

China Rubber: 20,000 mark mind up

Shanghai rubber price of a new downtrend lows this week, but as bad digestion, the supporting role of the 2 million mark at the top highlights. During the holiday season, poor U.S. employment data and crude oil inventories hit its highest level since 1990, resulting in a sharp fall in oil prices, Shanghai rubber main contract RU1309 opened lower on Monday at 20,990 yuan / ton, the 21000-point line, however, a strong supporting role Jiaojia intraday rebound sharply. A few days later, the long and short mood became more cautious in the the weak overall pattern, rubber prices upward rebound weakness downside is facing the support of the critical areas. Ultimately, the futures price on Friday to close at 21,350 yuan / ton. On plastic premium advantage is difficult. The sharp depreciation of the yen in Japanese government advocated a lenient policy under the influence of, but monetary the powerful easing policy failed to stimulate the Japanese rubber premium advantage became manifest on plastic main contract insurance last week, breaking the 250 yen / kg mark. On plastic weak run because devaluation significant role of the increase in the cost of imports, imports of natural rubber a year-on-year in Japan continued to shrink demand is still very weak. The terminal demand also highlights the weakness scene, no improvement in new car sales in March, the negative effects of the supply and demand side become the key factors that influence the prices run. Very price Deal around the corner. Recently, the state-owned rubber producing Figure by Supply Management Deal Jiaojia support measures around the corner. Meeting this week, 10-12, organized by the International Tripartite Rubber Council (ITRC), the world's second largest producing countries, Indonesia proposed that the past six months with Thailand, Malaysia will cut overseas supply management effectiveness assessment to determine whether the measures to be taken very price. Thailand's Deputy Minister of Agriculture, said that until the end of May, Thailand will be reduced by 10% of the export volume to support rubber prices. Although the very price behavior is not enough to change the running trend of rubber prices, but short-term help to stabilize the price. The decline has long been thought up. From a fundamental point of view tire factory terminal inventory backlog still more fundamental pattern did not change significantly change, but Shanghai rubber price experienced a decline of more than 6000 points, the market is currently thought up, bargain-hunting fund is also likely imminent. Meanwhile, pre-short profit-taking are likely to cause the rapid rebound of the futures price. This week the price at 21000-22000 interval running, expected late fluctuations will intensify in this range require pre-short wake-up call only the profit. Jiaojia the short term to make the probability of directional selection, 05 and 09 contracts spread may also be further reduced, there is an arbitrage opportunity. CRIA