

## Tokyo futures jump 2 pct, bouncing after 3-day selloff

TOKYO, March 15 (Reuters) – Benchmark Tokyo rubber futures climbed 2 percent on Friday, rising for the first time in four days, after a fall to a three-month low the previous day encouraged fresh buying and as strength in U.S. equities bolstered investor sentiment.

### FUNDAMENTALS

\* The benchmark Tokyo Commodity Exchange (TOCOM) rubber contract for August delivery traded 1.8 percent higher at 282.7 yen per kg as of 0012 GMT. But it is poised to lose about 5 percent on the week.

\* The contract on Thursday fell as low as 272.4 yen, the lowest since Dec. 14, as the outlook for demand was hurt by news this week that China's monetary policy had been changed to neutral from loose.

\* On Monday, it had hit its highest in more than two weeks of 303.3 yen on the back of a weaker yen.

\* The Dow Jones industrial average extended its winning streak to 10 days on Thursday, a string of gains last seen in late 1996, and ended at another record high as investors were encouraged by data showing the labor market's recovery was improving.

\* Volkswagen, Europe's biggest carmaker, plans to almost double production capacity in China over the next five years to grab a bigger slice of fast-growing emerging markets and offset declining demand at home.

### MARKET NEWS

\* The Nikkei share average rose on Friday on growing expectations that the central bank will ease monetary policy aggressively under new leadership, which is expected to be approved by parliament later in the day.

\* The rally in the U.S. dollar took a breather on Friday as sterling enjoyed a short squeeze, while the Australian dollar made the most of a barnstorming employment report at home.

\* U.S. oil futures rose to the highest settlement price in two weeks on Thursday as data showed an improving U.S. labor market in the world's largest oil consumer.

DATA EVENTS\* The following data is expected on Friday: (Time in GMT)1000 Euro zone Euro zone labor costs1230 U.S. Inflation1230 U.S. New York Fed manufacturing1300 U.S. Net capital flows1315 U.S. Industrial output1355 U.S. Univ of Michigan sentiment index1930 U.S. CFTC commitment of traders data (Reporting by Risa Maeda; Editing by Chris Gallagher)