

The Japan Rubber Futures Weekly Report:

30 Aug 2021 – 03 Sep 2021

Note: Japan July Jobless rate 2.8%, July Retail Sales +2.4%, Aug PMI higher 52.7 & Industrial Production +11.6%

Rubber Futures Report:

Rubber Futures prices closed the week general mixed in moderate trading. Japan OSE futures closed +2.6% higher in some light fresh buying with increased trading volume. Both SHFE and INE prices fell about 1%. Long liquidation seen on SHFE in light volume while INE prices fell on fresh speculative selling. On SGX SICOM, prices were up marginally in light volume trading with some shorts buying back. Rubber stocks on SHFE designated warehouses were up 5,762 tonnes and had been rising sharply in the past 3 months while rubber stocks on INE were down steadily in the past 3 months but was up last week 979 tonnes. The slowing down of the Chinese economy with lower vehicle sales in recent weeks is offset by the lower rubber production in some producing countries like Indonesia. On World news, Japan PM Yoshihide Suga announced his surprised resignation. China reported a lower Aug PMI at 50.1. Beijing to start another stock exchange for smaller and medium size companies. US Aug Unemployment rate 5.2% but Non-farm payroll was much lower figure at 235,000 (expected 750,000). US market closed on Monday for Labour Day.

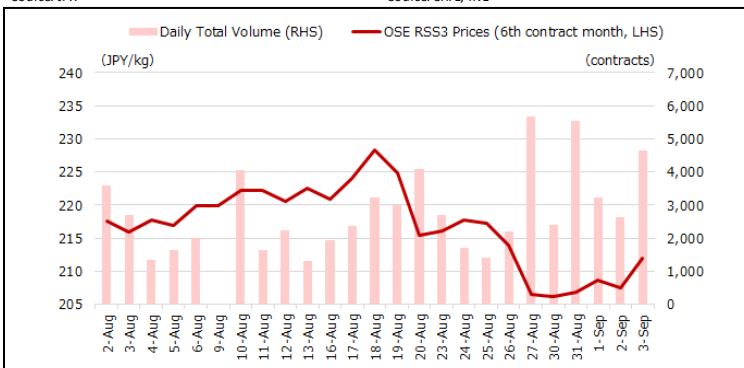
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (US\$)	Net	TFEX	Last (THB)	Net
Sep 21	194.8	+0.8	SCR/RSS Jan 22	13,740	-120	Sep 21	164.7	Expired	RSS3 Jan 22	60.70	+0.55
Oct 21	198.7	-0.3	SCR/RSS May 22	13,915	-135	Oct 21	164.5	+1.1	RSS3 Feb 22	61.60	+1.45
Nov 21	203.8	+4.6	Total Vol.	1,712,360	-151,665	Nov 21	164.9	+1.3	JRF Jan 22	210.6	+5.5
Dec 21	207.9	+3.9	Total OI	279,578	-8,209	Dec 21	165.5	+1.2	JRF Feb 22	212.1	+5.4
Jan 22	210.5	+4.3	INE TSR Oct 21	10,625	-120	Jan 22	166.3	+1.5	ICEX	Last (INR)	Net
Feb 22	212.0	+5.5	INE TSR Nov 21	10,735	-135	Feb 22	167.2	+1.3	RSS4 Sep 21	17,940	+21
Total Vol.	18,471	+4,822	Total Vol.	101,722	+5,665	Total Vol.	26,513	-7,794	MCX	Last (INR)	Net
Total OI	12,074	+138	Total OI	39,624	+4,158	Total OI	36,159	-2,090	RSS4 Sep 21	17630	-520

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 Aug)	7,237	-333
Shanghai SHFE Rubber Stocks (ton, 03 Sep)	225,354	+5,762
Shanghai INE Rubber Stocks (ton, 03 Sep)	41,443	+979
China Vehicle Total Sales (unit, 31 July)	1,863,550	-151,759
China Passenger Car Sales (unit, 31 July)	1,551,395	-17,686
China Commercial Car Sales (unit, 31 July)	312,155	-134,073
US Unemployment Rate (% Aug)	5.2	-0.2
US Non-Farm Payroll (Aug)	235,000	-818,000
Japan Unemployment Rate (% July)	2.8	-0.1
Japan PMI (Aug)	52.7	+0.3
Japan Tankan Large Manufacturing (2Q)	+14	+9
China PMI (July)	50.4	-0.5
China GDP 2Q (%)	+7.9	-10.4

