

Natural rubber prices tire companies benefit

The continued decline of the price of natural rubber at home and abroad for nearly two weeks, so that is very eye-catching performance in last week's tire shares. In early April, Indonesia, Thailand and Malaysia and other relevant departments of the main producing areas of natural rubber will focus on a meeting to discuss how to protect the price. However, market participants believe that unlikely Rubber prices rebounded sharply, the tire company or benefit because the rubber price low consolidation. Last week, double the money stock, S Jia Tong, Luntai A rose 16.75%, 5.88% and 8.73%, respectively. According to the Ministry of Commerce on March 20, March 11 to 17 this week, the domestic rubber price has qoq decline of 5.3%. Southeast Asian origin natural rubber prices fell by double impact, chemical raw materials prices decline rubber price in five weeks during the cumulative decline of 8%. Look at data from the past five weeks, although the decline in the price of natural rubber and synthetic rubber, but more than in November last year, the trend is still slightly higher rubber prices have not yet reached nearly a year to historic lows. Over the past four years, the rubber price fluctuations. From January 2009 to November 2011, the natural rubber futures prices rose sharply, the price jumped to nearly as much as 43,000 yuan from 12,000 yuan per ton, followed by prices tumbled in August 2012 fell to 18,000 yuan from top to bottom. "Rubber in this round of price cuts, is to start from late February, analysts said, when the price of natural rubber preliminary warmer, the Thai government policy issued, followed by two days of Thai rubber chain average tumbled more than 10%, the global also followed the decline in rubber prices around. The domestic rubber enterprise management anonymity, said in early April this year, some government officials will meet to explore the policy limit insurance policy production is expected to start again. The LANXESS Group Greater China CEO money Mingcheng LANXESS sales last year, an increase of 4.4% to 1.035 billion euros; However, butadiene rubber, butyl rubber, industrial rubber products, such as sales or decline. "We are now observed the rubber price trend has been part of the factory to suspend production for rectification, but we have some non-tire rubber raw materials such as EPDM selling well, the diversification of the business to stabilize rubber prices fell belt negative impact, "he predicted, rubber prices in the second half of the year will still improved. The analyst told this reporter that the the rubber price declines, the most obvious beneficiaries of the tire industry. The rubber prices accounted for 60% of the overall cost of the tire, the other rubber quote update speed tire quote is half a newspaper or a month. "If the price of natural rubber this year was maintained at 25,000 yuan / ton, and then compared with last year's average price of 26,800 yuan, a year-on-year 6.7 percent lower. Account for 60% of the cost of tire rubber, assuming that the tire gross margin of 15% unchanged the natural rubber price of 25,000 yuan / ton, makes the tire industry sales net profit rate increase about 2.6%. "Another analyst said the tire company's annual profits

whether there will be a larger increase, to be concerned about the three types of rubber and tire prices decline, demand for the automotive industry and overseas policy factors. "In 2012, demand for automotive market downturn, the main varieties of passenger car radial tires and light truck bias tires an average price of 265 yuan / 700 yuan / sets, decreased by 5.7% and 12.5% compared to 2011 but, compared under natural rubber greater decline. reach, such as natural rubber SCR10 decline 26% SBR fell to 23.8%, down 24.4% butadiene rubber (a) offer, thus the the tire profit margins also increased last year, tire year profit up nearly 44% if the continuation of the trend this year, the profits of tire companies may still rose. "the analyst said.CRIA