



The Japan Rubber Futures Weekly Report:

16 Aug 2021 – 20 Aug 2021

Note: Japan GDP 2Q +0.3% Q/Q, Annual +1.3%, June Industrial Prod. +6.5%, Core Machinery Orders +18.6% on Year

Rubber Futures Report:

Rubber Futures prices closed the week lower across all markets in active trading. The first half of the week saw prices trading higher on strong physical demand and market tightness. Prices started to fall sharply on Thursday and Friday after the Fed July minutes of meeting suggested “tapering” this yearend whereby the Fed will scale back from their monthly bond buying of USD 120B. This will ultimately lead to the Fed hiking interest rate after the tapering. Equities and commodities all fell sharply. The USD surged on the tapering news put further pressure on commodity prices as the dollar index surged to a 9-month high of 93.72. On the OSE, Jan futures fell 3% with higher volume while SGX SICOM was down 2.2%. SHFE and INE rubber fell about 2.2% in active trading and there were huge position squaring and profit taking on the SHFE of about 25,000 lots. On World news: The military Taliban had taken over Afghanistan and occupied the capital Kabul. In Malaysia, PM Muhiyiddin & his cabinet had resigned and new PM Ismail Sabri Yaakob had sworn in. China has reported weaker July economic data, Retail Sales +8.5% and Ind. Production +6.4%.

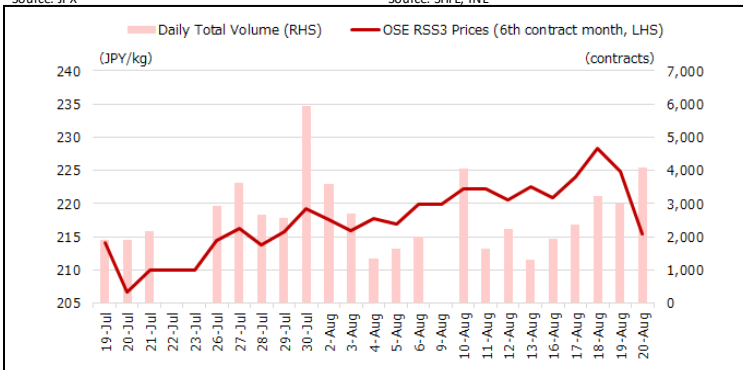
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Aug 21	201.0	-9.9	SCR/RSS Sep 21	13,290	-235	Sep 21	172.3	-2.7	RSS3 Dec 21	63.15	-1.4
Sep 21	204.4	-10.3	SCR/RSS Jan 22	14,345	-330	Oct 21	170.0	-3.8	RSS3 Jan 22	63.50	-1.25
Oct 21	206.7	-10.6	Total Vol.	2,837,908	+372,969	Nov 21	169.6	-3.9	JRF Dec 21	211.5	-8.7
Nov 21	210.0	-9.1	Total OI	300,484	-24,939	Dec 21	169.8	-3.9	JRF Jan 22	212.2	-10.0
Dec 21	213.0	-8.5	INE TSR Oct 21	11,305	-300	Jan 22	170.2	-4.1	ICEX	Last (INR)	Net
Jan 22	215.5	-7.1	INE TSR Nov 21	11,400	-205	Feb 22	170.7	-4.6	RSS4 Sep 21	17,824	+153
Total Vol.	14,650	+5,381	Total Vol.	107,630	+17,293	Total Vol.	37,480	+15,141	MCX	Last (INR)	Net
Total OI	12,011	-4.3	Total OI	33,464	+901	Total OI	37,807	+149	RSS4 Aug 21	18,040	-60

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 Aug)	7,570	-308
Shanghai SHFE Rubber Stocks (ton, 20 Aug)	211,342	+4,278
Shanghai INE Rubber Stocks (ton, 20 Aug)	45,609	+1
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 (% July)	5.4	-0.5
US Non-Farm Payroll (July)	943,000	+93,000
Japan Unemployment Rate (% June)	2.9	-0.1
Japan PMI (July)	53.0	+0.8
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	109.78	+0.19
EUR/USD	1.1698	-0.0099
GBP/USD	1.3623	-0.0243
USD/CHF	0.9171	+0.0015
AUD/USD	0.7132	-0.0238
USD/CNY	6.5015	+0.0241
USD/INR	74.3938	+0.1463
USD/SGD	1.3623	+0.0074
USD/MYR	4.2390	+0.0015
USD/THB	33.363	+0.066
USD/IDR	14,453	+65.5
USD/VND	22,818	-4

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	27,013.25	-963.90
TOPIX Japan	1,880.68	-75.71
Dow Jones US	35,120.08	-395.30
S&P 500 US	4,441.67	-26.33
Nasdaq US	14,714.66	-108.24
CSI 300 China	4,769.27	-176.71
Shanghai China	3,427.33	-88.97
HSI Hong Kong	24,849.72	-1541.90
STI Singapore	3,102.75	-62.74
KLCI Malaysia	1,518.03	+12.92
SET Thailand	1,553.18	+24.86
IDX Indonesia	6,030.77	-108.72
VSE Vietnam	1,329.43	-27.62

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Sep 21	27,010	-980
JPX TOPIX Sep 21	1,881.5	-75.5
JPX NK 400 Sep 21	16,960	-675
JPX TSE REIT Sep 21	2,112.0	-16.5
JPX NK 225 VI Sep 21	21.15	+1.6
JPX JGB 10 Year Sep 21	152.39	+0.19
JPX Gold 1 Kg Jun 22	6,298	+62
JPX Mini Gold 100g Jun 22	6,298	+62
JPX Gold Rolling Spot	6,290	+55
JPX Silver Jun 22	82.1	-0.60
JPX Platinum Jun 22	3,487	-130
JPX Palladium Jun 22	8,300	-1,010
JPX Corn Sep 22	34,180	New

Source: JPX

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

The active Jan contract settled lower at 215.5 (-7.1) and a sharp sell-off on Friday had changed market sentiment. Jan futures touched a high on 19 Aug at 230.2 and fell further after breaking 220.0 support level. RSI is now at 43.1%. The short-term rally has reversed and short term trend seems bearish. Support is expected at 205.3 and 201 while resistance is 230.2 and 233.5. The bearish market is likely to continue next week. A close above 233.0 will reverse the market to a bull trend.



Source: Bloomberg

Rubber Trading – Technical Analysis (SICOM Nov Futures Contract)

SICOM Nov futures (3rd month) closed at 169.6. The steep selling on Thurs and Friday had reversed short term market outlook and changed market sentiment. Intra-week support at 170.0 was breached & Nov futures closed below the 170.0 level signaling further losses in likely to continue. RSI is neutral at 49.7% down sharply from Wed over-bought at 74%. Another weak closing next week below 169.0 could confirm returning to a bear market. Range is expected 166.5-174.5 next week.



Source: Bloomberg

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