

Tokyo rubber futures slip after ECB warns of euro zone risks (Feb. 8)

TOKYO, Feb 8 (Reuters) – Key TOCOM rubber futures slipped on Friday as the demand outlook dimmed after comments from the European Central Bank President Mario Draghi that highlighted risks facing the euro zone, while investors eyed Chinese data for more trading cues.

FUNDAMENTALS

* The most-active Tokyo Commodity Exchange rubber contract for July delivery `<0#2JRU:>` was trading at 331.3 yen per kg as of 0117 GMT, down 1.7 yen, or 0.5 percent, from Thursday's close. The contract fell to as low as 328.9 yen earlier.

* Draghi said economic activity in the euro zone should gradually recover later in 2013 but there are more negative risks than positive ones.

* China's economic rebound should show signs of strengthening on Friday when the trade data is released, although distortions caused by the Lunar New Year holiday will make it difficult to gauge momentum.

* Markets in China will be closed next week for the Lunar New Year holiday.

MARKET NEWS

* Asian shares were capped on Friday after Draghi noted risks still facing the euro zone economy, turning investor sentiment more cautious ahead of Chinese trade data for January due out during the session.

* The euro hovered near a two-week low after Draghi said he would monitor the impact of the currency's strength, making more straightforward remarks on the exchange rate than many had expected.

* U.S. crude held just below \$96 per barrel and were headed for a drop of nearly 2 percent this week.

DATA EVENTS* The following data is expected on Friday: (GMT)N/A China ExportsN/A China ImportsN/A China Trade balance0530 China CPI0530 China PPI0700 Germany Trade balance0900 Italy Industrial output1330 U.S. International trade1700 U.S. World Agricultural Supply and Demand Report1930 U.S. CFTC commitment of traders data (Reporting by Aaron Sheldrick; Editing by Himani Sarkar)Reuters