

Malaysian Rubber Prices May Continue Upward Trend

Malaysian rubber prices are expected continue its upward trend this week driven by tight supply situation, a dealer said.

The dealer said on the local front, the rainy weather would result in lower production, thus, further pushing up the price of the commodity.

"Furthermore, positive sentiments created by the settlement of the United States budget issue would also create a bullish mood for the market," she said.

During the week just-ended, rubber prices were on an uptrend the whole week due to strong demand prospects for rubber gloves, improvement in China's manufacturing sector as well as concerns over the tight supply in Malaysia.

The market was closed on Tuesday (Jan 1) for the New Year holiday. On a Friday-to-Friday basis, the Malaysian Rubber Board's official physical offer price for tyre-grade SMR 20 increased 20 sen to 923 sen per kg, while latex-in-bulk rose 13.5 sen to 614.5 sen per kg. The unofficial closing offer price for tyre-grade SMR 20 improved 17.5 sen to 921.5 sen per kg and latex-in-bulk rose 12 sen to 616.5 sen per kg.