

## Tokyo rubber futures hit fresh 8-mth high on yen (Jan. 10)

TOKYO, Jan 10 (Reuters) – Key TOCOM rubber futures hit a fresh eight-month high, up more than 2 percent, early on Thursday as the yen's renewed weakness to near a 2 1/2-year low and gains on shares lifted sentiment.

### FUNDAMENTALS

\* The key Tokyo Commodity Exchange rubber contract for June delivery &#2JRU:&gt; was up 2 percent, or 6.1 yen, at 314.1 yen at 0035 GMT. The benchmark contract rose as high as 314.4 yen, up 2.1 percent, the highest since May.

\* China's trade data due out later in the day is expected to show a rebound from a three-month low, although the recovery is likely to be feeble as U.S. and European demand is still far below levels that would herald a convincing revival.

Analysts polled by Reuters expect the value of Chinese exports to grow 4 percent in December from a year ago, up from November's surprisingly weak annual 2.9 percent rise, when data showed China exported fewer TVs, watches, plastics and shoes.

\* European auto sales will weaken further this year and Germany may be slipping into recession, General Motors Co's top executive said, making the U.S. automaker's task of turning around its money-losing Opel unit in that region more difficult.

### MARKET NEWS

\* The yen was on the defensive near a 2 1/2-year low on Thursday on expectations Bank of Japan policy will take a fresh and bold approach to boost inflation later this month.

\* Japan's Nikkei average advanced and may test a 22-month high as a softer yen bolstered shares of exporters, which have been rallying strongly over the past two months.

\* U.S. crude futures edged lower on Wednesday in choppy trading as rising oil inventories and increasing domestic crude oil production applied pressure.

DATA EVENTS\* The following data is expected on Thursday:N/A – China Exports Year on Year for DecN/A – China Imports Year on Year for DecN/A – China Trade balance for Dec0745 – France Industrial Output For November0745 – France CPI For December1200 – Bank Of England Rate Decision For January1245 – European Central Bank Rate Decision1330 – ECB President Mario Draghi Holds News Conference1330 – U.S. Weekly Jobless Claims1500 – Wholesale Inventories For November(Reporting by Yuko Inoue; Editing by Richard Pullin)Reuters