## **IRCo Market Watch (24 - 28 Dec. 2012)**

By Yium TavarolitThe Movements of Global Stocks, Finance and EnergyAsian stocks ended higher on Friday as Chinese manufacturing expanded and investors hoped U.S. lawmakers could still reach an agreement before the year end to avert the so-called fiscal cliff. The Japanese Nikkei Index settled higher at 10,395.18. Elsewhere, Hong Kong's Hang Seng Index edged 0.2% higher at 22,666.59. China's Shanghai Composite Index climbed 1.2% to 2,233.25. South Korea's Kospi and Australia's S&P/ASX 200 each finished 0.5% higher. European stocks remained in a downtrend on Friday as investors were still cautious about the unsettled U.S. fiscal cliff. The Stoxx Europe 600 Index fell 0.7% to close at 278.78, and closed out the week 0.8% lower. The French CAC 40 Index lost 1.5% to 3,620.25 and was off 1.1% on a weekly basis. The U.K.'s FTSE 100 Index lost 0.5% at 5,925.37. On the week, the Index dropped 0.3%. And the German DAX 30 Index closed 0.6% lower at 7,612.39.U.S. stocks continued falling on Friday as investors lost hope that the bipartisan could reach an agreement of the lingering fiscal cliff by the end of the year. The Dow Jones Industrial Average finished with a loss of 158.20 points, or 1.21%, to 12,938.11, for its fifth straight decline. The Standard & Dry's 500-stock index lost 15.67 points, or 1.10%, to 1,402.43, while the Nasdaq Composite slid 25.59 points, or 0.86%, to 2,960.31. The dollar weakened against the euro but the Japanese yen during the week as forex traders were still unsure how the so-called U.S. fiscal cliff would end, and they were still confident that Japanese Prime Minister Shinzo Abe would be aggressive for monetary easing by the Bank of Japan and big fiscal spending. On Friday in New York, the dollar was at Y85.95 from Y86.10, and at CHF0.9150 from CHF0.9133, according to EBS via CQG. The euro was at \$1.3216 from \$1.3236. The common currency was at Y113.57from Y113.99. And the U.K. pound was at \$1.6163 from \$1.6098. Crude oil futures stayed firm during the week despite the consecutive fall in the Dow Jones Industrial Average, mainly caused by a lingering U.S. fiscal cliff. On Friday, U.S. crude futures fell 7 cents to settle at \$90.80 a barrel on the New York Mercantile Exchange, according to Dow Jones Newswires.Rubber MarketsTokyo and Shanghai rubber futures rose significantly throughout the week on the back of a weaker yen against the dollar and strong Japanese and Chinese stock markets, and they influenced physical rubber markets in the region to follow suit.IRCo's technical MACD continued pulling up its Signal Line in positive territory on Friday while its RSI also continued rising from 73.88% on an earlier Friday to 86.65% on Friday. Overall, we can say that technical charts have turned bullish because of an improvement on rubber market fundamentals, especially a continued weakening yen against the dollar since early November, rises in Japanese and Chinese stock markets despite a fall in U.S. stock markets being weighed by the so-called fiscal cliff, firm crude oil futures, and tight natural rubber (NR) supply in southern Thailand and northern Malaysia caused by persistent heavy rainfall.