

The Japan Rubber Futures Weekly Report:

06 Dec 2021 – 10 Dec 2021

Note: Japan 3Q GDP overall weaker, Q/Q -0.9% and Y/Y -3.6%, Japan Nov Forex Reserves at USD 1,405.8 Billion

Rubber Futures Report:

Rubber Futures prices closed the week lower across all exchanges. Rubber prices had been falling slowly and gradually the past 3-4 weeks from strong selling from both overseas and Chinese markets. Weak market sentiment was prevailed by a weaker Chinese economy, a crippled property market, rising rubber stockpiles in Shanghai exchanges and the Omicron variant spreading in the globally. Shanghai SHFE and INE rubber prices fell 1.6% and 2% respectively while on OSE, May futures was down 4.8% while SICOM Feb futures was down 1.7%. In the physical market buying interest seems weak and the market simply lack good news as prices drifted down toward the year-end holidays. On global news, the Omicron variant seemed to be 4x more contagious than the Delta but less deadly had brought some relief on equities where the US Dow Jones rallied 1,390 points. China's central bank PBOC cuts Reserves Requirement Ratio 50 basis points adding USD 188B liquidity to help the ailing property market. US Nov CPI +6.8% on year was a very high figure and may likely to prompt the Fed to hasten its tapering and hiking interest rate. The Fed meets on 14-15 Dec.

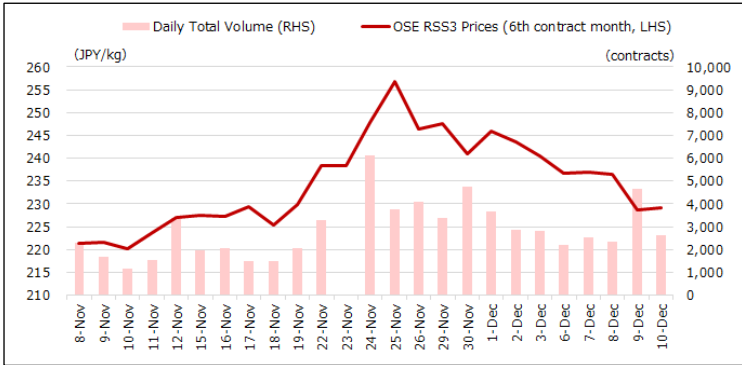
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Dec 21	221.5	-2.1	SCR/RSS May22	14,480	-225	Jan 22	170.9	-2.7	RSS3 Apr 22	66.20	-3.05
Jan 22	221.0	-2.0	SCR/RSS Sep22	14,615	-200	Feb 22	171.4	-2.9	RSS3 May 22	66.60	-3.20
Feb 22	219.4	-7.6	Total Vol.	1,560,047	-521,522	Mar 22	172.2	-3.0	JRF Apr 22	225.2	-7.5
Mar 22	222.0	-9.3	Total OI	314,513	+28,588	Apr 22	173.1	-2.8	JRF May 22	228.4	-8.9
Apr 22	225.7	-9.7	INE TSR Feb 22	11,280	-225	May 22	174.5	-1.9	ICEX	Last (INR)	Net
May 22	229.1	-11.5	INE TSR Mar 22	11,360	-210	Jun 22	175.4	-1.9	RSS4 Jan 22	18,865	New
Total Vol.	14,348	-3,161	Total Vol.	188,445	-61,172	Total Vol.	45,975	-1,610	MCX	Last (INR)	Net
Total OI	9,480	-298	Total OI	60,555	+4,189	Total OI	47,378	+554	RSS4 Dec 21	17,775	-420

Source: JPX

Source: SHFE, INE

Source: SGX

Source: TFEX, ICEX, MCX



Source: JPX

Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 30 Nov)	9,586	-69
Shanghai SHFE Rubber Stocks (ton, 10 Dec)	215,861	+6,578
Shanghai INE Rubber Stocks (ton, 10 Dec)	60,031	+3,527
China Vehicle Total Sales (unit, 31 Oct)	2,332,801	+265,702
China Passenger Car Sales (unit, 31 Oct)	2,006,816	+256,299
China Commercial Car Sales (unit, 31 Oct)	325,985	+9,403
US Unemployment Rate (% Nov)	4.2%	-0.4
US Non-Farm Payroll (Nov)	210,000	-336,000
Japan Unemployment Rate (% Oct)	2.7	-0.1
Japan PMI (Nov)	54.5	+1.3
Japan Tankan Large Manufacturing (3Q)	+18	+4
China PMI (Nov)	50.10	+0.9
China GDP 3Q (%)	+4.9	-3.0

