

The Japan Rubber Futures Weekly Report:

17 May 2021 – 21 May 2021

Note: SGX SICOM rubber market will be closed on Wednesday 26 May 2021 for Vesak Day holiday.

Rubber Futures Report:

Rubber Futures prices closed the week slightly higher after an early week of slow and quiet range bound trading. Prices staged a mild rally on Friday trading on light fresh buying and short covering mainly from the SHFE market. Trading volume were down sharply in most exchanges as rubber trend remains uncertain and sideways. A positive report from Thai major producer Sri Trang Ago said that demand in 2021 will increase by 5-7% due to a recovery in auto sales while supplies will be flat to 2% growth had probably supported market sentiment. Another factor which is holding prices well is the shortages of raw materials in both major producers Thailand and Indonesia in recent weeks as the wintering season end this month in the Northern Hemisphere. On Economic news, Japan 1Q GDP was weaker at -5.1% after +11.6% in 4Q last year while April PPI was higher at +3.6%. China reported a lower Retail Sales in April +17.7% while April Industrial Production was +9.8%. China central bank refreshed its ban on cryptocurrency trading sent Bitcoin tumbling to a low of \$30,000 before it recovered to about \$39,000. US 10 Year bond yield closed at 1.6216%.

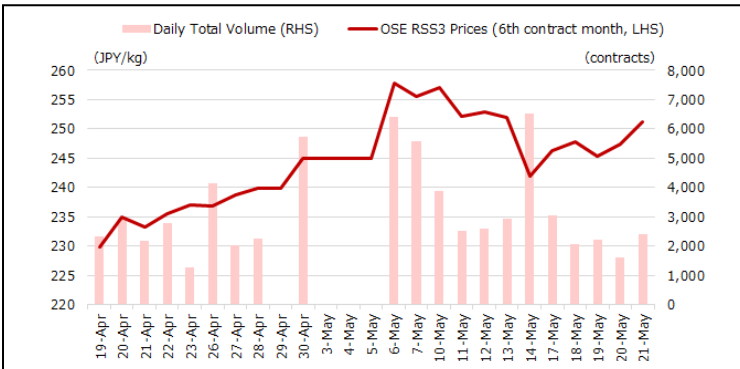
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
May 21	258.9	+5.9	SCR/RSS Sep 21	13,510	+120	Jun 21	167.2	+2.8	RSS3 Sep 21	71.80	+0.15
Jun 21	261.4	+7.4	SCR/RSS Jan 22	14,630	+155	Jul 21	167.9	+2.8	RSS3 Oct 21	71.75	+0.10
Jul 21	260.4	+7.4	Total Vol.	2,788,129	-532,818	Aug 21	168.8	+2.5	JRF Sep 21	252.1	+5.4
Aug 21	257.9	+9.1	Total OI	290,348	-12,439	Sep 21	169.6	+2.3	JRF Oct 21	251.5	+6.3
Sep 21	252.0	+8.8	INE TSR Jul 21	10,890	+50	Oct 21	170.4	+1.8	ICEX Last (INR)	Net	
Oct 21	251.3	+9.3	INE TSR Aug 21	11,040	+165	Nov 21	171.5	+2.4	RSS4 Jun 21	17,455	+234
Total Vol.	11,337	-7,108	Total Vol.	139,741	-75,412	Total Vol.	26,743	-13,545	MCX Last (INR)	Net	
Total OI	11,555	+619	Total OI	51,626	+396	Total OI	38,131	-2,953	RSS4 Jun 21	17,631	+94

Source: JPX

Source: SHFE, INE

Source: SGX

Source: TFEX, ICEX, MCX



Source: JPX

Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 10 May)	8,248	+256
Shanghai SHFE Rubber Stocks (ton, 21 May)	178,956	+524
Shanghai INE Rubber Stocks (ton, 21 May)	60,047	+605
China Vehicle Total Sales (unit, 30 Apr)	2,251,792	-273,899
China Passenger Car Sales (unit, 30 Apr)	1,704,040	-170,271
China Commercial Car Sales (unit, 30 Apr)	547,752	-103,628
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	108.96	-0.39
EUR/USD	1.2182	+0.0041
GBP/USD	1.4150	+0.0053
USD/CHF	0.8979	-0.0035
AUD/USD	0.7732	-0.0039
USD/CNY	6.4340	-0.0031
USD/INR	73.8387	-0.455
USD/SGD	1.3320	-0.0003
USD/MYR	4.1405	+0.0153
USD/THB	31.385	+0.0018
USD/IDR	14,355	+157.5
USD/VND	23,052	+11.5

