

Tokyo futures fall on profit-taking after jump (Sept 7)

TOKYO, Sept 7 (Reuters) – Key TOCOM rubber futures fell on Friday on profit-taking as news that the European Central Bank would make potentially unlimited purchases of bonds from heavily indebted euro zone countries failed to push the market higher after it jumped nearly 4 percent the day before.

FUNDAMENTALS

* The key Tokyo Commodity Exchange rubber contract for February delivery 0#2JRU was changing hands down 1.7 yen, or 0.7 percent, at 225.3 yen as of 0057 GMT.

The contract rose 3.6 percent on Thursday, rebounding from a heavy 3.8 percent decline in the previous two sessions, continuing to move back and forth within its recent range, trade sources said.

* TOCOM rubber has recently been heavily influenced by fund-led cross trades between TOCOM and Shanghai rubber markets with little regard for market news or fundamentals, trade sources said.

* Indonesia, the world's second-largest rubber producer, will start cutting exports in the fourth quarter of this year to boost sagging prices, but some traders have expressed doubts over the efficacy of such a measure.

MARKET NEWS

* U.S. stocks closed at multi-year highs on Thursday, with the S&P 500 ending at its highest level since before the collapse of Lehman Brothers as investors hailed the ECB's new bond-buying programme.

* The euro and commodity currencies like the Australian dollar held onto gains in Asia on Friday.

* Oil prices settled higher but well off the day's peaks on Thursday, supported by a drop in U.S. crude oil inventories, strong jobs data and the ECB's announcement.

* Japan's Nikkei share average rose sharply at Friday's open.

DATA EVENTS

* The following data is expected on Friday: (Time in GMT)

- 1230 U.S. Non-farm payrolls August

- 1430 U.S. ECRI weekly index (Reporting by Osamu Tsukimori; Editing by Joseph Radford)