

## **Rubber Falls as Oil Drop Lowers Costs for Synthetic Alternative**

Rubber fell a second day after oil dropped to the lowest level in almost two weeks, increasing speculation that prices may weaken for synthetic products. Rubber for delivery in October lost as much as 1.6 percent to 283 yen a kilogram (\$2,768 a metric ton) and was at 285.9 yen on the Tokyo Commodity Exchange at 10:44 a.m. Futures have lost 5.5 percent this year. Crude for June delivery traded at \$94.34 a barrel in electronic trading on the New York Mercantile Exchange after dropping a fourth day yesterday, the longest run of losses this year, amid signs of rising supplies. "Rubber tracked losses in oil amid speculation a rally in global stocks will weaken investor interest in commodities," Takaki Shigemoto, an analyst at research company JSC Corp. in Tokyo, said by phone today. Asian stocks advanced, led by Japanese shares that climbed to the highest level since January 2008, after the U.S. benchmark equity gauge extended a record high. Thai rubber free-on-board dropped to 89.80 baht (\$3.02) a kilogram yesterday, according to the Rubber Research Institute of Thailand. The country, the biggest producer and shipper, extended curbs on exports by 60 days to the end of May to boost prices, Deputy Farm Minister Yuttapong Charasathien said April 1. Rubber for delivery in September on the Shanghai Futures Exchange was little changed at 20,295 yuan (\$3,302) a ton. Bloomberg