

# The Japan Rubber Futures Weekly Report:

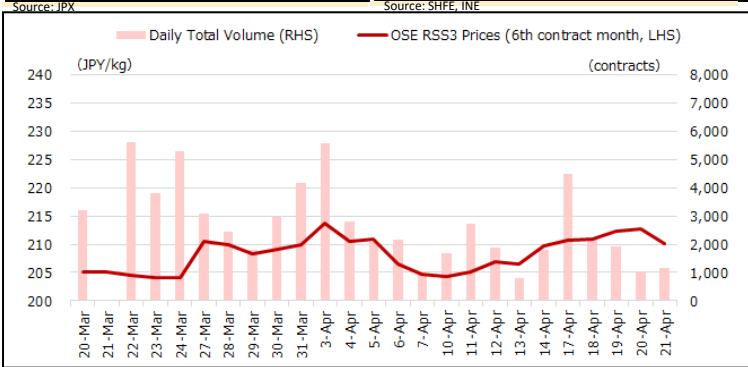
## 17 April 2023 – 21 Apr 2023

**Note:** Japan Feb Industrial Production higher at 4.6%, April PMI Manufacturing at 49.5% and National Mar Core CPI at 3.1%

### Rubber Futures Report:

World rubber futures closed higher in all major exchanges, with active trading backed by short-covering transactions. On Tuesday, China's GDP in the 1Q recorded faster-than-expected 4.5% growth. The optimistic economic recovery expectation of the largest rubber-demand country supported the rubber prices. In addition, the raw material shortage observed in Indonesia pushed the prices higher under a conjecture that tire consumers would pay higher premiums to secure their purchase. Physical rubber was traded at a 7 cents premium over SICOM's front-month futures price, making the forward curve almost flat. Some producers struggled to secure enough cup-lump/latex for their monthly production, pushing rubber prices up in the past two weeks. In other world news, Japan's industrial production rose 4.6% from the previous month in February. In the US, St. Louis Fed President Bullard called for more rate hikes to curve the inflation on Tuesday, while Atlanta Fed President Bostic told CNBC that he favoured one more rate hike and keeping the rate for a certain period. NY Fed President Williams addressed that the inflation rate was still too high and problematic, indicating another 25 basis points hike at the next FOMC meeting on May 3rd. Global equities markets closed the week mixed as the USD moved firmer on a mixed expectation of an impending Fed hike in May.;

OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Apr 23	202.1	-0.9	SCR/RSS May23	11,840	+265	May 23	136.7	+2.0	RSS3 Aug 23	52.45	-1.55
May 23	204.7	+0.8	SCR/RSS Sep23	11,980	+270	Jun 23	137.1	+2.1	RSS3 Sep 23	52.45	-1.55
Jun 23	205.2	-0.5	<b>Total Vol.</b>	<b>1,725,816</b>	<b>+429,898</b>	Jul 23	137.2	+1.6	JRF Aug 23	207.3	-0.1
Jul 23	207.9	0	<b>Total OI</b>	<b>365,548</b>	<b>-30,268</b>	Aug 23	137.4	+1.1	JRF Sep 23	207.9	+0.6
Aug 23	209.9	+0.7	INE TSR Jun 23	9,700	+230	Sep 23	137.7	+0.7	<b>ICEX</b>	<b>Last (INR)</b>	<b>Net</b>
Sep 23	210.1	+0.3	INE TSR Jul 23	9,765	+215	Oct 23	138.3	+0.4	RSS4 Apr 23	Untraded	0
<b>Total Vol.</b>	<b>10,730</b>	<b>+1,834</b>	<b>Total Vol.</b>	<b>336,550</b>	<b>+55,963</b>	<b>Total Vol.</b>	<b>60,853</b>	<b>+21,588</b>	<b>MCX</b>	<b>Last (INR)</b>	<b>Net</b>
<b>Total OI</b>	<b>14,281</b>	<b>+164</b>	<b>Total OI</b>	<b>95,817</b>	<b>-3,042</b>	<b>Total OI</b>	<b>49,780</b>	<b>-3,743</b>	RSS4 Apr 23	Untraded	0



Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 10 Apr)	10,635	-65
Shanghai SHFE Rubber Stocks (ton, 21 Apr)	192,800	-1,812
Shanghai INE Rubber Stocks (ton, 21 Apr)	74,725	+3,026
China Vehicle Total Sales (unit, 28 Feb 23)	1,976,173	+327,207
China Passenger Car Sales (unit, 28 Feb 23)	1,652,664	+184,067
China Commercial Car Sales (unit, 28 Feb 23)	323,509	+143,140
US Unemployment Rate (% Mar 23)	3.5	-0.1
US Non-Farm Payroll (Mar 23)	236,000	-90,000
Japan Unemployment Rate (% Feb)	2.6	+0.2
Japan Manufacturing PMI (Mar)	48.6	+0.9
Japan Tankan Large Manufacturing (1Q 23)	1	-6
China Manufacturing PMI (Mar)	51.9	-0.7
China GDP 3Q (%)	+3.9	+3.5

FOREX	Last	Net
USD/JPY	134.16	+0.37
EUR/USD	1.0986	-0.0006
GBP/USD	1.2432	+0.0019
USD/CHF	0.8923	-0.0014
AUD/USD	0.6692	-0.0015
USD/CNY	6.8915	+0.0224
USD/INR	82.0975	+0.2437
USD/SGD	1.3342	+0.0041
USD/MYR	4.4373	+0.0361
USD/THB	34.399	+0.096
USD/IDR	14,976	+271
USD/VND	23,495	+51

Stock Index	Last	Net
NK225 Japan	28,564.37	+70.90
TOPIX Japan	2,035.06	+16.34
Dow Jones US	33,808.96	-57.51
S&P 500 US	4,133.52	-4.12
Nasdaq US	12,072.46	-51.0
CSI 300 China	4,032.57	-59.43
Shanghai China	3,301.26	-36.89
HSI Hong Kong	20,075.73	-363.08
STI Singapore	3,321.82	+19.16
KLCI Malaysia	1,422.11	-13.02
SET Thailand	1,558.36	-34.31
IDX Indonesia	6,821.81	+3.24
VSE Vietnam	1,042.91	-9.98

JPX Derivatives	Last	Net
JPX NK225 Jun 23	28,560	+140
JPX TOPIX Jun 23	2,034.0	+19.0
JPX NK 400 Jun 23	18,345	+175
JPX TSE REIT Jun 23	1,824.5	+19.0
JPX NK 225 VI May 23	17.75	-0.15
JPX JGB 10 Year Jun 23	147.71	+0.03
JPX Gold 1 Kg Feb 24	8,575	-107
JPX Platinum Feb 24	4,610	+207
JPX Silver Feb 24	105.5	-2.8
JPX Palladium Feb 24	6,820	+620
JPX TSR20 Jul 23	186.0	+6.0
JPX Corn May 24	43,380	New
JPX Dubai Crude Sep 23	63,330	-3,410

**Technical Analysis on the OSE September-2023 Contract:**  
 OSE's September-2023 contract marginally rose JPY 0.3 to 210.1 with moderate trading activities. The open interest increased slightly by 164 contracts. Market sentiment was stable, and the price moved within a tight trading range. The 14-day RSI became higher at 43.7%. The support level of the September contract will be 204.0 and 200.5, while the resistance level will be 214.9 and 220.1. The end of the wintering season in the Northern Hemisphere will likely increase production, which may put rubber prices under downward pressure in the near term.



**Technical Analysis on the SGX SICOM July-2023 Contract:**  
 SICOM's July-2023 contracts rose 1.6 cents at 137.2. The trading volume surged 21,588 contracts, more than 50% higher than the previous week. Meanwhile, the OI dropped 3,743 contracts, indicating the market was dominated by short-covering and position liquidation. Market sentiment remained steady all week in response to strong physical rubber demand, and the price broke the crucial resistance level at 139.5-140.0. The 14-day RSI is at 52.8%. The support level will be 135.0 and 132.0, while the next resistance level will be 140.0. The price will likely move within the 132.0-140.0 trading range in the short term.



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