

Asian Rubber Futures Settle Up; Qingdao Stocks Up 1.6% Vs Jan. 14

Asian rubber futures settled mostly higher Tuesday, even as trade activity was winding down ahead of the Lunar New Year holiday, as China, the world's largest consumer and importer of the commodity, was acquiring supply for forward shipment.

However, technical trends suggest natural rubber futures may face downside risk this week as traders liquidate longs ahead of the long holiday in China, said International Rubber Consortium chief secretary Yium Tavarolit in a weekly report.

Benchmark July natural rubber on the Tokyo Commodity Exchange settled ¥1.1 lower at ¥312.6 a kilogram amid healthy supply in major producer Thailand. Singapore-based Phillip Futures analyst Ker Chung Yang said Tocom will be dictated by the yen's movement, and that traders will also be watching for data from China for any indication of its demand.

July Tocom rubber closed ¥0.6 higher at ¥313.2/kg in the night session, which is considered part of the next trading day.

Benchmark May natural rubber on the Shanghai Futures Exchange settled 0.9% higher.

Natural rubber stocks—including compound rubber—in the main Chinese rubber port totaled 271,000 metric tons as of Jan. 26, rising 1.6% from 266,800 tons on Jan. 14, said traders.

Physical rubber prices were mixed. Buyers from China were acquiring shipments for March and April. "They can't do February anymore due to the long holidays, which will affect cargo delivery," said a trading executive in Phuket. IRCo