

## Tokyo rubber futures fall; head for 7 pct monthly loss (Mar. 29)

TOKYO, March 29 (Reuters) – Key TOCOM rubber futures fell more than 1 percent on Friday, unsettled by demand concerns over the problems in the euro zone economy after the Cyprus bailout, with the benchmark September contract on track for a 7 percent loss this month.

**FUNDAMENTALS\*** The benchmark Tokyo Commodity Exchange rubber contract for September delivery was trading down 1.2 percent at 271.5 yen per kg as of 0028 GMT.\* The TOCOM market touched a three-month low of 269.5 yen on March 18 after reaching 303.3 yen on March 11, the highest since Feb. 21.\* The market is poised to end March about 7 percent lower and the quarter about 10 percent down.\*

Japan's factory output unexpectedly dipped in February and a fourth consecutive drop in core consumer prices underscored the challenges the central bank faces in engineering economic recovery and achieving its 2 percent inflation target.\* Thailand, the world's biggest rubber producer and exporter, will continue cutting exports for another two months after a scheme agreed with Indonesia and Malaysia expires at the end of March, a senior government official said on Thursday.\* China shares suffered their worst loss in nearly a month on Thursday, as Hong Kong closed out the first quarter on a tepid note, with banks sinking after Chinese regulators ordered more transparency on wealth management products.

**MARKET NEWS\*** The dollar traded at around 94.25 yen in early Asian trade on Friday, near a three-week low below 94 yen marked earlier this week.\* Japan's Nikkei share average opened up 0.56 percent on Friday.\* Crude futures rose on Thursday, the last session of the first quarter, in choppy trading with stronger Wall Street equities and a weaker dollar supporting dollar-denominated oil prices.

**DATA EVENTS\***

The following data is expected on Friday: (Time in GMT)0500 Japan Construction orders0500 Japan Housing starts0745 France Consumer spending0745 France Producer prices0900 Italy Producer prices1230 U.S. Personal income1930 U.S. CFTC commitment of traders data(Reporting by Risa Maeda; Editing by Ed Davies)Reuters