

## **China: Secondary fall in natural rubber oversold bounce**

Yesterday Shanghai rubber continue to rebound a technical rebound after a continuous drop is also reasonable, but the rebound did not cross the 10-day moving average, vulnerable rebound, the short-term will plunge into a sideways rest, short-term decline in the trend of the repeatedly, due to high natural rubber stock is still on the trend of the formation of larger suppress natural rubber mid-may still continue to fall.

Moving average measurement City: The rebound has not crossed the 5-day moving average, did not reach the 10-day moving average

Technical analysis: the head is clear, and the formation of short-term downward trend, the mid-disadvantaged

Operating strategy

A technical rebound in the short-term natural rubber continued to slump due to high inventory of crude oil, fell, it is projected that there will further lower the power, mid-disadvantaged die hard in high air one can continue to position the 10-day moving average for the center line for the win bit.

Fundamentals update

1, The spot market, East China domestic full latex 24050 / ton (-200); the exchange warehouse receipts 50,750 tons (-30).

2, SICOM TSR20 settlement price in recent months, 296.7 (-3.1) 21,922 (-241) fold the cost of imports, imported in profitable 2128 (+41);

RSS3 settlement price in recent months, 299 (-2.3) 23,593 (-183) fold the cost of imports. 287 (-8.3) of the main force of the Japanese rubber fold to U.S. \$ 3115 (-26), fold the cost of imports 24506 (-203).

Qingdao Free Trade Zone Price: Thailand 3 smoked rubber offer \$ 3,035 / ton (-35), folding RMB 23,726 (-271); the 20th adhesive dollars offer of \$ 2,945 / ton (-20), equivalent to RMB 21,616 (- 161)

4, Thai raw film 79.37 (-1.72) fold the dollars cost 2831 (-54)

5, styrene-butadiene East China offer 17,250 / ton (-150), Shun Ding Huadong price of 17,550 yuan / ton (+0).

6, 1 month natural rubber imports 250,000 tons, a year-on-year growth of 85.3%, the synthesis of imports grew by 41.3%.

7, as of January 30, Qingdao Free Trade Zone, natural rubber + compound inventory of approximately 279,300 tons, an increase of 11,000 tons over six weeks ago. Rubber (23,930, -760.00, -3.08%) of the total inventory of 32.8 million tons, increased by 1.4 million tons. Highs.

8, January 31, according to research, Shandong Province tire factory-steel operating rate fell from 4.1 to 58.4 0.8 to 80.6, semi-steel fell.

9, Thailand on the 19th, Deputy Minister of Agriculture, said the Thai government will cease to continue to perform its rubber purchase mechanism, because the rubber prices have rebounded. The current plan will be due in late March.