

# The Japan Rubber Futures Weekly Report:

## 21 Feb 2022 – 25 Feb 2022

**Note:** Tokyo Feb CPI higher at +1.0% on Year, Core Feb CPI +0.5%, Dec Leading Index 104.8, Dec Coincident Index 92.7

### Rubber Futures Report:

Rubber futures prices closed the week mixed in another week of uncertain trading. OSE rubber futures were active with renewed speculative and funds buying where prices were +1.5%. Volume was up despite a mid-week holiday in Japan for the Emperor's Birthday holiday. The Shanghai SHFE was -1% while INE was down marginally. SICOM rubber was slightly higher on light buying and short covering as raw materials continue to get shortage in some major producing countries in Thailand, Malaysia and Indonesia. Tight physical market and a shortage of supplies on the front futures delivery month propelled price rally on the spot month. Wintering season is also forthcoming in the Northern Hemisphere may further support rubber prices. On Global News, Russia had invaded Ukraine on Tues after taking over two Eastern cities of Donetsk and Luhansk and on Wed Russian troops pressed further into the capital Kyiv with a full fledged war. Stock markets fell sharply across the world where Russia's MOEX index down 33%. US Wall Street fell sharply but recovered to close the week after stronger economic data and investors picking up cheap Technology shares.

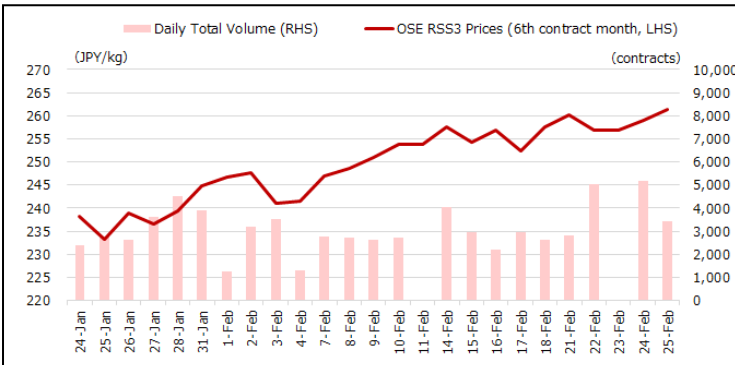
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Mar 22	259.5	+7.3	SCR/RSS May22	14,055	-145	Mar 22	183.5	+4.3	RSS3 Jun 22	72.3	+4.65
Apr 22	261.5	+7.6	SCR/RSS Sep22	14,290	-115	Apr 22	180.8	+0.9	RSS3 Jul 22	71.9	+4.15
May 22	260.6	+5.0	<b>Total Vol.</b>	<b>1,518,772</b>	<b>+101,949</b>	May 22	181.5	+1.1	JRF Jun 22	259.2	+3.6
Jun 22	261.2	+5.5	<b>Total OI</b>	<b>371,051</b>	<b>+14,888</b>	Jun 22	182.0	+1.2	JRF Jul 22	260.6	+3.8
Jul 22	261.4	+3.8	INE TSR May 22	11,900	-30	Jul 22	182.5	+0.6	<b>ICEX Last (INR)</b>	<b>Net</b>	
Aug 22	261.3	+2.7	INE TSR Jun 22	11,965	-50	Aug 22	182.9	+0.9	RSS4 Mar 22	16,481	0
<b>Total Vol.</b>	<b>16,456</b>	<b>+1,717</b>	<b>Total Vol.</b>	<b>291,984</b>	<b>-3,185</b>	<b>Total Vol.</b>	<b>36,948</b>	<b>-17,783</b>	<b>MCX Last (INR)</b>	<b>Net</b>	
<b>Total OI</b>	<b>11,330</b>	<b>+1,760</b>	<b>Total OI</b>	<b>73,657</b>	<b>+1,536</b>	<b>Total OI</b>	<b>52,012</b>	<b>-2,073</b>	RSS4 Mar 22	16,800	+330

