

The Japan Rubber Futures Weekly Report:

23 Jan 2023 – 27 Jan 2023

Note: Japan Jan Manufacturing PMI lower at 48.9, Jan CPI higher at 4.4% on Year, Jan Core CPI higher at 4.3%

Rubber Futures Report:

Japan's OSE and Singapore's SICOM rubber futures closed higher with generally quiet trading activities. OSE rubber futures added 2%, and SICOM futures grew 2.1%. The weekly trading volume in Singapore fell sharply as the Chinese markets were closed for the Lunar New Year holidays. The market sentiment of the rubber futures market remains firm and positive since the Chinese government relaxed travel restrictions and changed its zero COVID policy. SHFE and INE markets will resume on Monday, January 30. In other news, Japan's core consumer price index rose 4.4% in December from a year earlier, the highest level since 1981. The World Bank cut the global economic growth to 1.7% from its earlier projection of 3.0%, citing a downturn in the US economy and going into recession in some countries this year. The US GDP in 4Q rose 2.9% at a 2.9% annualized pace, slightly beating market expectations. Goodyear Tire & Rubber Company in the US announced cutting 500 jobs as part of a restructuring in response to a shortfall in its 4Q results. The Fed is expected to hike 0.25 percentage points in its key policy rate at the FOMC meeting scheduled on January 31 to February 1 next week. The current Fed Funds target rate is 4.25-4.50%.

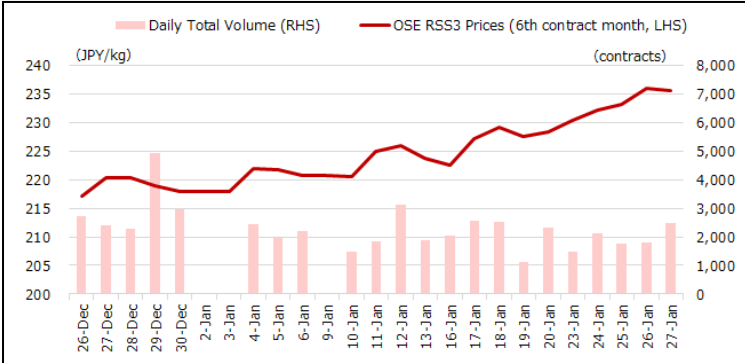
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USc)	Net	TFEX	Last (THB)	Net
Feb 23	219.0	+6.5	SCR/RSS May23	13,265	Closed	Feb 23	145.8	+3.7	RSS3 May 23	57.60	+2.0
Mar 23	220.7	+5.8	SCR/RSS Sep23	13,035	Closed	Mar 23	148.5	+3.4	RSS3 Jun 23	58.05	+2.3
Apr 23	225.1	+4.0	Total Vol.	-	-	Apr 23	148.9	+3.1	JRF May 23	230.1	+3.1
May 23	231.0	+3.5	Total OI	-	-	May 23	149.0	+2.7	JRF Jun 23	233.6	+5.0
Jun 23	234.5	+4.7	INE TSR Mar 23	10,140	Closed	Jun 23	149.2	+2.4	ICEX	Last (INR)	Net
Jul 23	235.5	+6.2	INE TSR Apr 23	10,180	Closed	Jul 23	149.7	+2.3	RSS4 Feb 23	Untraded	0
Total Vol.	9,670	-882	Total Vol.	-	-	Total Vol.	14,250	-39,807	MCX	Last (INR)	Net
Total OI	11,235	-1,097	Total OI	-	-	Total OI	56,669	+563	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, 10 Jan)	5,191	+24
Shanghai SHFE Rubber Stocks (ton, 20 Jan)	191,854	+1,650
Shanghai INE Rubber Stocks (ton, 20 Jan)	37,729	+1,814
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 (% Dec)	3.5	-0.2
US Non-Farm Payroll (Dec)	223,000	-33,000
Japan Unemployment Rate (% Nov)	2.5	-0.1
Japan Manufacturing PMI (Jan)	48.9	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	129.88	+0.28
EUR/USD	1.0868	+0.0012
GBP/USD	1.2382	-0.0015
USD/CHF	0.9210	+0.0004
AUD/USD	0.7100	+0.0137
USD/CNY	6.7927	0
USD/INR	81.5238	+0.3988
USD/SGD	1.3136	-0.0057
USD/MYR	4.2443	-0.0409
USD/THB	32.801	+0.109
USD/IDR	14,986	-89
USD/VND	23,448	+4

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	27,382.56	+829.03
TOPIX Japan	1,982.66	+55.79
Dow Jones US	33,978.08	+602.59
S&P 500 US	4,070.56	+97.95
Nasdaq US	11,621.71	+481.28
CSI 300 China	4,181.53	Closed
Shanghai China	3,264.81	Closed
HSI Hong Kong	22,688.90	+644.25
STI Singapore	3,394.21	+100.50
KLCI Malaysia	1,497.55	-2.78
SET Thailand	1,681.30	+4.05
IDX Indonesia	6,898.98	+24.05
VSE Vietnam	1,117.10	+9.02

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Mar 23	27,360	+830
JPX TOPIX Mar 23	1,981.5	+56.0
JPX NK 400 Mar 23	17,890	+520
JPX TSE REIT Mar 23	1,838.0	+55.5
JPX NK 225 VI Feb 23	18.60	-0.10
JPX JGB 10 Year Mar 23	146.73	-0.27
JPX Gold 1 Kg Dec 23	8,020	+40
JPX Platinum Dec 23	4,210	-52
JPX Silver Dec 23	97.8	+0.5
JPX Palladium Dec 23	7,400	0
JPX TSR20 Apr 23	193.0	+8.0
JPX Corn Jan 23	43,800	-70
JPX Dubai Crude Jun 23	65,840	+1,220

Source: JPX

Technical Analysis on the OSE June 2023 Contracts:

OSE's June-2023 contracts closed at JPY 234.5 this week, added JPY6.2 from the previous week, with moderate trading activities. The open interest fell by 1,097 contracts in response to some short-covering trading. The close price broke the critical resistance level of 230.0, signaling a bullish market sentiment that will last in the short term. The 14-day RSI is 66.8%, still not in the over-bought condition. The support level will be 231.0 and 227.5. The resistance level will be 251.0 and 257.0. There is a small gap at 231.5, and the market may try to fill the gap.



Source: Bloomberg

Technical Analysis on the SGX SICOM April 2023 Contracts:

SICOM's April-2023 contracts closed 148.9 cents, added 3.1 cents from the previous week. In five consecutive weeks, the market experienced higher close prices from the previous weeks, bringing prices into the overbought territory. The 14-day RSI is now 74.7%, and profit-taking transactions will likely come into the market in the next couple of weeks. The support level for the April contracts will be 146.5 and 143.0, and the resistance level will be 150.0 to 152.0. The market sentiment remains firm, although the prices are in overbought territory.



Source: Bloomberg

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