

## Tokyo futures climb on hopes for fresh stimulus (Sept 10)

TOKYO, Sept 10 (Reuters) – Key TOCOM rubber futures rose early on Monday as soft data in the United States and China fanned hopes of more stimulus measures from the world's two biggest economies that could help boost demand.

### FUNDAMENTALS

\* The key Tokyo Commodity Exchange rubber contract for February delivery `&lt;0#2JRU:&gt;` was up 1.6 yen, or 0.7 percent, at 229.4 yen per kg as of 0025 GMT, rising for a third day.

\* Data on Sunday revealed Chinese factories ran at their slowest rate for 39 months in August, while the U.S. payrolls report on Friday showed jobs growth slowed sharply last month.

\* In a Reuters poll conducted after the jobs numbers, economists gave a 60 percent chance to the Fed implementing a fresh round of asset buying, or QE3, at the conclusion of its September 12-13 policy meeting. This compared with 45 percent in a late August poll.

\* Rubber inventories in key Shanghai warehouses doubled from a month ago to reach the highest in over a year, as poor physical demand led producers in top consumer China to trade more on the futures market and take advantage of higher prices.

\* Truck sales by industry leader Daimler were up 23 percent in the first seven months of the year, thanks to strong demand in Asia and North America for its Freightliner and Fuso vehicles, a top executive said on Friday.

\* Japan's economy grew less than initially estimated in the second quarter as companies held back on capital expenditure due to growing signs that Europe's sovereign debt crisis and a slowdown in China's economy are weighing on global demand.

### MARKET NEWS

\* U.S. crude futures slipped on Monday in early Asian trade, disappointed at soft Chinese and U.S. economic data, but the fall was braked by expectations of a third round of U.S. monetary stimulus this week and escalating tensions in the Middle East.

\* The yen hovered at around 78.20, against the U.S. dollar, not far off a five-week high around 78.02 plumbed on Friday.

\* Japan's Nikkei average slipped 0.3 percent in early trade on Monday, led by exporters as the yen strengthened on mounting expectations that the Federal Reserve would launch further stimulus.

#### DATA EVENTS

\* The following data is expected on Monday:

- 0100 China Exports August

- 0100 China Imports August

- 0100 China Trade balance August

- 0500 Japan Consumer confidence index Aug

- 0645 France Industrial output July

- 1900 U.S. Consumer credit for July

(Reporting by Yuko Inoue; Editing by Ed Davies)