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	113.44	+0.64
EUR/USD	1.1313	-0.0002
GBP/USD	1.3273	+0.0037
USD/CHF	0.9213	+0.0041
AUD/USD	0.7172	+0.0171
USD/CNY	6.3700	-0.0064
USD/INR	75.78	+0.61
USD/SGD	1.3649	-0.0068
USD/MYR	4.2125	-0.018
USD/THB	33.559	-0.29
USD/IDR	14,371	-49
USD/VND	23,024	+232

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	28,437.77	+408.20
TOPIX Japan	1,975.48	+17.62
Dow Jones US	35,970.99	+1,390.91
S&P 500 US	4,712.02	+173.59
Nasdaq US	15,630.60	+545.13
CSI 300 China	5,055.12	+154.10
Shanghai China	3,666.35	+58.92
HSI Hong Kong	23,995.72	+229.03
STI Singapore	3,135.61	+33.68
KLCI Malaysia	1,488.88	-12.86
SET Thailand	1,618.23	+30.04
IDX Indonesia	6,652.92	+114.41
VSE Vietnam	1,463.54	+20.22

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Mar 22	28,380	+370
JPX TOPIX Mar 22	1,973.5	+15.0
JPX NK 400 Mar 22	17,800	+120
JPX TSE REIT Mar 22	2,047.5	+47.0
JPX NK 225 VI Jan 22	21.70	-2.55
JPX JGB 10 Year Mar 22	151.90	-0.17
JPX Gold 1 Kg Oct 22	6,462	+14
JPX Mini Gold 100g Oct 22	6,462	+14
JPX Gold Rolling Spot	6,470	+17
JPX Silver Oct 22	80.2	-1.1
JPX Platinum Oct 22	3,429	-30
JPX Palladium Oct 22	6,400	-100
JPX Corn Nov 22	38,000	+300

Source: JPX

Rubber Trading – Technical Analysis OSE May Rubber futures:

OSE active May futures had been drifting lower all week from strong overseas selling. May futures touched a low of 225.4 twice on Thurs and Friday but managed to close at 229.1. Crucial support at 220.0-220.7 (100MA) must not be breached or a bearish trend may emerge. Resistance at 240.0 and 257.5 are key points. RSI 14 days is now at 44.7%. May futures is likely to trade 220.7-240 next week & some buying interest for a rebound is possible. Stops should be placed below 220.0

Rubber Trading – SGX SICOM Feb Futures Technical Analysis:

SICOM Feb futures is hovering around crucial and major supports at 170.0-171.0 levels and still above the 100- & 200-days moving averages (MA). Buying interest may be a good bet with stops below 168.0 with a possible rally to 175/176 then 180.0 levels. 14 days RSI is at 44.4%. Prices had been down for 3 straight weeks and a rebound is likely next week. Trading Range for next week is probably 170-176 and a close below 168.5 suggest prices may erode further and will turned bearish.



Source: Bloomberg



Source: Bloomberg

Contact us

Kensuke Yazu

Derivatives Business Development
Osaka Exchange, Inc.

Tel: +81 (0) 50 3377 8645

Email: deri-w1@jpx.co.jp

Disclaimer

The copy rights for this document belong to Japan Exchange Group ("JPX") and part or all of this document shall not be reproduced, republished, uploaded, linked, posted, transmitted, adapted, copied, translated, modified, edited or otherwise displayed or distributed in any manner without JPX's prior consent.

This document is not an offer or solicitation to buy or sell, nor financial advice or recommendation for any investment product. This document is for general circulation of overview of JPX's Futures Markets only. It does not address the specific investment objectives, financial situation or particular needs of any person. Advice should be sought from a financial adviser regarding the suitability of any investment product before investing or adopting any investment strategies. Use of and/or reliance on this document is entirely at the reader's own risk. Investment products are subject to significant investment risks, including the possible loss of the principal amount invested. Past performance of investment products is not indicative of their future performance. Examples provided are for illustrative purposes only.

The information contained in this document has been compiled by a designated person/company from sources believed to be reliable, but no representation or warranty, express or implied, is made by JPX and the person/company as to its fairness, accuracy, completeness or correctness. JPX shall not be responsible or liable, whether under contract, tort including negligence or otherwise, for any loss or damage of any kind, whether direct, indirect or consequential losses, or other economic loss of any kind, including without limitation loss of profit, loss of reputation and loss of opportunity suffered or incurred by any person due to any omission, error, inaccuracy, incompleteness, or otherwise, any reliance on such information, or arising from and/or in connection with this document.

The information in this document is subject to change without notice and is provided in good faith but without legal responsibility or liability