

Tokyo futures edge down on fading summit hopes (June 26)

TOKYO, June 26 (Reuters) – Key TOCOM rubber futures inched down in early trade on Tuesday, tracking losses in shares and weak oil prices, on scepticism that this week's European summit will produce any significant progress to tackle the region's debt crisis.

FUNDAMENTALS

* The key Tokyo Commodity Exchange rubber contract for December delivery <#2JRU:>, which debuted on Tuesday, traded at 233.7 yen as of 0030GMT after opening at 233.3 yen per kg.

* The previous benchmark November contract was down 3 yen, or 1.3 percent, at 234.3 yen.

* Expectations for the two-day summit, which starts on Thursday, are low after Germany resisted pressure for common euro zone bonds or a flexible use of Europe's rescue funds at a meeting of the region's four biggest economies last week.

* India's natural rubber imports are likely to drop by 27 percent to 150,000 tonnes in the current year to end-March 2013 as local output rises and international prices make imports less attractive, a senior government official said.

* Rubber output and exports this year in Indonesia, the world's second-biggest producer, are expected to fall by as much as 10 percent, an industry group said on Monday, due to dry weather conditions and falling global prices.

MARKET NEWS

* Oil extended gains on Tuesday after concerns that Tropical Storm Debby would batter U.S. production platforms in the Gulf of Mexico eased.

* Japan's Nikkei share average fell to a one-week low in early deals on Tuesday after U.S. stocks tumbled on the Monday session.

DATA EVENTS

* The following data is expected on Tuesday:

- 1145 U.S. ICSC chain stores Weekly
- 1300 U.S. S&P/Case-Shiller home index April
- 1400 U.S. Consumer confidence June
- 1400 U.S. Richmond Fed manufacturing index June
- 2030 U.S. API weekly crude stocks Weekly
- U.S. Build permit revisions May

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