remain flat in 2023 at 14.738 million tonnes, while production will be expected to increase by 2.5% to 14.693 mil tonnes. The forecast had little impact on the rubber futures markets. Pirelli's major shareholder Chinachem denied rumours that they are selling its stake in the tire company. In other economic news, Japan reported a lower jobless rate in January at 2.4%, while Manufacturing PMI in February was 47.7, down from 48.9 in the previous month. China's Manufacturing PMI in February beat the market expectation at 52.6, bringing optimism about the economic recovery. The US's unemployment rate will be released on March 10, and the number will impact the Fed's rate hike judgment, 0.25 or 0.50 percentage points, at the FOMC meeting on March 22. The US equity markets recovered after a recent rout of strong selling from bargain-hunting buying.

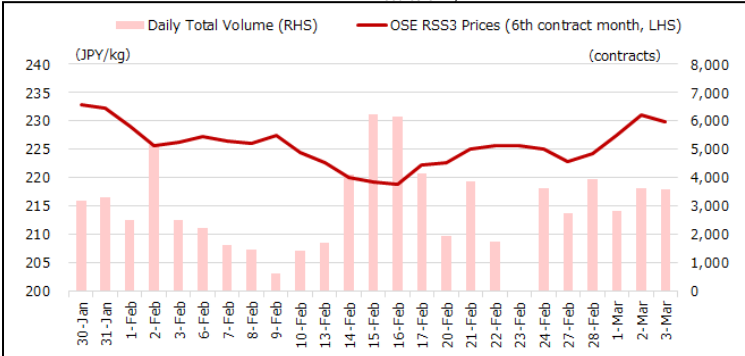
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USc)	Net	TFEX	Last (THB)	Net
Mar 23	213.0	+4.2	SCR/RSS May23	12,605	+0	Mar 23	136.2	Expired	RSS3 Jul 23	57.45	+0.35
Apr 23	217.0	+4.1	SCR/RSS Sep23	12,660	-40	Apr 23	141.3	+0.6	RSS3 Aug 23	57.45	+0.35
May 23	221.2	+4.2	Total Vol.	1,285,925	-296,873	May 23	142.8	+0.9	JRF Jul 23	228.1	+5.1
Jun 23	225.2	+4.6	Total OI	362,554	-2,848	Jun 23	143.8	+0.9	JRF Aug 23	230.1	+6.2
Jul 23	228.3	+5.3	INE TSR May 23	10,275	+25	Jul 23	144.8	+1.0	ICEX	Last (INR)	Net
Aug 23	229.8	+4.8	INE TSR Jun 23	10,315	+20	Aug 23	145.9	+0.9	RSS4 Mar 23	Untraded	0
Total Vol.	16,809	+5,599	Total Vol.	235,311	-38,447	Total Vol.	36,099	-9,882	MCX	Last (INR)	Net
Total OI	10,914	-92	Total OI	117,977	+6,817	Total OI	55,840	+1,039	RSS4 Mar 23	Untraded	0

Source: JPX

Source: SHFE, INE

Source: SGX

Source: TFEX, ICEX, MCX



Source: JPX

Important Data / Stock Levels	Last	Net
Japan OSE Rubber Stocks (ton, 20 Feb)	8,777	+406
Shanghai SHFE Rubber Stocks (ton, 3 Mar)	198,750	+773
Shanghai INE Rubber Stocks (ton, 3 Mar)	37,768	+1,893
China Vehicle Total Sales (unit, 31 Jan 23)	1,648,966	-907,278
China Passenger Car Sales (unit, 31 Jan 23)	1,468,597	-796,427
China Commercial Car Sales (unit, 31 Jan 23)	180,369	-110,851
US Unemployment Rate (% Jan)	3.4	-0.1
US Non-Farm Payroll (Jan)	517,000	+257,000
Japan Unemployment Rate (% Jan)	2.4	-0.1
Japan Manufacturing PMI (Feb)	47.4	-1.5
Japan Tankan Large Manufacturing (4Q)	7	-1
China Manufacturing PMI (Feb)	52.6	+2.5
China GDP 3Q (%)	+3.9	+3.5

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	135.87	-0.61
EUR/USD	1.0635	+0.0087
GBP/USD	1.2036	+0.0092
USD/CHF	0.9362	-0.0042
AUD/USD	0.6770	+0.0044
USD/CNY	6.9043	-0.0558
USD/INR	81.97	-0.78
USD/SGD	1.3450	-0.0056
USD/MYR	4.4773	+0.0421
USD/THB	34.579	-0.359
USD/IDR	15,311	+83.5
USD/VND	23,728	-60.3

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	27,927.47	+473.99
TOPIX Japan	2,019.52	+31.12
Dow Jones US	33,390.97	+574.05
S&P 500 US	4,045.64	+75.60
Nasdaq US	11,689.01	+294.07
CSI 300 China	4,130.55	+69.50
Shanghai China	3,328.39	+61.23
HSI Hong Kong	20,567.54	+557.50
STI Singapore	3,232.02	-50.28
KLCI Malaysia	1,453.55	-3.25
SET Thailand	1,606.88	-27.14
IDX Indonesia	6,813.64	-42.94
VSE Vietnam	1,024.77	-14.79

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Mar 23	27,900	+520
JPX TOPIX Mar 23	2,019.0	+36.5
JPX NK 400 Mar 23	18,215	+290
JPX TSE REIT Mar 23	1,825.0	-13.0
JPX NK 225 VI Mar 23	16.60	-0.80
JPX JGB 10 Year Mar 23	146.89	+0.29
JPX Gold 1 Kg Feb 24	8,053	+162
JPX Platinum Feb 24	4,152	+79
JPX Silver Feb 24	92.4	-0.7
JPX Palladium Feb 24	6,300	-200
JPX TSR20 Jun 23	195.0	+4.0
JPX Corn Mar 24	43,600	-390
JPX Dubai Crude July 23	67,000	+2,520

Source: JPX

Technical Analysis on the OSE Aug 2023 Contracts:

OSE's active August-2023 contracts added JPY 4.8 at 229.8. The trading was active, with an increase in the volume of 5,599 contracts, dominated mainly by speculative short-term trading. The price has touched the 200-day moving average, and closing above the 230.0 level could signal further upside momentum. The support level will be 223.0 and 220.0, and the resistance level will be 230.0 and the previous high of 239.0. The 14-day RSI is now at 59.2%. Without any impacted news, the trading range for next week is expected between 223.0 and 230.0.



Source: Bloomberg

Technical Analysis on the SGX SICOM June 2023 Contracts:

SICOM's active month of June-2023 contracts closed 0.9 cents higher at 143.8 this week. The close prices of the past two days broke the 200-day moving average of 142.5, indicating further upside potential is possible. The contango market condition suggests that there is no longer any large physical surplus in the short term, and there could be a further price increase potential in the medium and longer term. The support level in June contracts will be 140.5 and 138.5, while the resistance level will be 146.5 and 149.5. The 14-day RSI is now at 58.0%.



Source: Bloomberg

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