

Exports of Rubber Products Seen Growing 10% This Year

The export of rubber products is expected to grow 10% again this year after taking into account all the economic crises that are currently taking place, said Malaysian Rubber Export Promotion Council chief executive officer Datuk Teo Suat Cheng. Last year, the country's exports of rubber products increased to record RM14.2bil, up by 10.3% from 2010. "Specifically, the export of rubber gloves products that has been proven to be a recession-proof items, may fare better to grow at 10.6% this year. "Export of rubber gloves, valued at RM9.89bil last year, made up almost 70% of the value of all rubber products exports," she told reporters after the signing ceremony between Malaysian Rubber Glove Manufacturers Association (MARGMA) and a total of 13 main exhibitors and sponsors for the upcoming 6th International Rubber Glove Conference and Exhibition 2012 (6th IRGCE) to be held from September 4 to September 6. In general, Teo said the outlook for the country's rubber products would be favourable. "The industry is forecast to grow at approximately 10% per annum for the next few years, driven by increasing demand for consumer based products," she said. Teo added that rubber gloves turned positive since several months ago buoyed by improving fundamentals. "The price of latex as well as other raw materials have come down and most rubber gloves players have benefited from it. "Stable latex prices are always positive for glove manufacturers given that latex accounts about 60% of total raw materials cost," she said. On the Eurozone crisis, Teo said they were not overly worried about it as the market was shifting its focus to emerging markets such as China, India, Brazil and South Africa. Meanwhile, MARGMA president Lim Kwee Shyan said the strengthening of the US dollars also bode well for the industry as they were selling in dollars. But, in contrast to the rosy outlook, Lim stressed that in recent years, the cost of chemicals, packaging, transportation had also increased, not to mention the increase in natural gas, water and electricity. "There is an urgent need for for glove manufacturers to look at innovations to reduce cost," he said. On the upcoming biennial event themed Innovation for Sustainability to be organised by MARGMA, Lim said it had the aim to educate and provide information on the latest trends and developments in the rubber gloves and medical devices industry, which included regulations and standards, innovations, productivity and competitiveness. The 6th IRGCE 2012 will have a record of 71 companies taking part and have confirmed their participation by taking up the 130 exhibition booths. "The theme Innovation for Sustainability indeed reflects the important innovation in a fast growing rubber gloves industry balancing in between rising cost in labour, raw materials and energy. There is also issue on depletion of natural resources such as oil, gas and water to renewal resources such as natural rubber latex, biomass or even solar energy," said Lim.