

China Rubber Market: CPI impact to increase short-term shocks still

The domestic front, the rubber-producing areas of Hainan, Guangdong, Yunnan, stop cutting. Full latex rubber market this week turnover of 187 tons, the concentrated latex turnover 240 tons, these two species are compared with the previous trading week, full latex and concentrated latex volume are significantly reduced. Deserted domestic rubber spot market trading atmosphere, Qingdao Free Trade Zone imported glue inventory is still at a high level, the storage is more difficult.

News, U.S. President Barack Obama and Republican “financial cliff” agreed trigger the mechanism of automatic fiscal spending cuts delayed to March 1, for the time being to avoid the tragedy of the American financial jumping; decision on the 11th of the Japanese government launched a total of 20.2 trillion yen (U.S. \$ 226.2 billion), a large-scale economic stimulus plan to overcome deflation and stimulate economic growth.

Hujiao aspects, Shanghai natural rubber futures overall out of the shock consolidation trend. This week the 1305 contract Hujiao relative to the last trading week, trading volume significantly increased positions slightly reduced disk mainly to weak shocks, the lowest closing price of 25,710 yuan / ton, the highest closing price of 26,205 yuan / ton.

Other aspects, this week, the dollar index is weak shocks, cloth oil shock is weak, the Dow Jones index shock up, the market worried about the mentality of slowing.

Overall, natural rubber, the lack of a continuous rise in the power macro-stabilization, demand pattern. The market digested the yen devaluation compensatory growth positive, with the attendant increase in CPI record nearly 7-month high message affect the overall bearish. In the case of short-term negative factors to expand The shock pattern Hujiao will continue.

Thus, short-term domestic rubber prices are influenced by many factors, natural rubber trend may shock pattern.CRIA