

The Japan Rubber Futures Weekly Report:

25 April 2022 – 29 Apr 2022

Note: Japan's Mar Jobless Rate better at 2.6%, Job/Application Ratio 1.22, Mar Retail Sales +0.9 Year on Year

Rubber Futures Report:

Rubber futures prices closed the week lower across all major exchanges in active trading. OSE rubber futures dropped 2.6%, SHFE and INE rubber fell 2.2% and 1.6% respectively, and SICOM shed 1.6%. Trading volume in all exchanges increased with both fresh speculative selling and position adjustments ahead of the Golden week holidays in Japan and the Chinese Labour Day holidays. Concerns of slowing Chinese economy and the extended lockdown in Shanghai and some other major cities are putting pressure on both global equities and commodity prices including rubber futures. SHFE experienced persistent selling all week on large amount of long liquidation, and its OI dropped to a hefty 57,000 lots. Japan's jobless rate improved 0.1% to 2.6% in March while China April Manufacturing PMI weakened to 47.4%. On global news, Russia had halted gas deliveries to Poland and Bulgaria heightened tension and resulted in higher crude oil prices. U.N. Chief had meetings separately with President Putin and President Zelensky but could not find any resolutions. Global stocks were mostly down, pressured by an impending Fed hike and the lockdowns in China.

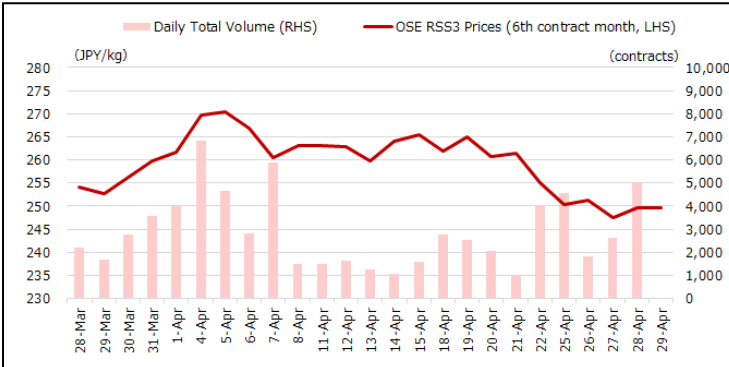
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
May 22	247.0	-5.9	SCR/RSS Sep22	12,810	-295	May 22	164.0	Expired	RSS3 Sep 22	69.15	+0.65
Jun 22	245.0	-8.7	SCR/RSS Jan23	13,955	-205	Jun 22	163.6	-2.5	RSS3 Oct 22	69.45	+0.65
Jul 22	244.4	-7.9	Total Vol.	1,858,060	+392,615	Jul 22	163.4	-2.7	JRF Sep 22	247.0	-8.8
Aug 22	246.6	-6.8	Total OI	308,098	-57,294	Aug 22	163.9	-2.7	JRF Oct 22	250.6	-5.4
Sep 22	247.9	-7.1	INE TSR Jun 22	10,820	-180	Sep 22	164.4	-3.0	ICEX Last (INR)	Net	
Oct 22	249.6	-6.7	INE TSR July 22	10,855	-220	Oct 22	165.2	-3.0	RSS4 May 22	17,666	0
Total Vol.	14,054	+1,630	Total Vol.	308,031	+114,449	Total Vol.	39,707	+4,733	MCX Last (INR)	Net	
Total OI	9,244	+264	Total OI	72,319	+728	Total OI	38,278	+871	RSS4 May 22	16,956	New

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 Apr)	8,345	+116
Shanghai SHFE Rubber Stocks (ton, 29 April)	263,585	+1,423
Shanghai INE Rubber Stocks (ton, 29 April)	101,223	-546
China Vehicle Total Sales (unit, 31 Mar 22)	2,233,912	+496,526
China Passenger Car Sales (unit, 31 Mar 22)	1,864,360	+376,918
China Commercial Car Sales (unit, 31 Mar 22)	369,552	+119,608
US Unemployment Rate (% , Mar)	3.6%	-0.2
US Non-Farm Payroll (Mar)	431,000	-319,000
Japan Unemployment Rate (% , Mar)	2.6	-0.1
Japan Manufacturing PMI (Apr)	53.4	+0.2
Japan Tankan Large Manufacturing (1Q)	+14	-3
China Manufacturing PMI (Mar)	49.5	-0.7
China GDP 1Q (%)	+4.8	+0.4

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	129.70	+1.20
EUR/USD	1.0545	-0.0245
GBP/USD	1.2574	-0.0265
USD/CHF	0.9718	+0.0143
AUD/USD	0.7061	-0.0183
USD/CNY	6.6085	+0.1071
USD/INR	76.4337	-0.050
USD/SGD	1.3834	+0.0123
USD/MYR	4.3545	+0.0295
USD/THB	34.282	+0.315
USD/IDR	14,482	+120
USD/VND	22,968	0

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	26,847.90	-257.36
TOPIX Japan	1,899.62	-5.53
Dow Jones US	32,977.21	-834.19
S&P 500 US	4,131.93	-139.85
Nasdaq US	12,334.64	-504.65
CSI 300 China	4,016.24	+2.99
Shanghai China	3,047.06	-39.86
HSI Hong Kong	21,089.39	+450.87
STI Singapore	3,356.90	-4.21
KLCI Malaysia	1,600.43	-1.54
SET Thailand	1,667.44	-23.15
IDX Indonesia	7,228.91	+3.30
VSE Vietnam	1,366.80	-12.43

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Jun 22	26,870	-230
JPX TOPIX Jun 22	1,903.0	0.0
JPX NK 400 Jun 22	17,160	0
JPX TSE REIT Jun 22	1,971.0	-14.0
JPX NK 225 VI May 22	25.70	+1.90
JPX JGB 10 Year Jun 22	149.62	+0.53
JPX Gold 1 Kg Feb 23	7,816	-202
JPX Platinum Feb 23	3,764	-154
JPX Silver Feb 23	97.8	-4.3
JPX Palladium Feb 23	9,100	-1,000
JPX TSR20 July 22	203.4	-8.2
JPX Corn May 23	58,400	+990
JPX Dubai Crude Sep 22	76,340	-660

Source: JPX

Rubber Trading – Technical Analysis OSE Oct Futures:

Oct futures closed in shortened week trading at 249.6 (-6.7). Despite the weak JPY against the USD (129.70) the price weakened with breaking a support trend line at 253.0. The price is likely to consolidate between 242.0 and 260.0 in the near term. A close below 240.0 signal further downside movement and bearish market sentiment. The price needs to close above 158.0 to stay positive. RSI 14-day was 42.2%. The OSE market will close on 3rd, 4th and 5th of May for golden week holidays.



Source: Bloomberg

Rubber Trading – SGX SICOM July Futures Technical Analysis:

July rubber futures closed lower by 2.7 cents at 163.4 amid strong selling all week in line with the weak Chinese market. The price fell sharply in the early week but recovered on Friday from oversold conditions. 14-day RSI touched a low of 22.6% on Wed before recovering to close at 36.5% on Fri. Support is expected at 158.0 followed by 155.0 while initial resistance was seen at 165.5 then followed by 169.5. There is a gap at 168.3-169.5 and prices is expected to cover the gap in the near term.



Source: Bloomberg

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