

## Tokyo futures rebound, tone cautious (Nov. 17)

SINGAPORE, Nov 17 (Reuters) – Tokyo rubber futures regained strength on Thursday after a drop in the previous session spurred bargain hunting, but persistent worries about contagion from Europe's debt market woes could cap gains.

**FUNDAMENTALS**

- \* The benchmark rubber contract on the Tokyo Commodity Exchange, April 2012, added 4.3 yen a kg to 273.6 yen.
- \* The world's top three rubber-producing countries, Thailand, Indonesia and Malaysia, will meet in Bangkok at the end of this week to discuss measures to stabilise falling rubber prices, though traders questioned the lasting effect of such moves.
- \* Asian shares and the euro fell further on Thursday as doubts deepened about Europe's ability to stop its sovereign debt crisis from spinning out of control, with the region's biggest nations split over the European Central Bank's bond buying role.
- \* Thailand has postponed a planned intervention scheme to support the local rubber market, with an official saying it was for administrative reasons but traders speculating it wanted to wait for the outcome of an international meeting this week.

**MARKET NEWS**

- \* U.S. crude oil fell on Thursday, erasing some of the previous session's gains, as concern that the euro zone crisis will weaken global demand offset optimism over plans by Canadian pipeline firms to help ease a year-long U.S. oil bottleneck.
- \* The euro wallowed at five-week lows versus the dollar and yen in Asia on Thursday as bond market turmoil spread across Europe, sparking calls for the European Central Bank to intervene more forcefully in markets.
- \* U.S. stocks fell on Wednesday, with selling accelerating late in the session on more warnings about the potential impact of the euro zone's debt crisis on the global economy and the banking system.

**(GMT) DATA/EVENTS**

1330 U.S. Housing starts/building permits	Oct
1330 U.S. Jobless claims	Weekly
1500 U.S. Philadelphia Fed Business Activity Index	Nov
ECB Governing Council meeting	

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