

The Japan Rubber Futures Weekly Report:

30 Jan 2023 – 03 Feb 2023

Note: Japan Dec Jobless rate unchanged at 2.5%, Jan Manufacturing PMI 48.9, Retail Sales in Dec +1.1% on month

Rubber Futures Report:

After trading resumed in the Chinese market, world rubber futures closed lower from the previous week with active trading activities across all major exchanges. The market still cannot have confidence in the recovery of the Chinese economy and is concerned about the risk of global recessions arising from further interest rate hikes. OSE rubber futures fell 4% with active transactions, and SHFE and INE futures dropped almost 3%. SICOM futures shed 4.8% amid facing new selling and profit-taking since the price hit an over-bought condition. Rubber futures prices will likely consolidate and trade sideways next week as the Northern Hemisphere soon moves toward a wintering season. In other world news, the US Fed raised its FF rate by 0.25 percentage points, which was in line with market expectations. The US unemployment rate in January fell to its 50 years lowest level at 3.4%, and non-farm payroll in the US recorded additional 517,000 new jobs that surprised the market. US bond yields rose, and the USD strengthened after robust US job data was announced. In Japan, the jobless rate in December was 2.5%, and the Manufacturing PMI in January was 48.9; both numbers were unchanged from the previous month. In China, the Manufacturing PMI in January increased to 50.1 from 47.0 in December.

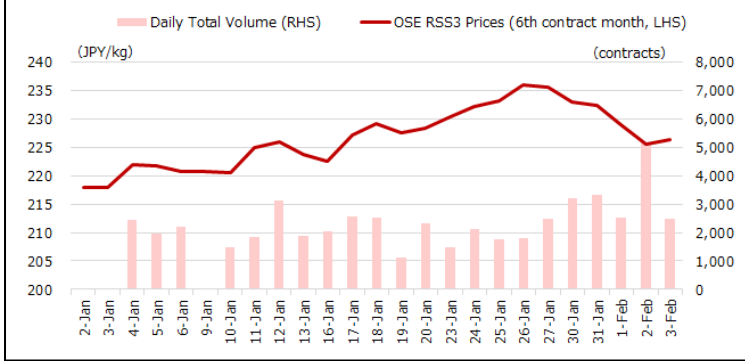
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Feb 23	213.2	-5.5	SCR/RSS May23	12,705	-560	Feb 23	144.9	Expired	RSS3 Jun 23	55.15	-2.45
Mar 23	217.0	-3.7	SCR/RSS Sep23	12,650	-385	Mar 23	140.6	-7.9	RSS3 Jul 23	55.15	-3.25
Apr 23	219.6	-5.5	Total Vol.	1,907,117	+261,493	Apr 23	141.8	-7.1	JRF Jun 23	225.1	-8.5
May 23	223.8	-7.2	Total OI	322,616	+32,020	May 23	142.7	-6.3	JRF Jul 23	227.0	-7.9
Jun 23	224.4	-10.1	INE TSR Apr 23	9,875	-305	Jun 23	143.4	-5.8	ICEX	Last (INR)	Net
Jul 23	226.3	-9.2	INE TSR May 23	9,930	-290	Jul 23	144.2	-5.5	RSS4 Feb 23	Untraded	0
Total Vol.	16,663	+6,993	Total Vol.	364,756	+86	Total Vol.	54,554	+40,304	MCX	Last (INR)	Net
Total OI	11,275	+40	Total OI	94,612	+564	Total OI	53,768	-2,901	RSS4 Feb 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 Jan)	6,059	+868
Shanghai SHFE Rubber Stocks (ton, 3 Feb)	193,474	+1,620
Shanghai INE Rubber Stocks (ton, 3 Feb)	34,402	-3,327
China Vehicle Total Sales (unit, 31 Dec 22)	2,556,244	+228,523
China Passenger Car Sales (unit, 31 Dec 22)	2,265,024	+190,208
China Commercial Car Sales (unit, 31 Dec 22)	291,220	+38315
US Unemployment Rate (% , Jan)	3.4	-0.1
US Non-Farm Payroll (Jan)	517,000	+257,000
Japan Unemployment Rate (% , Dec)	2.5	+0.0
Japan Manufacturing PMI (Jan)	48.9	+0.0
Japan Tankan Large Manufacturing (4Q)	7	-1
China Manufacturing PMI (Dec)	47.0	-3.1
China GDP 3Q (%)	+3.9	+3.5

