



ANRPC Monthly Bulletin of Rubber Statistics

A monthly statistical bulletin of

Association of Natural Rubber Producing Countries

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Volume 1 No. 1

February 2009

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Review of Natural Rubber Supply during 2008 and the Outlook for 2009

The year 2008 had seen mixed trends in production of natural rubber (NR) across countries. The rate of growth in production declined during 2008 in Indonesia, Malaysia and China whereas Thailand, India, Vietnam and Sri Lanka witnessed acceleration in production. However, production is anticipated either to decline or decelerate during 2009 in all ANRPC Member countries, except China.

In Thailand, production grew by 1.1 percent during 2008 as against 2.6 percent decline during 2007. As per estimates of the Rubber Research Institute of Thailand, production was 3.090 million tonnes during 2008 and 3.056 million tonnes during 2007. Although the average yield, measured in terms of annual production per hectare of tapped area, came down to 1711 kg/hectare in 2008 from 1728 kg/hectare in 2007, expansion in tapped area by 32,000 hectare helped production to increase marginally during 2008.

Production in Indonesia decelerated during 2008 by registering 2.5 percent growth during 2008 as compared to 4.5 percent during 2007. The growth is anticipated to decline further to 1.0 per cent during 2009 with the production of 2.852 million tonnes as against 2.824 million tonnes in the year before. Preliminary estimates from the Directorate of Perennial Crops, Ministry of Agriculture revealed that the total production during the first two months of the current year was 3.2 percent lower than that during the same period in 2008. The production during March to May 2009 is anticipated to be 5.7 percent lower on year-over-year basis.

Malaysia's production declined further during 2008 by 10.2 percent after the decline of 6.5 percent in 2007. A further decline by 5.1 percent is anticipated for 2009, according to preliminary estimates of the Malaysian Rubber Board. Production during 2009 is anticipated to be 1.023 million tonnes as against 1.078 million tonnes during 2008 and 1.2 million tonnes during 2007. The continued decline in production is attributed to the shrinkage in tapped area from 1.146 million hectare in 2007 to 0.973 million hectare in 2008. Tapped area is anticipated to decline further to 0.953 million hectare in 2009.

In India, production grew by 8.5 percent during 2008 largely shadowing the previous year's lower output due to tappers' disease and unfavourable weather factors. Average yield increased during 2008 to 1901 kg/hectare from 1767 kg/hectare in the previous year although tapped area expanded only by 4,000 ha during the same period. Provisional data from the Rubber Board of India revealed 11.9 percent decline in production during the first two months in 2009 compared to the same period in 2008. However, the Board anticipates the production to grow by 1.1 percent to reach 0.89 million tonnes during the whole year.

Production in Vietnam increased during 2008 by 10.2 percent as compared to 8.3 percent in 2007. But, the production during the first two months in 2009 was 1.9 percent lower compared to the same period in the previous year. The same trend is likely to be continued in the whole year due to the anticipated shrinkage in tapped area by 16,700 hectare, according Vietnam Rubber Association's forecasts which were endorsed by the Vietnam Rubber Group. Improvement in average yield, from 1661 kg/hectare in 2008 to 1700 kg/hectare, will help the country in absorbing a portion of the output fall arising from the shrinkage in tapped area. The production anticipated for 2009 is 0.65 million tonnes as against 0.6629 million tonnes in 2008 and 0.6017 million tonnes in 2007.

China witnessed a sharp decline in production of natural rubber during 2008. Production came down by 13.3 percent to 0.51 million tonnes in 2008 from 0.588 million tonnes in 2007, according to preliminary estimates of the Rubber Research Institute in China Academy of Tropical Agricultural Sciences, Hainan Province. This substantial shortfall in production, despite the tapped area expanded by 7,000 hectare during the year, was due to unfavourable