

The Japan Rubber Futures Weekly Report:

28 Nov 2022 – 02 Dec 2022

Note: Japan Oct Jobless Rate unchanged 2.6%, Oct Retail Sales weaker 4.3%, Oct Ind. Production lower at 3.7%

Rubber Futures Report:

World rubber futures closed higher across all major rubber exchanges. The prices remained higher after the news that China slightly eased its zero-COVID policy. Major cities in Beijing and Shenzhen no longer require negative tests to take public transportation. The rainy monsoon season in producing countries and the year-end demand for rubber before the Chinese New Year also will support rubber prices. OSE rubber futures were up 2%, while SHFE and INE futures increased by 1% and 3%, respectively. SICOM futures rallied 5.7% amid tire consumers' buying and some speculative short-covering. Weaker the USD, reflecting the expectation of the US Fed's smaller interest rate hike at the FOMC meeting on 13-14 December, supported USD-based solid commodities prices and spilled over to the rubber futures prices. In other economic news, Japan's jobless rate remained at 2.6% in October, while its Retail Sales and Industrial Production were weaker at 4.3% and 3.7%, respectively. The US Nov Unemployment rate was unchanged at 3.7%, while the non-farm payroll surged higher at 263,000, over the market expectation of 200,000.

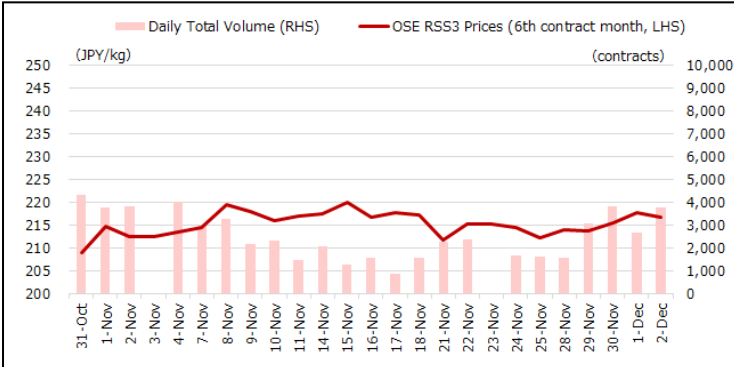
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Dec 22	216.0	+3.7	SCR/RSS Jan23	12,830	+110	Dec 22	128.7	Expired	RSS3 Apr 23	53.40	-1.1
Jan 23	215.7	+4.0	SCR/RSS May23	12,805	+255	Jan 23	134.7	+7.6	RSS3 May 23	53.75	-1.65
Feb 23	215.8	+3.1	Total Vol.	1,833,867	-83,690	Feb 23	134.5	+7.1	JRF Apr 23	216.5	+2.4
Mar 23	217.0	+4.5	Total OI	310,800	+4,131	Mar 23	135.1	+7.3	JRF May 23	216.1	+1.1
Apr 23	217.5	+5.1	INE TSR Feb 23	9,770	+285	Apr 23	135.1	+7.1	ICEX	Last (INR)	Net
May 23	216.7	+4.4	INE TSR Mar 23	9,810	+280	May 23	135.3	+7.0	RSS4 Dec 22	Untraded	0
Total Vol.	14,958	+6,928	Total Vol.	420,149	+57,861	Total Vol.	40,269	-8,429	MCX	Last (INR)	Net
Total OI	10,268	+58	Total OI	88,886	-3,445	Total OI	55,803	+3	RSS4 Dec 22	16,250	untraded

Source: JPX

Source: SHFE, INE

Source: SGX

Source: TFEEX, ICEX, MCX



Source: JPX

Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 20 Nov)	4,572	-32
Shanghai SHFE Rubber Stocks (ton, 2 Dec)	155,285	+6,700
Shanghai INE Rubber Stocks (ton, 2 Dec)	35,523	-4,636
China Vehicle Total Sales (unit, 31 Oct 22)	2,504,683	-105,642
China Passenger Car Sales (unit, 31 Oct 22)	2,231,197	-100,572
China Commercial Car Sales (unit, 31 Oct 22)	273,486	-5,070
US Unemployment Rate (% , Nov)	3.7	+0.0
US Non-Farm Payroll (Nov)	263,000	-21,000
Japan Unemployment Rate (% , Oct)	2.6	+0.0
Japan Manufacturing PMI (Nov)	49.4	-1.3
Japan Tankan Large Manufacturing (3Q)	8	-1
China Manufacturing PMI (Oct)	49.2	-0.9
China GDP 3Q (%)	+3.9	+3.5

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	134.31	-4.88
EUR/USD	1.0535	+0.0140
GBP/USD	1.2280	+0.0188
USD/CHF	0.9372	-0.0087
AUD/USD	0.6790	+0.0039
USD/CNY	7.0535	-0.1115
USD/INR	81.3163	-0.3699
USD/SGD	1.3516	-0.0252
USD/MYR	4.3880	-0.0963
USD/THB	34.787	-0.95
USD/IDR	15,426	-247
USD/VND	24,477	-325

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	27,777.90	-505.13
TOPIX Japan	1,953.98	-64.02
Dow Jones US	34,429.88	+82.85
S&P 500 US	4,071.70	+45.58
Nasdaq US	11,461.50	+235.14
CSI 300 China	3,870.95	+95.17
Shanghai China	3,156.14	+54.45
HSI Hong Kong	18,675.35	+1,101.77
STI Singapore	3,259.14	+14.59
KLCI Malaysia	1,481.80	-4.74
SET Thailand	1,641.63	+20.79
IDX Indonesia	7,019.64	-33.51
VSE Vietnam	1,080.01	+108.55

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Dec 22	27,760	-570
JPX TOPIX Dec 22	1,951.5	-68.5
JPX NK 400 Dec 22	17,610	-625
JPX TSE REIT Dec 22	1,934.5	-23.5
JPX NK 225 VI Dec 22	20.40	+0.45
JPX JGB 10 Year Dec 22	148.94	-0.03
JPX Gold 1 Kg Oct 23	7,806	-10
JPX Platinum Oct 23	4,400	+81
JPX Silver Oct 23	97.5	+3.6
JPX Palladium Oct 23	8,470	-430
JPX TSR20 Mar 23	179.0	-3.6
JPX Corn Nov 23	45,180	-1,050
JPX Dubai Crude Apr 23	66,870	-380

Source: JPX

Technical Analysis on the OSE May-2023 Contracts:

OSE's May-2023 contracts increased JPY4.4 at JPY216.7 with active trading; the trading volume rose nearly 7,000 contracts this week. The OI grew by 51 contracts, reflecting the increase of some new buying positions. The price chart forms a triangle, where the strong resistance builds at 220.6 at the same level as the 50-day MA. If the price closes above the 221.0 level, a possible rally will be expected toward the next resistance at 227.8 (100-day MA). The support level will be at 210.2, followed by 207.5, and the 14-day RSI remains neutral at 51.3%, indicating no clear signs of the direction.



Source: Bloomberg

Technical Analysis on the SGX SICOM March 2023 Contracts:

SICOM's Dec-2023 contracts expired at 128.7 cents, and Mar-2023 contracts became the new active 3rd-month contract. Mar-2023 contracts rose 7.3 cents at 135.1 with fresh buying despite the moderate weekly trading volume. The price rallied after it closed above the 132.0 level. It will likely move higher as the price closed with solid buying pressure on Friday after recording a high of 135.4. The support level will be 131.0 and 128.6, and the resistance level will be 136.0 and 139.0. The 14-day RSI increased to 65.3%, but still not being in the over-bought condition.



Source: Bloomberg

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