

Difficult to harness again moves to uplift rubber prices in Thailand

The face of more than a year of natural rubber prices continued to fall, the Thai government to sit still, again, yesterday said it would spend 15 billion baht acquisition of natural rubber from the hands of the rubber farmers. Although the Thai government moves frequently, helpless in the case of Chinese rubber inventories reached a record high of confidence in the market is still insufficient, the declining trend is still evident.

Nattawut Saikuar, the agriculture Vice Minister of Thailand, said yesterday that Thailand will spend 15 billion baht from the hands of the rubber farmers acquisition of natural rubber, designed to uplift Jiaojia again. "We expect that next week, or even this week to submit a new intervention plan for the Cabinet for approval." This is not the Thai government for the first time intervention policy, the beginning of the year, the Thai government has declared in the budget of 15 billion baht rubber purchasing and storage But so far, its acquisition of 80,000 tons of rubber on the market Jiaojia no boost. Last week, Thailand, Indonesia and Malaysia, after consultation, decided to cut 300,000 tons of natural rubber exports. Yesterday, the Tokyo Commodity Exchange (TOCOM) rubber futures in early trading continuation of the previous trading day down market late in the day, closed up at 222.0 yen / kg, or 1.19%. August 14 the Dong Jingjiao minimum fell to 205.6 yen / kg, the lowest level since October 2009. Domestic Hujiao main 1301 contract rose yesterday, only 0.42% late in the day to close at 21,560 yuan / ton. According to the external disk offer on the spot market, the Thai RSS3 smoke glue September prices reported 2750 U.S. dollars / ton; STR20 (September) reported \$ 2,650 / ton, rose 50 U.S. dollars / ton; SMR20 (September) reported \$ 2 600 / t; SIR20 (September) at \$ 2,601 / ton. The Shanghai sales areas offer, domestic full latex SCRWF for 21,600 yuan / ton, down 200 yuan / ton higher than the previous day. Clearly, the market is still lack of confidence, and become a significant downward pressure on its huge inventory. The the latest natural rubber inventory as of August 16, the domestic Qingdao Free Trade Zone, natural rubber stocks rose to 15.6 million tons, plus a total of 240,000 tons of synthetic rubber and adhesive inventory, approaching the historical high of 250,000 tons years ago. August Asian producing countries and China's traditional tapping season, taking into account the current rising inventory of the Free Trade Zone, rubber, market participants still panic mood. "The highest bonded area inventory there are 5700 U.S. dollars of goods, the level of cost in 3700 dollars to \$ 3800 level, or a higher price." In the recent 2012 annual meeting of CBI rubber sources, the real flow of Qingdao Free Trade Zone rubber more than 10 million tons, more than ten tons were purchased more than \$ 5,000, and now the true owner banks. Once, late bank notes audit tight inventory rubber is likely to enter the auction process. According to the monitoring data of the Ministry of Commerce, last week, rubber prices fell 3.3%. Industry reduced demand for tires and other rubber prices continued to decline. # 3 smoked rubber price butadiene rubber, made # 1 standard rubber imports compared to the previous week were down by 5.3%, 4.1% and 3.5%. Source: Securities Times Online