

## Tokyo rubber futures edge down, BOJ in focus (May 22)

TOKYO, May 22 (Reuters) – Key Tokyo rubber futures extended declines on Wednesday on falling oil prices, while investors awaited the end of a Bank of Japan policy meeting for clues on whether the yen would continue to strengthen, dampening demand for commodities priced in the currency.

**FUNDAMENTALS\*** The key Tokyo Commodity Exchange (TOCOM) rubber contract for October delivery was trading 0.6 percent lower at 286.7 yen per kg as of 0025 GMT.\* The October contract hit a one-week high of 294.4 yen on Tuesday before reversing gains to settle lower at 288.4 yen. That underscored market views that concerns about oversupply will keep the TOCOM market from rising clearly above technical resistance around 290 yen.\* The growth in global demand for natural and synthetic rubber will be slower than previously expected in 2013 amid concerns about the health of the world economy, the International Rubber Study Group said on Tuesday.\* In April, China, the world's biggest rubber consumer, imported 32.6 percent more natural rubber than a year earlier, according to official customs data.\* Supply from Thailand, the world's biggest rubber producer, typically increases on seasonal factors in the coming months.

**MARKET NEWS\*** Japan's Nikkei average climbed to a 5-1/2-year high on Wednesday, ahead of the outcome of the BOJ meet, buoyed by the U.S. Dow Jones and S&P 500 indexes closing at record highs.\* The dollar edged down against the yen in early Asian trade on Wednesday.\* Crude prices fell on Tuesday, led lower by a sharp drop in U.S. gasoline futures as traders bet the market would be well supplied this summer.

**DATA EVENTS\*** The following data is expected on Wednesday: (Time in GMT)

Time (GMT)	Event
N/A	Bank of Japan announces monetary policy decision
0800	Euro zone Current account
1400	U.S. Existing home sales
1400	Federal Reserve Chairman Ben Bernanke testifies on economic outlook before U.S. congressional committee
1800	FOMC releases minutes of April 30-May 1 meeting

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