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	109.71	-0.13
EUR/USD	1.1880	+0.0085
GBP/USD	1.3871	+0.0107
USD/CHF	0.9134	+0.0021
AUD/USD	0.7460	+0.0148
USD/CNY	6.4560	-0.0160
USD/INR	73.0188	-0.67
USD/SGD	1.3412	-0.0048
USD/MYR	4.1460	-0.045
USD/THB	32.480	-0.039
USD/IDR	14,263	-155
USD/VND	22,764	-16

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	29,128.11	+1,486.97
TOPIX Japan	2,015.45	+86.68
Dow Jones US	35,369.09	-86.71
S&P 500 US	4,535.43	+26.06
Nasdaq US	15,363.52	+234.02
CSI 300 China	4,843.06	+16.02
Shanghai China	3,581.73	+59.57
HSI Hong Kong	25,901.99	+494.10
STI Singapore	3,083.85	+3.08
KLCI Malaysia	1,589.19	-0.97
SET Thailand	1,650.33	+39.13
IDX Indonesia	6,126.92	+85.55
VSE Vietnam	1,334.65	+21.45

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Sep 21	29,160	+1,520
JPX TOPIX Sep 21	2,018.5	+88.5
JPX NK 400 Sep 21	18,245	+885
JPX TSE REIT Sep 21	2,144.5	-17.0
JPX NK 225 VI Sep 21	18.00	-1.05
JPX JGB 10 Year Sep 21	151.98	-0.14
JPX Gold 1 Kg Aug 22	6,407	+38
JPX Mini Gold 100g Aug 22	6,407	+38
JPX Gold Rolling Spot	6,403	+31
JPX Silver Aug 22	84.8	+1.4
JPX Platinum Aug 22	3,533	+56
JPX Palladium Aug 22	8,650	0
JPX Corn Sep 22	34,140	-160

Source: JPX

Rubber Trading – Technical Analysis (OSE Feb Rubber futures):

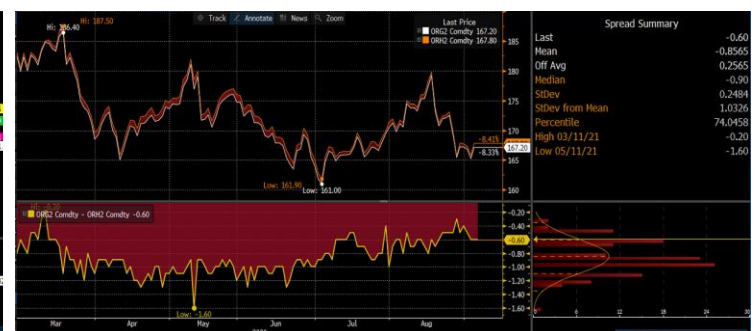
The active Feb contract traded to a week's low at 201.9 on early part of the week but prices traded higher toward the weekend. Feb Futures were trading within a range of 212.3 and 201.9 in moderate volume and settled 2.6% higher on Friday at 212.0. RSI 14 days was 44.9%. The down trend is likely to persist with support seen at 210/212.0 while resistance is at 212.3 then 218.1 (100 MA). A close below 200 signal a very bearish market to 175.0 level while a close above 220.0 is bullish to 238.5 level.

Rubber Trading – SICOM Calendar Spread Trading Feb22/Mar22.

The SICOM Feb futures closed at 167.2 and Mar futures closed at 167.8. The Spreader who put on a sell spread in the Feb/Mar at -0.3 is targeting the spread to go to -08 to -10 levels. On Friday, the Feb/Mar calendar spread closed at -0.6 (167.2-167.8) and the spreader is seeing some small gain. The spreader will take profit between -0.8/-1.0 to buy back the spread and also placed a buy stop order at +0.3 in case the spread steepens further.



Source: Bloomberg



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Contact us

Kensuke Yazu

Derivatives Business Development
Osaka Exchange, Inc.

Tel: +81 (0) 50 3377 8645

Email: deri-w1@jpx.co.jp

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