

The Japan Rubber Futures Weekly Report:

27 June 2022 – 01 July 2022

Note: May Industrial Production -7.2%, 2Q Tankan report for Large Manufacturing lower at +9 versus 1Q +14

Rubber Futures Report:

World rubber futures closed the week generally higher with active trading volume. OSE Dec futures climbed marginally with double trading volume from the previous week, reflecting new buying positions. Rubber futures on SHFE and INE closed higher with active trading volume. Reflecting fresh speculative buying, INE's Open Interest soared by 11,000 contracts. SICOM futures were in a narrow price range as trading volume fell sharply from the previous week. Their market sentiment remained steady, but the trading range was largely sideways without any clear direction. On global news, Japan reported a weaker 2Q Tankan where the large manufacturing index became +9 compared to +14 in the previous quarter. Japan's May jobless rate increased 0.1% from April to 2.6%, while May Industrial Production fell sharply by -7.2%. China's improving Covid-19 cases and PMI outcome in June could support global rubber prices. In world news, the G7 meeting called for USD 600B in infrastructure funds to challenge China's Belt and Road initiatives. Turkey lifted its veto on Finland and Sweden joining NATO, clearing the way for NATO's expansion.

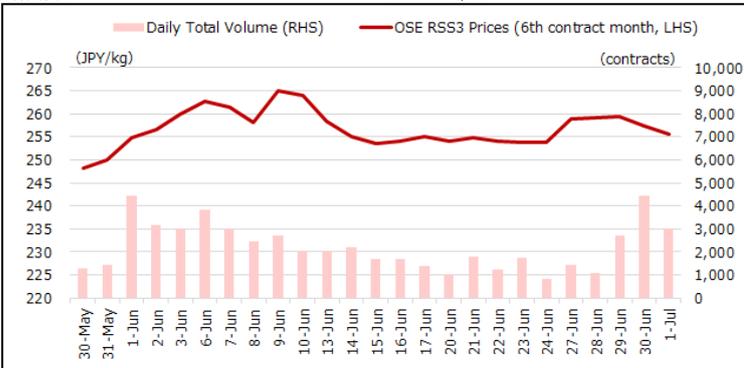
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Jul 22	259.8	+3.3	SCR/RSS Sep22	12,920	+150	Jul 22	164.6	Expired	RSS3 Nov 22	68.65	+0.25
Aug 22	259.8	+1.8	SCR/RSS Jan23	14,000	+125	Aug 22	163.2	+1.6	RSS3 Dec 22	68.75	-0.50
Sep 22	256.0	+2.1	Total Vol.	2,118,180	+405	Sep 22	162.8	+1.1	JRF Nov 22	256.0	+0.1
Oct 22	255.2	+2.2	Total OI	296,838	-2,425	Oct 22	162.8	+0.7	JRF Dec 22	256.7	New
Nov 22	253.6	-0.3	INE TSR Sep 22	11,240	+150	Nov 22	163.0	+0.2	ICEX Last (INR) Net		
Dec 22	255.5	+0.2	INE TSR Oct 22	11,220	+130	Dec 22	163.6	+0.4	RSS4 Jul 22	Untraded	-
Total Vol.	12,686	+6,109	Total Vol.	382,097	+74,453	Total Vol.	26,901	-7,468	MCX Last (INR) Net		
Total OI	8,570	+281	Total OI	81,596	+11,665	Total OI	42,045	+59	RSS4 Jul 22	17,700	-100

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 June)	6,513	-454
Shanghai SHFE Rubber Stocks (ton, 01 July)	279,031	+1,906
Shanghai INE Rubber Stocks (ton, 01 July)	80,318	-3,488
China Vehicle Total Sales (unit, 31 May 22)	1,861,975	+681,072
China Passenger Car Sales (unit, 31 May 22)	1,622,879	+657,759
China Commercial Car Sales (unit, 31 May 22)	239,096	+23,313
US Unemployment Rate (% , May)	3.6	0.0
US Non-Farm Payroll (May)	390,000	-46,000
Japan Unemployment Rate (% , May)	2.6	+0.1
Japan Manufacturing PMI (June)	52.7	-0.6
Japan Tankan Large Manufacturing (2Q)	+9	-5
China Manufacturing PMI (June)	50.2	+0.6
China GDP 1Q (%)	+4.8	+0.4

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	135.21	-0.0002
EUR/USD	1.0414	-0.0139
GBP/USD	1.2095	-0.0172
USD/CHF	0.9611	+0.0028
AUD/USD	0.6814	-0.0131
USD/CNY	6.7015	+0.0116
USD/INR	79.0425	+0.70
USD/SGD	1.3967	+0.0105
USD/MYR	4.4073	+0.0045
USD/THB	35.582	+0.097
USD/IDR	14,943	+95
USD/VND	23,279	+27

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	25,935.62	-556.35
TOPIX Japan	1,845.04	-21.68
Dow Jones US	31,097.26	-403.42
S&P 500 US	3,825.33	-86.41
Nasdaq US	11,127.84	-479.78
CSI 300 China	4,466.72	+71.95
Shanghai China	3,387.64	+37.89
HSI Hong Kong	21,859.79	+140.73
STI Singapore	3,095.59	-16.06
KLCI Malaysia	1,449.74	+13.04
SET Thailand	1,572.67	+3.91
IDX Indonesia	6,794.33	-248.61
VSE Vietnam	1,198.90	+13.42

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Sep 22	25,830	-650
JPX TOPIX Sep 22	1,837.0	-28.0
JPX NK 400 Sep 22	16,510	-220
JPX TSE REIT Sep 22	1,927.0	+37.0
JPX NK 225 VI July 22	23.75	+0.30
JPX JGB 10 Year Sep 22	148.90	+0.13
JPX Gold 1 Kg Apr 23	7,773	-100
JPX Platinum Apr 23	3,825	-113
JPX Silver Apr 23	86.2	-4.5
JPX Palladium Apr 23	8,700	+550
JPX TSR20 Oct 22	216.0	+3.8
JPX Corn July 23	48,720	-3,040
JPX Dubai Crude Nov 22	77,350	+510

Source: JPX

Rubber Trading – Technical Analysis OSE Dec Futures:

Dec futures closed at 255.5 in a narrow trading range. The prices stayed between 255.0 and 261.0 all week. The weekly trading volume doubled compared to the previous week, and the open interest rose 281 lots showing slight fresh buying. The short-term trend remained positive as the prices remained over 50 and 100 MA. Closing below 150.0 may signal weaker market sentiment. The support is expected at 254.0 and 252.0. The resistance is 257.2, followed by 261.2, and the RSI is 52.3%.

Rubber Trading – SGX SICOM Sept Futures Technical Analysis:

SGX Sept futures closed at 162.8, slightly up by 1.1 cents. The trading was quiet all week in a tight range between 160.0 and 164.0. The volume fell sharply by 7,468 lots due to a lack of direction, and traders remained sidelines. Breaking and closing above 165.0 will test the previous high of 170.0. On the downside, closing below 159.5 could signal a bearish market to 155.0 or lower. The 14-day RSI is at a neutral level of 49.5. The support is 160.0-159.5, and the resistance is 164.0-165.0.



Source: Bloomberg



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.