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	28,317.83	+233.36
TOPIX Japan	1,904.69	+21.27
Dow Jones US	34,207.84	-174.29
S&P 500 US	4,155.86	-17.99
Nasdaq US	13,470.99	+41.01
CSI 300 China	5,139.15	+23.56
Shanghai China	3,486.56	-3.82
HSI Hong Kong	28,458.44	+430.87
STI Singapore	3,117.89	+62.87
KLCI Malaysia	1,562.17	-20.35
SET Thailand	1,552.44	+2.96
IDX Indonesia	5,773.12	-165.23
VSE Vietnam	1,283.93	+17.57

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Jun 21	28,350	+310
JPX TOPIX Jun 21	1,907.5	+26.5
JPX NK 400 Jun 21	17,195	+220
JPX TSE REIT Jun 21	2,049.5	+46.0
JPX NK 225 VI Jun 21	21.30	-0.40
JPX JGB 10 Year Jun 21	151.41	+0.07
JPX Gold 1 Kg Apr 22	6,555	+123
JPX Mini Gold 100g Apr 22	6,555	+123
JPX Gold Rolling Spot	6,554	+122
JPX Silver Apr 22	96.7	+1.6
JPX Platinum Apr 22	4,220	-88
JPX Palladium Apr 22	9,900	-235
JPX Corn May 22	33,880	-1,520

Source: JPX

Rubber Trading – Technical Analysis (OSE Oct Rubber):

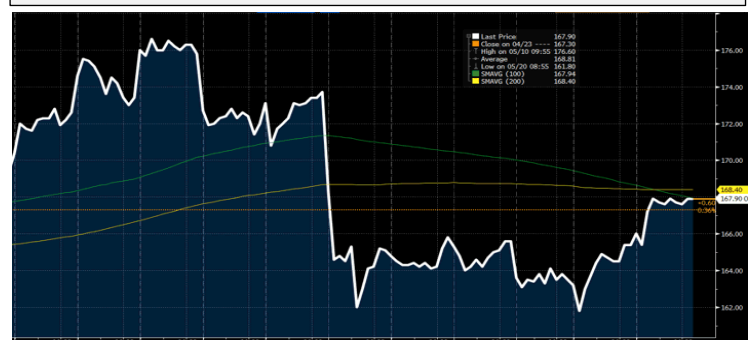
OSE Oct futures staged a rally on Friday and crossed the resistance level at 251.0 level and touched a high of 252.7 and closed at 251.3 which is above the 50 MA. This is a reversal and a bullish signal and prices may trend higher. The next major resistance level is at 262.0 and a break may see it test the previous highs of 279.0 and ultimate 293.6 (25 Feb high) Support is expected at 241.0 Current RSI is at 55%. Overall outlook is sideways to a mild bullish up-trend market. Buy dips with stops at 238.0



Source: Bloomberg

Rubber Trading – Technical Analysis (SICOM July Rubber):

SICOM July futures closed at 167.9 after a week of slow trading in very low volume and little interest. Prices staged a small uptick rally on Friday and touched a high of 168.5 which was short of closing a gap at 168.5-170.5 area. Prices remained below the 50MA and current outlook remains cautiously bearish and sentiment soft. July futures will need to close the gap at 170.5 and a close above 170.0 would reverse the current weak market sentiment. Resistance 170.5/176 Support 164.5/160.0



Source: Bloomberg

Contact us

Kensuke Yazu

Derivatives Business Development
Osaka Exchange, Inc.

Tel: +81 (0) 50 3377 8645

Email: deri-w1@jpx.co.jp

Disclaimer

The copy rights for this document belong to Japan Exchange Group ("JPX") and part or all of this document shall not be reproduced, republished, uploaded, linked, posted, transmitted, adapted, copied, translated, modified, edited or otherwise displayed or distributed in any manner without JPX's prior consent.

This document is not an offer or solicitation to buy or sell, nor financial advice or recommendation for any investment product. This document is for general circulation of overview of JPX's Futures Markets only. It does not address the specific investment objectives, financial situation or particular needs of any person. Advice should be sought from a financial adviser regarding the suitability of any investment product before investing or adopting any investment strategies. Use of and/or reliance on this document is entirely at the reader's own risk. Investment products are subject to significant investment risks, including the possible loss of the principal amount invested. Past performance of investment products is not indicative of their future performance. Examples provided are for illustrative purposes only.

The information contained in this document has been compiled by a designated person/company from sources believed to be reliable, but no representation or warranty, express or implied, is made by JPX and the person/company as to its fairness, accuracy, completeness or correctness. JPX shall not be responsible or liable, whether under contract, tort including negligence or otherwise, for any loss or damage of any kind, whether direct, indirect or consequential losses, or other economic loss of any kind, including without limitation loss of profit, loss of reputation and loss of opportunity suffered or incurred by any person due to any omission, error, inaccuracy, incompleteness, or otherwise, any reliance on such information, or arising from and/or in connection with this document.

The information in this document is subject to change without notice and is provided in good faith but without legal responsibility or liability