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	131.19	+1.31
EUR/USD	1.0795	-0.0073
GBP/USD	1.2056	-0.0326
USD/CHF	0.9261	+0.0051
AUD/USD	0.6923	-0.0177
USD/CNY	6.7980	+0.0053
USD/INR	81.8363	+0.3125
USD/SGD	1.3285	+0.0099
USD/MYR	4.2587	+0.0144
USD/THB	33.434	+0.633
USD/IDR	14,893.5	-92.5
USD/VND	23,450	+2

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	27,511.60	+129.04
TOPIX Japan	1,970.26	-12.40
Dow Jones US	33,926.01	-52.07
S&P 500 US	4,136.48	+65.92
Nasdaq US	12,006.96	+385.25
CSI 300 China	4,141.63	-39.90
Shanghai China	3,263.41	-1.4
HSI Hong Kong	21,660.47	-1,028.43
STI Singapore	3,384.29	-9.92
KLCI Malaysia	1,490.47	-7.08
SET Thailand	1,688.36	+7.06
IDX Indonesia	6,911.73	+12.75
VSE Vietnam	1,077.15	-39.95

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Mar 23	27,490	+130
JPX TOPIX Mar 23	1,968.0	-13.5
JPX NK 400 Mar 23	17,760	-130
JPX TSE REIT Mar 23	1,818.0	-20.0
JPX NK 225 VI Feb 23	17.65	-0.95
JPX JGB 10 Year Mar 23	147.15	+0.42
JPX Gold 1 Kg Dec 23	7,917	-103
JPX Platinum Dec 23	4,223	+13
JPX Silver Dec 23	95.5	-2.3
JPX Palladium Dec 23	7,100	-300
JPX TSR20 May 23	183.0	-3.3
JPX Corn Jan 23	43,230	-570
JPX Dubai Crude Jun 23	61,380	-4,460

Source: JPX

Technical Analysis on the OSE July 2023 Contracts:

OSE's July-2023 contracts dropped nearly 4% to 226.3 over the week with active transactions. The trading volume increased by almost 7,000 contracts. There observed both new selling and long liquidation trading after weeks of buying in the past three weeks. The 14-day RSI shed sharply from 66.8% the previous week to 48.9%. The support level will be 224.0 and 221.5, while the resistance level will be 233.9 and 239.3. The price is stuck in the 50-day and 200-day moving average band. Some chart consolidation is expected, and the price will likely move within the 221.0-231.0 range in the next week.



Source: Bloomberg

Technical Analysis on the SGX SICOM April 2023 Contracts:

SICOM's April-2023 contracts closed sharply lower amid heavy profit-taking trading after recent weeks of buying. The April contracts fell almost 5% with active trading volume since the price hit an overbought condition, 74.7% of the RSI. The price dipped the 200-day moving average and will likely move between the 140-150 levels for a while. The 14-day RSI dropped to 53.1%, an almost neutral level. The support level will be 140.0 and 137.5, and the resistance level will be 147.0 and 150.0. The market is likely to hover at 140-144.5 levels next week.



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 copyrights 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 the general circulation of the overview of JPX's futures markets only. It does not address any person's specific investment objectives, financial situation, or particular needs. 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. The past performance of investment products is not indicative of their future performance. The examples provided are for illustrative purposes only.

A designated person/company has compiled the information contained in this document from sources believed to be reliable. Still, 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.