

The Japan Rubber Futures Weekly Report:

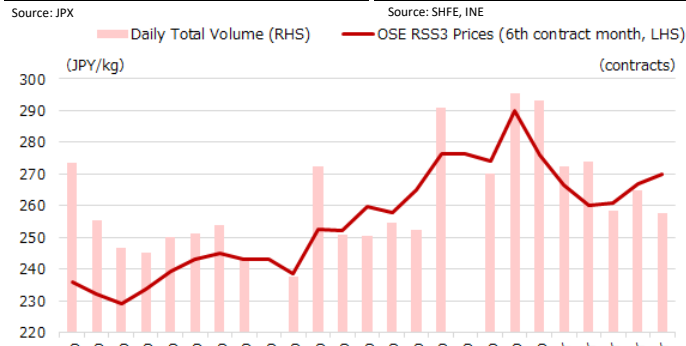
01 Mar. 2021 – 05 Mar. 2021

US February Unemployment Rate at 6.2% and Non-Farm Payroll (New Jobs created) at 379,000

Rubber Futures Report:

Rubber Futures prices closed the week lower on profit taking on the back of a stronger USD as Bond yield surged to a one year high. US Treasury 10-Year Note closed at 1.566% as fear of inflationary pressure continues to dominate the market causing a sell-off in global equities and resulting in a stronger USD. By mid-week, rubber prices hit the week's low and physical buying emerged and prices stabilized. Rubber prices then traded mostly sideways in most sessions and recovered slightly towards the weekend. News of SGX acquiring a 10% stake on Heave-Connect, an online physical sustainability trading platform owned by Halcyon Agri had no impact on the market. The wintering season and high raw material prices could keep rubber prices well supported in the near term. On Global economic news, Japan reported a 2.9% in Jan jobless rate while China Feb PMI was weaker at 50.6. US Feb unemployment rate improved to 6.2% with non-farm payroll jumped to 379,000 new jobs. China is targeting 2021 GDP to be above 6% after growing at 2.3% in 2020. US Senate approved US\$1.9T stimulus relief bill & FDA approval of J&J vaccine brought cheers to the market.

OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Mar 21	268.0	-3.4	SCR/RSS May 21	15,155	-1,305	Apr 21	175.9	-1.1	RSS3 Jul 21	73.50	-5.4
Apr 21	268.0	-2.6	SCR/RSS Sep 21	15,290	-1,210	May 21	176.6	-1.3	RSS3 Aug 21	73.55	-5.4
May 21	259.2	-6.8	Total Vol.	4,106,731	-518,671	Jun 21	177.1	-1.9	JRF Jul 21	269.9	-16.0
Jun 21	262.6	-10.4	Total OI	289,620	-7,691	Jul 21	177.8	-2.1	JRF Aug 21	272.3	-15.3
Jul 21	268.0	-5.8	INE TSR May 21	11,745	-745	Aug 21	178.7	-2.0	ICEX Last (INR)	Net	
Aug 21	269.9	-6.0	INE TSR Jun 21	11,830	-710	Sep 21	178.8	-2.3	RSS4 Mar 21	16,063	-264
Total Vol.	22,714	-4,262	Total Vol.	236,952	-98,576	Total Vol.	33,722	-29,112	MCX Last (INR)	Net	
Total OI	12,319	-684	Total OI	55,328	+2,563	Total OI	49,063	-2,910	RSS4 Mar 21	16,473	+193



Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 20 Feb)	4,943	+178
Shanghai SHFE Rubber Stocks (ton, 05 Mar)	175,084	+238
Shanghai INE Rubber Stocks (ton, 05 Mar)	60,459	-757
China Vehicle Total Sales (unit, 31 Jan)	2,503,168	-328,077
China Passenger Car Sales (unit, 31 Jan)	2,044,769	-330,332
China Commercial Car Sales (unit, 31 Jan)	458,399	+2255
US Unemployment Rate (% Feb)	6.2	-0.1
US Non-Farm Payroll (Feb)	+379,000	+330,000
Japan Unemployment Rate (% Jan)	2.9	-0.1
Japan PMI (Feb)	51.4	+0.8
Japan Tankan Large Manufacturing (31/12)	-10	+17
China PMI (Feb)	50.6	-0.7
China GDP 4Q (%)	+6.5	+1.6

FOREX	Last	Net
USD/JPY	108.31	+1.74
EUR/USD	1.1915	-0.016
GBP/USD	1.3841	-0.0092
USD/CHF	0.9292	+0.0207
AUD/USD	0.7686	-0.0020
USD/CNY	6.4970	+0.0233
USD/INR	73.0275	-0.4413
USD/SGD	1.3421	+0.0100
USD/MYR	4.0747	+0.0249
USD/THB	30.526	+0.0900
USD/IDR	14,300	+65
USD/VND	23,035	+17

Stock Index	Last	Net
NK225 Japan	28,864.32	-101.69
TOPIX Japan	1,896.18	+31.69
Dow Jones US	31,496.30	+563.93
S&P 500 US	3,841.94	+30.79
Nasdaq US	12,920.15	-272.20
CSI 300 China	5,262.80	-73.96
Shanghai China	3,501.99	-7.09
HSI Hong Kong	29,098.29	+118.08
STI Singapore	3,013.85	+64.81
KLCI Malaysia	1,600.12	+22.37
SET Thailand	1,544.11	+47.33
IDX Indonesia	6,258.75	+16.95
VSE Vietnam	1,168.69	+0.22

JPX Derivatives	Last	Net
JPX NK225 Mar 21	28,760	-490
JPX TOPIX Mar 21	1,891.0	+15.5
JPX NK 400 Mar 21	17,035	+50
JPX TSE REIT Mar 21	1,897.5	-31.5
JPX NK 225 VI Mar 21	25.15	-2.45
JPX JGB 10 Year Mar 21	151.50	+0.88
JPX Gold 1 Kg Dec 21	5,909	-114
JPX Mini Gold 100g Dec 21	5,909	-114
JPX Gold Rolling Spot	5,916	-100
JPX Silver Dec 21	89.0	-4.8
JPX Platinum Dec 21	3,878	-261
JPX Palladium Feb 21	8,032	New
JPX Corn Mar 22	29,480	+290

Rubber Trading – Calendar Spread Analysis:

Last week, the spreader sold the OSE June/July rubber spread at -0.8 in anticipation of a curve steepening. The June closed at 262.6 while July futures closed at 268.0 resulting in a spread of -5.4 (262.6-268.0). The spreader has achieved his target of -4.0/-4.5 and the spreader took his profit & squared his spread position. Looking at the Apr/May/June closing prices, the spreader felt that Apr could be expensive while May is under-valued, the spreader decided to sell Apr, Buy 2 May and sell June creating a Short Butterfly at +12.2 (268-259.2) - (259.2-262.6).

Rubber Trading – Technical Analysis:

The analyst saw the OSE Aug hit a high of 193.6 on 25 Feb and since prices had retreated and covered the gap at 265-270 on 1 Mar. The short term up-trend remains clearly intact unless prices falls to below 250/245 levels which are the 30/50 moving averages. RSI had fallen sharply last week from over-bought territory of 76.2% to 58.7% which is a healthy level to go long. The analyst continues to advocate a buy at 260-265 levels with stop orders at below 245 which is the 50-day MA and expect prices to challenge the high again in the near term.



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