

IRCo's WEEKLY RUBBER MARKET SNAPSHOT: 30 July – 3 August 2012

Asian rubber markets settled lower last week as the European Central Bank failed to announce immediate measures to boost the Euro-Zone economy, while investors were uncertain about global economic improvement. IRCo's DCP stayed lower at 286.42 US cents/kg on Friday from at 290.00 US cents/kg on Monday, or down 1.23%. In the mean time, Thailand RSS-3 also fell from 304.53 US cents/kg on Monday to 300.10 US cents/kg on Wednesday, or down 1.45% (2 – 3 August were public holidays in Thailand). Thai STR-20 also tumbled to 290.09 US cent/kg on Friday from 292.34 US cents/kg on Monday, or lost 0.77%. Furthermore, Malaysia SMR20 also settled 5.00 US cents/kg lower at 284.00 US cents/kg on Friday, or 1.73% lower than its settlement price at 289.00 US cents/kg on Monday. In addition, Indonesia SIR20 also fell slightly from 283.00 US cents/kg on Monday to 280.00 US cents/kg on Friday, or lost 1.06%. The benchmark rubber contract for January delivery on TOCOM settled 6.00 yen/kg lower at 226.40 yen/kg on Friday, or lost 2.58% from its settlement price at 232.40 yen/kg on Monday. Meanwhile, Shanghai Commodity Exchange for January delivery also slid from 22,640.00 Yuan/ton on Monday to 22,360.00 Yuan/ton on Friday, or down 280.00 Yuan/ton, or 1.24%. Moreover, AFET RSS-3 for March delivery also fell from 94.80 THB/kg on Monday to 94.50 THB/kg on Wednesday, or down 0.30 THB/kg or 0.32%. Natural rubber (NR) supply in major producing countries is increasing at a slower pace than usual in the rainy season in the region during a period of the Ramadan in August.