

The Japan Rubber Futures Weekly Report:

29 Mar. 2021 – 02 Apr. 2021

Japan Mar Tankan +5, Japan Mar PMI 52.7, Japan Feb Unemployment Rate at 3.0% & Feb Retail Sales -2.8%

Rubber Futures Report:

Rubber Futures prices closed the week mostly lower on liquidation and position squaring. Except for the OSE rubber futures back months and those on the Indian exchanges which closed marginally higher, the rest closed lower. On the SHFE, there was large open positions closed as the active May futures is being switched over to Sept futures where open Interest fell more than 27,000 lots while INE market is seen building up its Open Interest the past few weeks. SGX SICOM rubber futures were under pressure all week despite strong physical demand and firmer raw material prices. The strong USD from the higher bond yield which closed at 1.71% is also putting commodity prices under pressure & profit taking. On Global markets, the biggest news was US President Biden USD 2.12T infra-structure plan & a proposal to hike corporate tax from 21% to 28% had brought mixed reactions. The stuck giant Container liner Ever Given at the Suez Canal was cleared after 6 days blocking the channel. On Economic news, Japan Mar Tankan was surprising strong at +5, PMI better at 52.7, US Mar Unemployment rate at 6.0% and Non-farm at amazingly strong at 916,000.

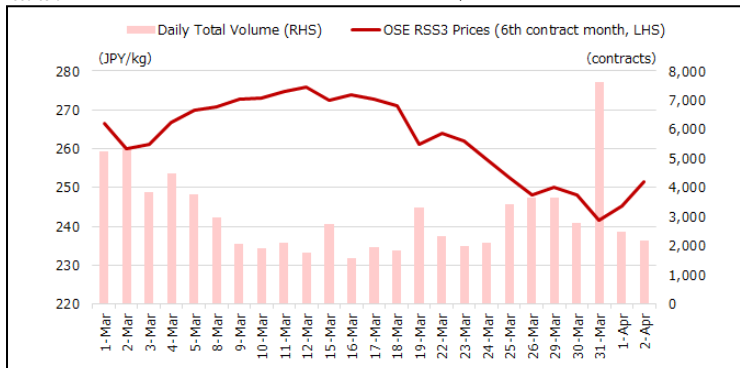
OSE RSS3	Last (JPY)	Net	SHFE/INE	Last (CNY)	Net	SICOM TSR20	Last (USC)	Net	TFEX	Last (THB)	Net
Apr 21	241.0	-7.0	SCR/RSS May 21	13,985	-35	Apr 21	166.2	Expired	RSS3 Jul 21	68.65	-1.9
May 21	243.4	-1.7	SCR/RSS Sep 21	14,240	-40	May 21	163.6	-5.6	RSS3 Aug 21	68.65	-1.85
Jun 21	245.9	-0.7	Total Vol.	2,570,923	-266,196	Jun 21	163.2	-5.9	JRF Aug 21	250.5	+1.8
Jul 21	247.8	+2.4	Total OI	273,440	-27,544	Jul 21	163.7	-5.7	JRF Sep 21	252.0	+2.5
Aug 21	250.0	+2.9	INE TSR May 21	11,105	-55	Aug 21	164.2	-5.8	ICEX	Last (INR)	Net
Sep 21	251.5	+3.5	INE TSR Jun 21	11,240	-45	Sep 21	165.0	-5.7	RSS4 Apr 21	17,054	+103
Total Vol.	18,692	+5,178	Total Vol.	170,973	+6,139	Total Vol.	26,098	-10,434	MCX	Last (INR)	Net
Total OI	11,444	+260	Total OI	53,727	+3,885	Total OI	43,774	-1,346	RSS4 Apr 21	17,151	+214

