

## IRCo – Rubber Market Watch: 3 – 10 May 2013

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The Movements of Global Stocks, Finance and Energy

Asian stock markets were bullish on Friday after the yen breached Y100 per dollar. The Nikkei ended up 2.9% at 14,607.54. Elsewhere in Asia, gains were far more muted, the Hang Seng Index in Hong Kong climbed 0.5% to 23,321.22, while the Shanghai Composite was up 0.6% to 2,246.83. Australia's S&P/ASX 200 ended up 0.2% at 5,206.10, but South Korea's Kospi dropped 1.8% to 1,944.75. Most European stock markets hit 2013 records on Friday, extending gains into a fourth straight day, as German stocks climbed to an all-time high after upbeat trade data raised hopes Europe's largest economy is picking up. The Stoxx Europe 600 index gained 0.4% to 304.99, marking the highest closing level since June 2008. Germany's DAX 30 index extended its record streak into a fourth straight day, up 0.2% to 8,278.59. The FTSE 100 index picked up 0.5% to 6,624.98, the index advanced 1.6% for the week. France's CAC 40 index rose 0.6% to 3,953.83, closing out the week 1% higher. The improvement in U.S. jobs data in April, together with the improvement in European, Chinese, and Japanese economic data in the last two weeks, continued to support U.S. stocks to end a third straight week on Friday. A strong U.S. jobs report on Monday that revived optimism over the U.S. economic recovery on Monday drove Wall Street to record highs throughout the week. The Dow Jones Industrial Average gained 35.87 points, or 0.2%, to 15,118.49. The Standard & Poor's 500-stock index gained 7.03 points, or 0.4%, to a record high of 1,633.70. The Nasdaq Composite Index advanced 27.41 points, or 0.8%, to 3,436.58, the highest closing level since November 2000. The greenback hit its strongest level since October 2008 against the yen, trading as high as Y101.99 on Friday in New York trading whereas the euro stayed lower at \$1.2992. Crude-oil futures fell on Friday on a stronger dollar and new indications of sluggish global fuel demand. Light, sweet crude for June delivery settled 35 cents or 0.4% lower at \$96.04 a barrel on the New York Mercantile Exchange. Brent crude on the ICE futures exchange fell 75 cents to trade \$103.72 a barrel, according to Dow Jones Newswires.

Rubber Markets

The rubber markets in Asia were bullish throughout the week on the back of a strong U.S. jobs report in April that boosted Wall Street and European stocks to reach new highs, and as China released a better than expected trade surplus in April. The further weakening of the yen below Y100 per dollar and speculative buying on rubber futures were also the strong support for physical rubber markets in the region to end higher on Thursday and Friday. IRCo's technical MACD and Signal Line improved significantly on Friday while its RSI also rose from 52.09% on an earlier Friday to 89.13% on Friday, mainly due to strong improvement in rubber market fundamentals and sentiment during the week. It is expected that rubber market improvement will continue if the rubber market fundamentals and sentiment stay unchanged in the coming week. IRCo