

## **Tokyo rubber futures rise over 2 pct on Fed optimism (Mar. 21)**

TOKYO, March 21 (Reuters) – Key TOCOM rubber futures rose more than 2 percent on Thursday, bolstered by the Federal Reserve’s decision to maintain aggressive monetary stimulus, and by expectations of further easing from the Bank of Japan’s new leadership.FUNDAMENTALS\*

The key Tokyo Commodity Exchange rubber contract for August delivery was changing hands 7.0 yen higher at 280.3 yen as of 0030 GMT.

The benchmark contract earlier touched a three-day high of 280.7 yen.TOCOM markets were closed on Wednesday for a national holiday.\*

The Federal Reserve wrapped up a two-day meeting on Wednesday by pressing forward with its aggressive efforts to stimulate the U.S. economy, saying it would take into account risks posed by its policies but also how much progress it was making in lowering unemployment.\*

Cyprus considered nationalising pension funds and ordered banks to stay shut till next week to avert financial chaos after it rejected the terms of a European Union bailout and turned to Russia for aid.\* Some Thai rubber sellers held back stocks after prices plunged to their lowest in at

least four years, but Indonesian grades attracted purchases from tyre makers, dealers said on Wednesday.Tight supply during the wintering season in Thailand failed to help prices defy pressure from declines in price-setting Tokyo rubber futures, while the absence of top rubber

consumer China also weighed on the physical market.MARKET NEWS\* U.S. stocks climbed on Wednesday, with the S&P 500 snapping a three-day losing streak.\* The yen was broadly softer in Asia on Thursday as markets waited for clues to see how quickly the new Bank of

Japan governor will deliver aggressive easing policies when he gives his first media conference later in the day.\* Brent crude oil rose above \$108 a barrel on Wednesday, recovering from a three-month low after the U.S. Federal Reserve signalled it would continue its stimulus

programs and on optimism that European policymakers can keep a debt crisis in Cyprus from spreading.\* Japan’s Nikkei share average rose to a 4-1/2 year high on Thursday, bolstered by the U.S. Federal Reserve’s pledge to maintain stimulus and expectations of further monetary easing

from the Bank of Japan’s new leadership.DATA EVENTS\* The following data is expected on Thursday: (Time in GMT)- 0858 Euro Zone

Markit Mfg flash PMI March- 1230 U.S. Initial jobless claims- 1258 U.S. Markit Mfg PMI Preliminary March- 1300 U.S. Monthly home price

Jan- 1400 U.S. Existing home sales Feb- 1400 U.S. Leading index Feb- 1400 U.S. Philly Feb business index March- 1400 American Petroleum

Institute monthly report Feb- 1430 U.S. EIA underground natural gas stocks (Reporting by Osamu Tsukimori; Editing by Richard Pullin)Reuters