Source: JPX

Source: SHFE, INE

Source: SGX

Source: TFE, ICX, MCX



Source: JPX

Important Data / Stock levels	Last	Net
Japan OSE Rubber Stocks (ton, 20 Mar)	7,232	+242
Shanghai SHFE Rubber Stocks (ton, 2 Apr)	176,806	+904
Shanghai INE Rubber Stocks (ton, 2 Apr)	60,723	-1,370
China Vehicle Total Sales (unit, 28 Feb)	1,455,000	-1,048,168
China Passenger Car Sales (unit, 28 Feb)	1,156,000	-888,769
China Commercial Car Sales (unit, 28 Feb)	299,000	-159,399
US Unemployment Rate (% Mar)	6.0	-0.2
US Non-Farm Payroll (Mar)	+916,000	+448,000
Japan Unemployment Rate (% Feb)	3.0	+0.1
Japan PMI (Mar)	52.7	+1.3
Japan Tankan Large Manufacturing (31/3)	+5	+15
China PMI (Mar)	51.9	+1.3
China GDP 4Q (%)	+6.5	+1.6

Source: JPX, SHFE, Bloomberg

FOREX	Last	Net
USD/JPY	110.69	+1.05
EUR/USD	1.1759	-0.0035
GBP/USD	1.3832	+0.0043
USD/CHF	0.9423	+0.0032
AUD/USD	0.7610	-0.0027
USD/CNY	6.5670	+0.0259
USD/INR	72.3275	+0.8112
USD/SGD	1.3461	+0.0005
USD/MYR	4.1395	-0.0075
USD/THB	31.188	+0.086
USD/IDR	14,525	+107.5
USD/VND	23,073	-3

Source: Bloomberg

Stock Index	Last	Net
NK225 Japan	29,854.00	+677.30
TOPIX Japan	1,971.62	-12.54
Dow Jones US	33,153.21	+80.33
S&P 500 US	4,019.87	+45.33
Nasdaq US	13,480.11	+341.38
CSI 300 China	5,161.56	+123.57
Shanghai China	3,484.39	+66.06
HSI Hong Kong	28,938.74	+602.31
STI Singapore	3,181.68	+23.73
KLCI Malaysia	1,585.35	-16.07
SET Thailand	1,596.27	+21.41
IDX Indonesia	6,011.46	-184.10
VSE Vietnam	1,224.45	+62.24

Source: JPX, Bloomberg

JPX Derivatives	Last	Net
JPX NK225 Jun 21	29,930	+830
JPX TOPIX Jun 21	1,977.0	+4.0
JPX NK 400 Jun 21	17,835	+10
JPX TSE REIT Jun 21	1,996.0	+5.5
JPX NK 225 VI Apr 21	19.70	-1.00
JPX JGB 10 Year Jun 21	151.01	-0.35
JPX Gold 1 Kg Feb 22	6,134	+63
JPX Mini Gold 100g Feb 22	6,134	+63
JPX Gold Rolling Spot	6,131	+60
JPX Silver Feb 22	89.5	-0.5
JPX Platinum Feb 22	4,260	+185
JPX Palladium Feb 21	9,494	+229
JPX Corn Mar 22	31,530	+1,910

Source: JPX

Rubber Trading – Technical Analysis (OSE Rubber):

The Japan OSE rubber market maintain its gradual uptrend since April 2020. The 6th futures active month hit a high twice at around the JPY 293 levels on 29 Oct 2020 and 25 Feb 2021 making it a Double-Top and now is the key resistance area. Last week, prices fell and touch the 100 days moving average 242 level but managed to close at 251.5 on Friday. The critical support at JPY 242 must not be breached in-order to maintain it's up trend. Longs positions must be wary and place sell stops at 241.0.



Source: Bloomberg

Rubber Trading – Technical Analysis (SGX SICOM Rubber):

The SGX July futures longs were stop-out at 168.0 as prices broke through the support and fell to a low of 158.7 on Wed 31 Mar. Now July futures is trading below both the 50- and 100-days moving averages and technically the market is bearish. However, RSI touched a nearly over-sold level at 32% which an attempt to long for a short-term rebound is possible. Any retracement may be limited to 169/170 where fresh selling is likely. Longs should stop at 157.0 while Shorts stop at 172.0.



Source: Bloomberg

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