Tokyo futures extend gains to 7-1/2-month highs

TOKYO, Dec 28 (Reuters) – Tokyo rubber futures rose to their highest in more than 7-1/2 months on Friday, extending gains into a fifth straight session on a weaker yen and expectation of buying from China, the world's biggest rubber consumer, early next year

FUNDAMENTALS

* The most-active Tokyo Commodity Exchange rubber contract for June delivery <0#2JRU:> was up 2.3 yen, or 0.8 percent, at 303.0 yen per kg as of 0021 GMT. The contract earlier rose as high as 304.0 yen, the highest for any benchmark since May 8

* Friday is the last trading day on TOCOM this year before business resumes on Jan. 4. The benchmark contract has risen 17 percent this month and 15 percent this year

* China often buys to restock before the-week long Lunar New Year in early February. Production in the main producing countries – Thailand, Indonesia and Malaysia – also stays low during the holiday season

* Annual growth in China's industrial profits quickened to 22.8 percent in November from October's 20.5 percent, official data showed on Thursday, reinforcing signs of a steady economic recovery as a result of pro-growth policies

MARKET NEWS

* The yen extended recent losses against the dollar to reach its lowest since August 2010 on Friday, on expectations of bold monetary stimulus in Japan

* Japan's Nikkei share average rose to a 21-month high in early trade on Friday, on track to log its best yearly gain since 2005

* Oil prices eased in choppy trading on Thursday, buffeted by unresolved U.S. budget talks and the possibility that looming tax increases and spending cuts could push the top oil-consuming economy into recession

DATA EVENTS* The following data is expected on Friday: (Time in GMT)1445 – U.S. Chicago PMI for December1500 – U.S. pending home sales for November1530 – U.S. EIA natural gas stocks1600 – U.S. EIA petroleum status report1930 – U.S. CFTC commitment of traders data N/A- U.S. Building permit revisions for November(Reporting by Risa Maeda; Editing by Daniel Magnowski)