

The Japan Rubber Futures Weekly Report:

03 May 2021 – 07 May 2021

Note: SGX SICOM Rubber market will be closed on Thursday 13 May 2021 for Hari Raya Puasa holiday.

Rubber Futures Report:

Rubber Futures prices closed the week firmer in all rubber exchanges after an extended long holiday in Japan and China. There were both fresh speculative buying and short covering that pushed prices up between 3-5%. In the early week of trading with the absence of Japan and China markets, SICOM rubber prices hovered in tight trading range with low volume. However, prices were holding steady by the influence of very strong rally in copper, crude oil and agricultural prices like soybeans and corn. On Thurs when both major markets Japan and China returned to trading, rubber prices rallied strongly but was also met with strong profit taking and selling by some processors. ANRPC sees an increase of 16% in production in June of 971,000 tons from May 838,000 tons, the increase in production are mostly from Thailand, Indonesia and Vietnam. ANRPC also suggested prices may improve marginally due to an improved demand, a weaker USD and firmer crude oil prices. On economic news, China April Caixin PMI was stronger at 54.7 while the US April Unemployment rate was 6.1% and a surprised weak Non-farm payroll at 266,000 (expected 980K).

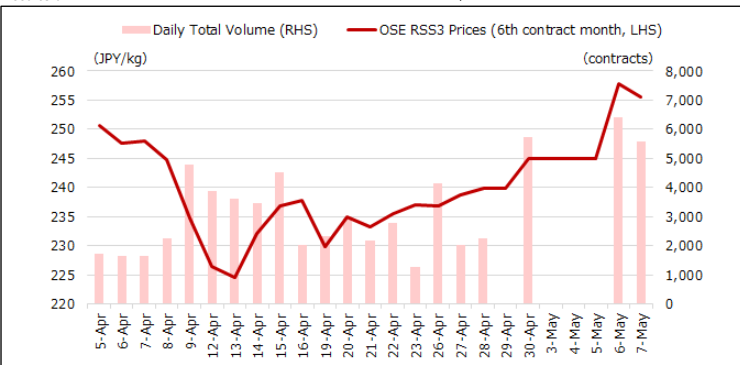
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
May 21	258.0	+20.5	SCR/RSS Sep 21	14,470	+545	Jun 21	172.4	+5.3	RSS3 Aug 21	71.95	+2.6
Jun 21	259.0	+17.4	SCR/RSS Jan 22	15,545	+540	Jul 21	173.3	+5.3	RSS3 Sep 21	71.95	+2.6
Jul 21	258.6	+14.6	Total Vol.	819,326	-1,717,736	Aug 21	174.2	+5.1	JRF Sep 21	254.9	+8.4
Aug 21	257.2	+11.6	Total OI	275,164	+14,422	Sep 21	174.7	+4.9	JRF Oct 21	254.1	+7.6
Sep 21	256.4	+12.4	INE TSR Jun 21	11,585	+480	Oct 21	175.1	+4.7	ICEX	Last (INR)	Net
Oct 21	255.5	+10.6	INE TSR Jul 21	11,720	+500	Nov 21	175.7	+4.7	RSS4 May 21	16,978	+348
Total Vol.	11,982	-2,149	Total Vol.	61,825	-112,147	Total Vol.	22,260	-6,850	MCX	Last (INR)	Net
Total OI	10,832	-295	Total OI	51,281	+4,098	Total OI	43,332	+1,212	RSS4 May 21	17,141	+375

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 Apr)	8,206	+328
Shanghai SHFE Rubber Stocks (ton, 7 May)	178,182	-10
Shanghai INE Rubber Stocks (ton, 7 May)	59,027	+605
China Vehicle Total Sales (unit, 31 Mar)	2,525,691	+1,070,885
China Passenger Car Sales (unit, 31 Mar)	1,874,311	+718,424
China Commercial Car Sales (unit, 31 Mar)	651,380	+352,461
US Unemployment Rate (% Apr)	6.1%	+0.1
US Non-Farm Payroll (Apr)	266,000	-544,000
Japan Unemployment Rate (% Mar)	2.6	-0.3
Japan PMI (Apr)	53.3	+0.6
Japan Tankan Large Manufacturing (31/3)	+5	+15
China PMI (Apr)	51.1	-0.8
China GDP 1Q (%)	+18.3	+11.8

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	108.60	-0.71
EUR/USD	1.2166	+0.0146
GBP/USD	1.3984	+0.0162
USD/CHF	0.9008	-0.0123
AUD/USD	0.7844	+0.0128
USD/CNY	6.4332	-0.0417
USD/INR	73.5112	-0.5676
USD/SGD	1.3248	-0.0060
USD/MYR	4.1128	+0.0248
USD/THB	31.138	-0.022
USD/IDR	14,285	-160
USD/VND	23,065	+12

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	29,357.82	+545.19
TOPIX Japan	1,933.05	+34.81
Dow Jones US	34,777.76	+902.81
S&P 500 US	4,232.60	+51.43
Nasdaq US	13,752.24	-210.44
CSI 300 China	4,996.05	-127.44
Shanghai China	3,418.87	-27.99
HSI Hong Kong	28,610.65	-114.23
STI Singapore	3,200.26	-18.01
KLCI Malaysia	1,587.45	-14.20
SET Thailand	1,585.03	+1.90
IDX Indonesia	5,928.31	-67.31
VSE Vietnam	1,241.81	+2.42

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Jun 21	29,390	+510
JPX TOPIX Jun 21	1,934.0	+325.0
JPX NK 400 Jun 21	17,445	+280
JPX TSE REIT Jun 21	2,052.5	-6.5
JPX NK 225 VI May 21	18.45	-1.3
JPX JGB 10 Year Jun 21	151.44	+0.10
JPX Gold 1 Kg Apr 22	6,384	+198
JPX Mini Gold 100g Apr 22	6,384	+198
JPX Gold Rolling Spot	6,391	+192
JPX Silver Apr 22	95.7	+3.9
JPX Platinum Apr 22	4,390	+159
JPX Palladium Apr 22	10,400	+360
JPX Corn May 22	36,700	+3,000

Source: JPX

Rubber Trading – Technical Analysis (OSE Oct Rubber):

The OSE active 6th month Oct futures strong close on previous Friday at 244.9 signaled a bullish close and this week it pierced through 2 resistances 247.5 and 254.0 which are both 50 and 100 MA & traded to a high of 262.0 on Friday 7 May. Although it retreated to close at 255.5 the market looks bullish overall. RSI has climbed to 60% and there is more room on the upside. The Oct futures may retrace slightly down to 250.0/251.0 level and next major resistance is at 278.5/279 levels.



Source: Bloomberg

Rubber Trading – OSE July, Aug Sept Butterfly Spread:

The spreader who put on a short Butterfly spread in July/Aug/Sept at +0.6 on the 9 April a month ago and he missed taking his profit at -3.5 when the spread touch there although his target level was -5.0 The spreader decided to exit his spread last week at parity to +1.0 without making any big losses as he sees the Butterfly spread not going further to his target level. The spread July/Aug/Sept Butterfly had closed on Friday at +2.2 (1.4)-(-0.8) and he decided to square his spread position.



Source: Bloomberg

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