

Tokyo rubber futures recover from 4-month low as yen weakens (April 3)

TOKYO, April 3 (Reuters) – A weaker yen helped push up key TOCOM rubber futures on Wednesday, snapping a four-day losing streak when they touched four-month lows. But gains were limited by rising inventory amid concerns over demand.

FUNDAMENTALS* The key Tokyo Commodity Exchange rubber contract for September delivery was changing hands 0.7 percent higher at 262.8 yen per kg as of 0027 GMT.* The benchmark contract on Tuesday fell as far as 259.3 yen, the lowest since Dec. 5. It had lost 7.6 percent in the last four sessions.* New light-vehicle sales in the United States rose 3.4 percent in March and the annual sales pace reached 15.27 million, automakers reported on Tuesday, falling in line with analyst expectations.* European car sales shrank again in March, threatening more losses for automakers in the region after a dismal 2012, figures and forecasts suggested on Tuesday.* Crude rubber inventories at Japanese ports rose 2,249 tonnes in the 10 days to March 20 to reach a 10-month high of 14,802 tonnes, data from the Rubber Trade Association of Japan showed.* Japan's central bank starts a two-day policy meeting on Wednesday, its first under new Governor Haruhiko Kuroda, an advocate of aggressive monetary policy.

MARKET NEWS* The yen retreated from a one-month high against the dollar early in Asia on Wednesday.* Japan's Nikkei share average rose on Wednesday, as gains in Wall Street helped the market recover from losses of more than 3 percent in the past two days.* Brent crude oil settled lower and U.S. crude settled slightly higher on Tuesday as traders weighed concerns about demand and the possibility of a prolonged pipeline outage in the U.S. Midwest.

DATA EVENTS* The following data is expected on Wednesday: (Time in GMT) 0900 Euro zone Flash inflation 1215 U.S. ADP employment report 1400 U.S. ISM non-manufacturing index (Reporting by Risa Maeda; Editing by Joseph Radford)