

## **ANRPC revises down 2012 rubber output to 10.42 mln T**

SINGAPORE, April 2 (Reuters) – Global natural rubber output is forecast to rise 1.1 percent to 10.420 million tonnes in 2012, but the increase is lower than an earlier estimate because of heavy rains in plantations in Malaysia and China, the Association of Natural Rubber Producing Countries (ANRPC) said on Monday. “In Malaysia, unseasonal rains for almost a month from 14 February onwards have disrupted harvesting of trees,” the group said in a statement. “The Hainan region, which is China’s major rubber-producing belt, has experienced more rainy days during March this year with an unusually cloudy atmosphere, indicating possibility of trees to be affected by powdery mildew disease.” In February, the ANRPC pegged global natural rubber output at 10.529 million tonnes in 2012, up 2.6 percent from 2011 because of better yields in some key growers. Sluggish demand from top consumer China also contributed to the revision in the supply outlook for this year, said the ANRPC, adding that supply in the first quarter was forecast to fall 5.1 percent compared with the same period last year. “The slow export demand from China is partly due to an on-going shifting of light manufacturing to countries with lower wages,” said the group. But a slowdown in demand from China could be partially offset by an increase in domestic consumption in countries such as Thailand, Indonesia, India and Vietnam, it said. China’s cooling economic growth will cap gains in commodities prices and temper the roaring earnings performance of mining companies. But easier credit and fresh spending on infrastructure will likely drive a strong medium-term outlook. The ANRPC’s members include Thailand, Indonesia, Malaysia, Vietnam, Cambodia and Sri Lanka. Member countries account for more than 90 percent of global output and exports. (Reporting by Lewa Pardomuan; Editing by Sugita Katyal)