



The Japan Rubber Futures Weekly Report:

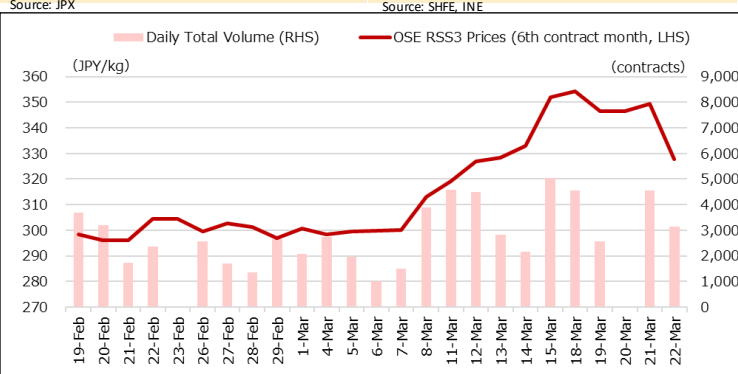
18 Mar – 22 Mar 2024

Japan: The BOJ hiked its key rate from -0.1% to 0.0-0.1%, Industrial Production m/m -6.7% and Core Machinery orders y/y -10.9% in Jan

Rubber Futures Report:

Global rubber futures closed the week generally lower across most rubber exchanges. OSE and SICOM rubber prices experienced significant declines, with OSE falling by nearly 7% due to long liquidation and profit-taking, while SICOM lost 2.5%, driven by profit-taking. SHFE rubber increased marginally by 0.4%, and INE rubber slightly decreased by 0.1%. Except for OSE, which had a national holiday on Wednesday, other exchanges witnessed a substantial surge in trading volume, indicating active market participation despite the overall downward movement in prices. China's total vehicle sales in February slipped 35%, reaching 1,583,518 units, a decrease of 855,826 units from the previous month. This plunge is primarily due to the Lunar New Year holidays, although sales are expected to recover in March. In other rubber news, Yokohama Tire announced plans to invest USD 380 mil in a new passenger tire plant in Mexico. The facility is expected to start production in 1Q of 2027 and manufacture 5 million tires annually. Korea's Kumho Tire is set to build a new factory in Europe, with further details to be disclosed. Vietnam automobile sales fell 50% to 11,633 units in February, its largest decrease in three years. In financial news, the BOJ exited its negative interest rate policy after 17 years. The BOJ raised its key short-term rate from -0.1% to 0.0-0.1%. The Swiss National Bank (SNB) surprised the market by becoming the first major central bank to cut key rates by 0.25% to 1.5% amid falling inflation. The Fed opted to maintain its key rate unchanged at 5.25%-5.50%. The USD strengthened against major currencies, while US equity markets surged to new records.

OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USc)	Net	TFEX JRF	Last (THB)	Net
Mar 24	346.0	-11.0	SCR/RSS May 24	14,690	+65	Apr 24	163.7	-4.0	July 24	335.3	-24.9
Apr 24	339.5	-22.5	SCR/RSS Sep 24	14,830	+5	May 24	165.4	-3.9	Aug 24	331.9	-25.1
May 24	340.8	-21.2	Total Vol.	4,966,971	+2,651,736	Jun 24	166.4	-4.2	SHFE BR	Last (CNY)	Net
Jun 24	334.3	-26.5	Total OI	322,661	+41,042	Jul 24	166.9	-3.8	Apr 24	13,465	+75
Jul 24	331.9	-22.7	INE TSR Apr 24	12,140	-15	Aug 24	167.3	-3.7	May 24	13,535	+110
Aug 24	327.8	-24.2	INE TSR May 24	12,205	-15	Sep 24	168.0	-3.0	Jun 24	13,555	+150
Total Vol.	14,810	-4,276	Total Vol.	1,052,706	+474,065	Total Vol.	144,709	+48,091	Total Vol.	442,008	+266,122
Total OI	8,078	-655	Total OI	119,632	-5,437	Total OI	78,412	-1,387	Total OI	31,149	-193



Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 10 Mar)	8,518	+265
Shanghai SHFE Rubber Stocks (ton, 22 Mar)	217,191	-220
Shanghai INE Rubber Stocks (ton, 22 Mar)	127,210	+2,217
China Vehicle Total Sales (unit, 29 Feb 2024)	1,583,518	-855,826
China Passenger Car Sales (unit, 29 Feb 2024)	1,332,815	-782,620
China Commercial Car Sales (unit, 29 Feb 2024)	250,703	-73,206
US Unemployment Rate (% Feb 24)	3.9	+0.2
US Non-Farm Payroll (Feb 24)	275,000	+46,000
Japan Unemployment Rate (% Jan 24)	2.4	+0.0
Japan Manufacturing PMI (Feb)	47.2	-0.8
Japan Tankan Large Manufacturing (4Q 2023)	+12.0	+0.3
China Manufacturing PMI (Dec)	49.0	-0.4
China GDP 4Q 2023 (%)	5.2	+0.3

FOREX	Last	Net
USD/JPY	151.41	+2.37
EUR/USD	1.0808	-0.0081
GBP/USD	1.2601	-0.0135
USD/CHF	0.8975	+0.0137
AUD/USD	0.6515	-0.0045
USD/CNY	7.2292	+0.0322
USD/INR	83.425	+0.5388
USD/SGD	1.3486	+0.0110
USD/MYR	4.7365	+0.0293
USD/THB	36.368	+0.468
USD/IDR	15,783	+184
USD/VND	24,770	+48

Stock Index	Last	Net
NK225 Japan	40,888.43	+2,180.79
TOPIX Japan	2,813.22	+142.42
Dow Jones US	39,475.90	+761.13
S&P 500 US	5,234.18	+117.09
Nasdaq US	16,428.82	+455.64
CSI 300 China	3,545.00	-24.99
Shanghai China	3,048.03	-6.61
HSI Hong Kong	16,499.47	-221.42
STI Singapore	3,217.97	+45.01
KLCI Malaysia	1,542.39	-10.44
SET Thailand	1,381.04	-5.0
IDX Indonesia	7,350.15	+22.09
VSE Vietnam	1,281.80	+18.02

JPX Derivatives	Last	Net
JPX NK225 Jun 24	40,710	+2,320
JPX TOPIX Jun 24	2,792.5	+150.0
JPX NK 400 Jun 24	25,250	+1,370
JPX TSE REIT Jun 24	1,805.0	+93.5
JPX NK 225 VI April 24	19.75	-0.40
JPX JGB 10 Year Jun 24	145.41	+0.31
JPX Gold 1 Kg Feb 25	10,592	+253
JPX Platinum Feb 25	4,376	-40
JPX Silver Feb 25	119.5	-0.5
JPX Palladium Feb 25	5,000	+0
JPX TSR20 June 24	252.0	+3.0
JPX Corn Mar 25	39,700	+2,420
JPX Dubai Crude Aug 24	76,170	+1,970

Technical Analysis on the OSE August-2024 Contract:

OSE's Aug-2024 contract plunged by JPY24.2, closing at 327.8, driven by a pullback from extreme overbought conditions and profit-taking activities. Despite a holiday on Wednesday, trading volume remained relatively active. Open interest decreased by 655 lots, indicating profit-taking following last week's attainment of a 7-year high in prices. The 14-day RSI also sharply dropped from 87% to 60.1%. Prices are expected to consolidate within the range of 300-315 levels in the near term. Anticipated support levels are 302.0 and 296.1 (50-day MA), while resistance levels are 335.0 and 355.0.

Technical Analysis on the SGX SICOM June-2024 Contract:

SICOM's active June-2024 contract shed 2.5%, closing at 166.4 cents amid active trading. The week saw a fresh record in trading volume, reaching 144,709 lots. Speculative selling and profit-taking were observed under the overbought conditions, leading to a drop in the RSI from 74.3% to 53.6%. Open interest also decreased to 1,387 lots, suggesting further profit-taking activities. Anticipated support levels are 161.5-162.5, where buying interest is anticipated. Resistance levels are 168.0-170.0 levels. Prices are expected to trade within the range of 161.0-169.0 over the next couple of weeks.



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