

The Japan Rubber Futures Weekly Report:

19 Dec 2022 – 23 Dec 2022

Note: Japan Nov CPI +3.8% on Year, BOJ Kept rate policy unchanged at -0.1%, Nov Machine Tool Orders -7.7%

Rubber Futures Report:

World rubber futures closed sharply lower on renewed speculative selling after news of China's sharp surge in COVID cases. OSE rubber futures fell 4.8% with active transactions, SHFE and INE futures closed down 3.6% and 5.3%, respectively, and SICOM futures dropped by 4.4%. There was a report that 37 million people in China were infected a day, which surpassed the official national number. Another news was that a city in Southern Guangdong reported nearly 300,000 infections daily. In addition, China's weak vehicle sales in November, which fell by 176,962 units, accelerated the bearish sentiment. The JPY sharply strengthened by 5% on December 20 after the BOJ adjusted its "Yield Curve Control" policies, allowing long-term yields to 0.50% from the previous level of 0.25%. The BOJ's policy changes fuelled speculations of possible exit policy from the negative interest rate next year and concerns about going into recession, pushing the Japanese stock markets downward. The author, on behalf of JPX, wishes all readers a Merry Christmas & Happy New Year.

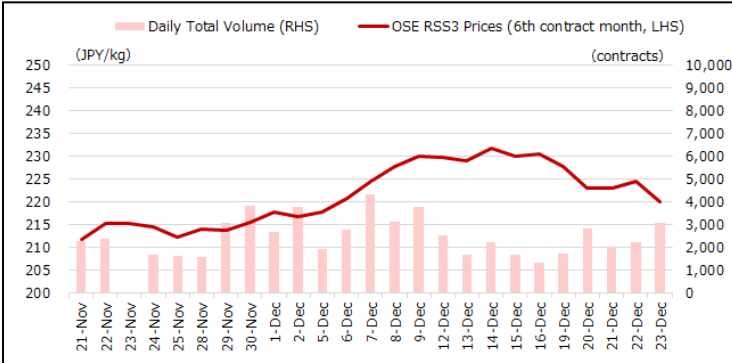
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Jan 23	205.9	-14.9	SCR/RSS May23	12,645	-470	Jan 23	127.5	-8.9	RSS3 Apr 23	53.95	-2.2
Feb 23	207.7	-14.4	SCR/RSS Sep23	12,630	-450	Feb 23	129.1	-7.8	RSS3 May 23	54.30	-2.75
Mar 23	212.8	-13.6	Total Vol.	1,457,030	-139,741	Mar 23	131.0	-6.1	JRF Apr 23	215.3	-14.2
Apr 23	216.7	-12.6	Total OI	314,203	+2,071	Apr 23	131.6	-5.7	JRF May 23	218.5	-11.5
May 23	219.3	-11.2	INE TSR Mar 23	9,515	-535	May 23	132.1	-5.5	ICEX	Last (INR)	Net
Jun 23	220.0	-10.0	INE TSR Apr 23	9,585	-530	Jun 23	132.5	-5.0	RSS4 Dec 22	Untraded	0
Total Vol.	11,900	+2,450	Total Vol.	380,229	+5,207	Total Vol.	59,216	+19,865	MCX	Last (INR)	Net
Total OI	10,960	+1,800	Total OI	98,419	+1,817	Total OI	55,797	+280	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, 10 Dec)	4,623	-26
Shanghai SHFE Rubber Stocks (ton, 23 Dec)	180,613	+5,791
Shanghai INE Rubber Stocks (ton, 23 Dec)	34,101	-1,019
China Vehicle Total Sales (unit, 30 Nov 22)	2,327,721	-176,962
China Passenger Car Sales (unit, 30 Nov 22)	2,074,816	-156,381
China Commercial Car Sales (unit, 30 Nov 22)	252,905	-20,581
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 (4Q)	7	-1
China Manufacturing PMI (Nov)	50.1	+0.9
China GDP 3Q (%)	+3.9	+3.5

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	132.91	-3.69
EUR/USD	1.0617	+0.0031
GBP/USD	1.2053	-0.0095
USD/CHF	0.9332	-0.0005
AUD/USD	0.6721	+0.0036
USD/CNY	6.9900	+0.016
USD/INR	82.865	-0.0037
USD/SGD	1.3510	-0.0080
USD/MYR	4.4243	+0.0001
USD/THB	34.813	+0.031
USD/IDR	15,593	-5
USD/VND	23590	-13

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	26,235.25	-1,291.87
TOPIX Japan	1,897.94	-52.27
Dow Jones US	33,203.93	+283.47
S&P 500 US	3,844.82	-7.54
Nasdaq US	10,497.86	-207.55
CSI 300 China	3,828.22	-126.01
Shanghai China	3,045.87	-121.99
HSI Hong Kong	19,593.06	+142.39
STI Singapore	3,257.70	+16.89
KLCI Malaysia	1,474.68	-3.86
SET Thailand	1,617.55	-1.46
IDX Indonesia	6,800.67	-11.52
VSE Vietnam	1,020.34	-32.14

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Mar 23	26,150	-1,320
JPX TOPIX Mar 23	1,891.5	-52.5
JPX NK 400 Mar 23	17,090	-470
JPX TSE REIT Mar 23	1,848.5	-104.5
JPX NK 225 VI Jan 23	21.30	+0.55
JPX JGB 10 Year Mar 23	146.09	-1.89
JPX Gold 1 Kg Oct 23	7,653	-187
JPX Platinum Oct 23	4,141	-197
JPX Silver Oct 23	97.2	-1.7
JPX Palladium Oct 23	7,500	-800
JPX TSR20 Mar 23	173.0	-12.0
JPX Corn Jan 23	44,360	-1,720
JPX Dubai Crude May 23	62,090	-820

Source: JPX

Technical Analysis on the OSE May-2023 Contracts:

May-2023 contracts closed down JPY 11.2 from the previous week at 219.3 with active transactions. Higher trading volume and increased open interest of 1,800 contracts indicated new speculative selling flows came to the market. The BOJ's move to ease its monetary policies strengthened the JPY by 5%, and this affected the sharp drop in rubber futures prices. The support level will be 216.5 and 212.0, and the resistance level will be 224.5, followed by 229.0. The 14-day RSI is at 35.1%. June-2023 contracts will become active from this week, but the trading is supposed to be calm due to the world's Christmas holidays.



Source: Bloomberg

Technical Analysis on the SGX SICOM March 2023 Contracts:

Active March-2023 contracts closed sharply lower following an overseas weak market. The price dropped by over 4% with active transactions. The trading volume soared by nearly 20,000 contracts, while the open interest was almost unchanged. The market had been in over-bought conditions in the past few weeks, and the price couldn't break the strong resistance level at 139.5-140.5. The support level will be 130.5-131.5, and the next resistance level will be 135.5-136.0. The 14-day RSI dropped to 43.9%. The SICOM market will be closed for the Christmas holiday on Monday.



Source: Bloomberg

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