

## Tokyo rubber futures fall to 3-week low as yen gains (May 30)

TOKYO, May 30 (Reuters) – Benchmark Tokyo rubber futures fell more than 3 percent to a three-week low on Thursday as a rise in the yen and a drop in equity markets prompted stop-loss selling.

**FUNDAMENTALS\*** The benchmark Tokyo Commodity Exchange (TOCOM) rubber contract for November delivery traded 3.3 percent lower at 258.5 yen per kg as of 0025 GMT.\* The contract earlier fell as low as 258.2 yen, the lowest since May 7.\* Tyre grade prices slipped this week as well-stocked China turned its back on the physical market, but bargain hunters from Europe and the United States resurfaced, chasing nearby shipments, dealers said on Wednesday.

**MARKET NEWS\*** The dollar dropped to its lowest level against the yen in nearly three weeks on Thursday as investors pushed back expectations that the U.S. Federal Reserve will pare its stimulus programme any time soon.\* The Nikkei share average fell below 14,000 on Thursday with a drop in U.S. stocks and a stronger yen hurting sentiment, while caution over the recent volatility in the Japanese market is keeping investors risk-averse.\* U.S. stocks fell on Wednesday as high-yielding dividend stocks lost some of their luster after recent gains in U.S. Treasury bond yields.\* Oil futures slid nearly 2 percent on Wednesday, as U.S. equity markets slid lower and investors worried about an uncertain demand outlook for the global economy following weak growth forecasts for China.

**DATA EVENTS\*** The following data is expected on Thursday: (Time in GMT)0800 Italy Producer prices0900 Euro zone Economic sentiment1230 U.S. Q1 GDP1230 U.S. Weekly jobless claims1400 U.S. Pending home sales1500 U.S. EIA weekly crude stocks(Reporting by Risa Maeda; Editing by Richard Pullin)Reuters