

The Japan Rubber Futures Weekly Report:

20 June 2022 – 24 June 2022

Note: Japan National May CPI +2.5%, National Core CPI +2.1%, Jibun Bank June Manufacturing PMI lower at 52.7

Rubber Futures Report:

World Rubber futures prices closed the week mixed in major exchanges. OSE Nov futures dropped by 0.4% with light trading volume, while the nearest month closed higher due to short-covering with stronger physical demand before the last trading date. Both SHFE and INE rubber futures inched marginally higher with heavy trading volume, but most of the buying seemed for liquidating positions. SICOM rubber futures dropped in the early week following the sell-off but rebounded to close at the week's high. News on heavy rain and floods in Vietnam, Southern China, and some parts of Thailand supported rubber prices. Market sentiment remains steady, and rubber prices lack drivers as China struggles to overcome the Covid-19 cases. In world economic news, China kept the 1-Year loan prime rate unchanged at 3.7%, while developed countries were busy hiking key interest rates in light of rising inflation. Japan reported 7-year high inflation with a May CPI of +2.5%. Fed Chairman Powell's testimony to Congress is committed to curbing inflation but higher unemployment risks.

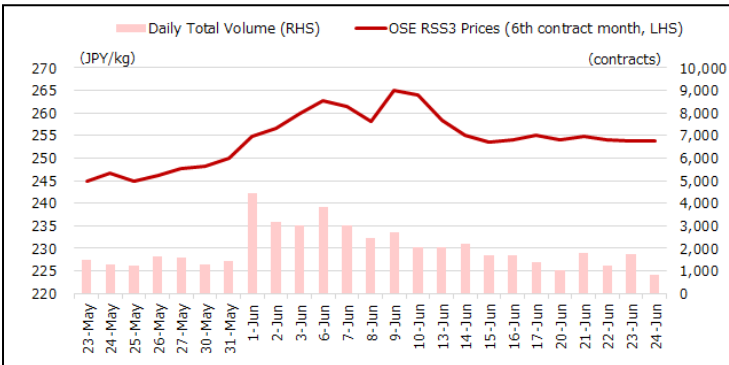
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Jun 22	270.0	+11.0	SCR/RSS Sep22	12,770	+25	Jul 22	161.5	+0.0	RSS3 Oct 22	68.70	-0.5
Jul 22	256.5	+5.5	SCR/RSS Jan23	13,875	0	Aug 22	161.6	+0.3	RSS3 Nov 22	68.40	-0.7
Aug 22	258.0	+4.8	Total Vol.	2,117,775	+228,116	Sep 22	161.7	+0.3	JRF Oct 22	255.6	+0.1
Sep 22	253.9	+2.0	Total OI	299,263	-17,057	Oct 22	162.1	+0.4	JRF Nov 22	255.9	-0.8
Oct 22	253.0	-0.2	INE TSR Aug 22	11,155	+85	Nov 22	162.8	+0.9	ICEX	Last (INR)	Net
Nov 22	253.9	-1.1	INE TSR Sep 22	11,090	0	Dec 22	163.2	+0.7	RSS4 Jun 22	Untraded	-
Total Vol.	6,577	-2,521	Total Vol.	307,644	+23,966	Total Vol.	34,369	-1,465	MCX	Last (INR)	Net
Total OI	8,289	-235	Total OI	69,931	-1,036	Total OI	41,986	+2,229	RSS4 Jun 22	17,800	+70

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 June)	6,967	-488
Shanghai SHFE Rubber Stocks (ton, 24 June)	277,125	+298
Shanghai INE Rubber Stocks (ton, 24 June)	83,806	-9,514
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	00
US Non-Farm Payroll (May)	390,000	-46,000
Japan Unemployment Rate (% , Apr)	2.5	-0.1
Japan Manufacturing PMI (Apr)	53.3	-0.1
Japan Tankan Large Manufacturing (1Q)	+14	-3
China Manufacturing PMI (May)	49.6	+2.2
China GDP 1Q (%)	+4.8	+0.4

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	135.23	+0.21
EUR/USD	1.0553	+0.0054
GBP/USD	1.2268	+0.0027
USD/CHF	0.9583	-0.0116
AUD/USD	0.6945	+0.0013
USD/CNY	6.6899	-0.0268
USD/INR	78.3425	+0.2675
USD/SGD	1.3862	-0.0043
USD/MYR	4.4028	+0.0008
USD/THB	35.485	+0.262
USD/IDR	14,848	+23
USD/VND	23,252	+21

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	26,491.97	+528.97
TOPIX Japan	1,866.72	+30.82
Dow Jones US	31,500.68	+1,611.90
S&P 500 US	3,911.74	+236.90
Nasdaq US	11,607.62	+809.27
CSI 300 China	4,394.77	+85.73
Shanghai China	3,349.75	+32.96
HSI Hong Kong	21,719.06	+644.06
STI Singapore	3,111.65	+13.56
KLCI Malaysia	1,436.70	-20.04
SET Thailand	1,568.76	+9.37
IDX Indonesia	7,042.94	+105.97
VSE Vietnam	1,185.48	-31.82

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Sep 22	26,480	+700
JPX TOPIX Sep 22	1,865.0	+43.5
JPX NK 400 Sep 22	16,730	+350
JPX TSE REIT Sep 22	1,890.0	-9.0
JPX NK 225 VI July 22	23.45	-1.05
JPX JGB 10 Year Sep 22	148.77	+1.34
JPX Gold 1 Kg Apr 23	7,873	-47
JPX Platinum Apr 23	3,938	-73
JPX Silver Apr 23	90.7	-4.1
JPX Palladium Apr 23	8,150	-150
JPX TSR20 Sep 22	212.2	-4.8
JPX Corn July 23	51,760	-4,040
JPX Dubai Crude Nov 22	76,840	-8,000

Source: JPX

Rubber Trading – Technical Analysis OSE Nov Futures:

OSE Nov futures closed at JPY 253.9 (-1.1). All week, trading was quiet within a narrow trading range, and the volume fell sharply to 6,577 contracts. There was trading for close-out, and the open interest dropped below 8,000 contracts. Nov futures touched a low of 153.1 on Thursday but are still well above the short-term support of 152.0. The prices remain above 100 MA and are still in positive territory. 14-days RSI is at 52.7%. The support next week is expected at 252.0, followed by 246.2, and the resistance will be at 257.8 and 267.3.



Source: Bloomberg

Rubber Trading – SGX SICOM Sept Futures Technical Analysis:

SICOM Sept futures closed marginally higher at 161.7 (+0.3). The price broke the crucial support level of 160.0 on Wed, fell to a week's low at 156.4, and recovered to close higher at 161.7 on Friday. The trading volume was moderate for the week, but increasing the open interest signaled fresh buying. Sept futures support will be 156.4, followed by 152.0, and the resistance will be at 164.1 (50 MA) and 169.0. 14-day RSI is now 45.4%. Sept contracts are expected to trade 159.0-164.5 next week.



Source: Bloomberg

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