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 Feb)	8,130	-182
Shanghai SHFE Rubber Stocks (ton, 25 Feb)	249,015	+1,170
Shanghai INE Rubber Stocks (ton, 25 Feb)	94,067	+2,147
China Vehicle Total Sales (unit, 31 Dec)	2,785,918	+264,327
China Passenger Car Sales (unit, 31 Dec)	2,421,558	+229,605
China Commercial Car Sales (unit, 31 Dec)	364,360	+34,722
US Unemployment Rate (% Jan)	4.0	+0.1
US Non-Farm Payroll (Jan)	467,000	-43,000
Japan Unemployment Rate (% Dec)	2.7	-0.1
Japan Manufacturing PMI (Jan)	55.4	+1.1
Japan Tankan Large Manufacturing (4Q)	+18	+0
China Manufacturing PMI (Jan)	50.1	-0.2
China GDP 4Q (%)	+4.0	-0.9

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	115.55	+0.54
EUR/USD	1.1268	-0.0054
GBP/USD	1.3409	-0.0180
USD/CHF	0.9252	+0.0037
AUD/USD	0.7226	+0.0049
USD/CNY	6.3175	-0.0081
USD/INR	75.2925	+0.63
USD/SGD	1.3533	+0.0073
USD/MYR	4.2023	+0.0165
USD/THB	32.466	+0.0337
USD/IDR	14,364	+37
USD/VND	22,827.5	-4.5

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	26,476.50	-645.57
TOPIX Japan	1,876.24	-48.07
Dow Jones US	34,058.75	-20.43
S&P 500 US	4,384.65	+35.78
Nasdaq US	13,694.63	+146.56
CSI 300 China	4,573.42	-77.82
Shanghai China	3,451.41	-39.35
HSI Hong Kong	22,767.18	-1,560.53
STI Singapore	3,294.47	-134.43
KLCI Malaysia	1,591.72	-11.33
SET Thailand	1,679.90	-33.3
IDX Indonesia	6,888.17	-4.65
VSE Vietnam	1,498.89	-5.95

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Mar 22	26,500	-590
JPX TOPIX Mar 22	1,880.0	-41.0
JPX NK 400 Mar 22	16,945	-400
JPX TSE REIT Mar 22	1,863.0	-32.0
JPX NK 225 VI Mar 22	24.50	+1.50
JPX JGB 10 Year Mar 22	150.23	+0.20
JPX Gold 1 Kg Feb 23	7,089	New
JPX Platinum Feb 23	3,874	New
JPX Silver Feb 23	91.3	New
JPX Palladium Feb 23	9,100	New
JPX TSR20 Jun 22	207.0	+4.6
JPX Corn Mar 23	44,000	+1,270
JPX Dubai Crude Oil Jul 22	62,790	+3,040

Source: JPX

### Rubber Trading – Technical Analysis OSE July Rubber futures:

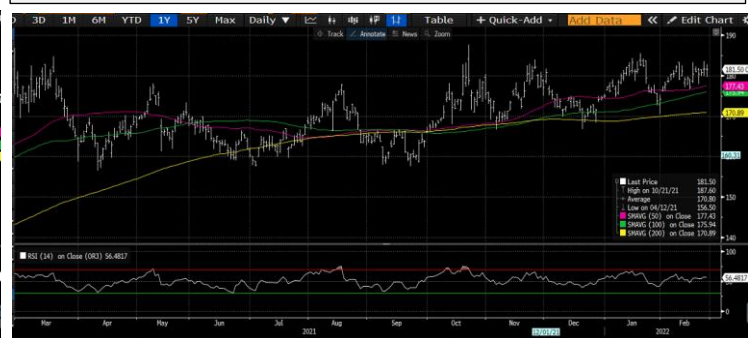
OSE active July futures closed 1% higher in active trading at 261.4. Volume had increased with new speculative funds buying interest +1,760 lots in new positions. Aug futures will be the new active month next week. The uptrend is likely to continue support is seen at 243.4 (50 MA) with resistances at 265.2 followed by 279.0. 14 days RSI stood at 62.5%. The shortages of raw materials, tight supplies in the physical market are likely to keep prices firm in the short term.

### Rubber Trading – SGX SICOM May Futures Technical Analysis:

SICOM May active futures closed slightly higher at 181.5 (+1.1 cent). Trading volume had been lower but there is lots of profit taking last week from long positions. May futures is facing heavy resistance at 183.5 and 185.0 region and prices need to close above 185.0 to see further rally to 179.5-180.0 levels. Support is seen at 178.5-179.0 where buying interest is expected. 14 days RSI is at 55.7% and near neutral area. Market sentiment remains steady and short term up-trend intact.



Source: Bloomberg



Source: Bloomberg

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