

## Tokyo rubber futures rise 2.2 percent on yen weakness (Jan. 15)

TOKYO, Jan 15 (Reuters) – Key TOCOM rubber futures rose as much as 2.2 percent on Tuesday as yen weakness brightened sentiment and boosted shares to a 32-month high, although the contract later gave up some gains as traders took profits.

### FUNDAMENTALS

\* The key Tokyo Commodity Exchange rubber contract for June delivery  $\text{0#2JRU}$  was up 1.3 percent, or 4.1 yen, at 316.3 yen per kg as of 0050GMT. The benchmark contract earlier rose as high as 319.1 yen, up 2.2 percent.

\* Japan's Prime Minister Shinzo Abe said on Sunday the central bank must set a 2-percent inflation target as a medium-term, not long-term, objective. This indicates the central bank would have to print more yen to boost the economy.

\* Japan last week approved a \$117 billion stimulus package, the biggest spending boost since the financial crisis, in an effort to support the economy.

\* Nissan Motor Co. CEO Carlos Ghosn said the U.S. car market should expand this year, but is looking for European sales to contract another 3 percent.

### MARKET NEWS

\* Japan's Nikkei share average rose 1.2 percent to a 32-month high in early trade as the yen's weakness boosted demand for exporters' shares.

\* The yen was quoted at 89.47 to the dollar on Tuesday after falling to a 2-1/2-year low of 89.67 in the previous session, while the Japanese currency was traded at 119.76 to the euro.

\* U.S. crude oil prices rose 58 cents to settle at \$94.14 a barrel on Monday, led higher by strength in the distillate futures following a series of refinery glitches.

DATA EVENTS\* The following data is expected on Tuesday:- 0800 Germany 2012 GDP- 1000 Euro zone Eurostat trade Nov- 1245 U.S. ICSC weekly chain store sales- 1330 U.S. PPI inflation Dec- 1330 U.S. Retail sales Dec- 1330 U.S. New York Fed manufacturing Jan- 1500 U.S. Business inventories Nov- 2130 U.S. API weekly crude stocks(Reporting by Yuko Inoue; Editing by Richard Pullin)