

## Asia Softs-Rubber stuck in range

By Lewa Pardomuan

SINGAPORE, Sept 24 (Reuters) – Global benchmark Tokyo rubber futures could trade in a tight range this week as concern about global economic growth resurfaces, while sugar premiums may fall on the prospect of record output in Thailand, dealers said on Monday.

Among other soft commodities, cocoa butter ratios could rise further because of strong demand ahead of Christmas, but robusta differentials could be under pressure ahead of the next harvest in main coffee producer Vietnam.

The most active rubber contract on the Tokyo Commodity Exchange, currently February, dropped more than 2 percent to a low at 250.2 yen a kg after oil and equities slipped as investors fretted about global growth despite steps by major central banks to bolster their economies.

“But the imminent cut down in exports by Thailand, Indonesia and Malaysia, and with physical stocks falling, I think prices are slightly supported,” said Ker Chung Yang, investment analyst at Phillip Futures.

“I think the 245-level is the support level, and resistance is likely at 258 yen.”

Indonesia, Malaysia and Thailand agreed in August to cut down rubber trees and trim exports by 300,000 tonnes, or about 3 percent of global production this year, as they look to shore up prices hit by a faltering global economy.

This month, Thailand, the world’s largest rubber producer, approved an additional budget of up to 30 billion baht (\$969 million) to stockpile rubber from farmers in a bid to shore up prices.