

Malaysian rubber prices expected to be volatile this week

KUALA LUMPUR: The Malaysian rubber prices are expected to be volatile this week following the slowdown in demand and rising supplies of the commodity in China, the biggest rubber consumer, a dealer said. He said China's mounting rubber inventory has curbed its demand in the past few weeks. "Some of the Chinese tyre-making companies are starting to purchase cheaper materials sold in their own country to stock up their rubber inventory," he said. Besides supply and demand, the factors that will influence the market this week will be the performances of the Tokyo Commodity Exchange (Tocom) and the Shanghai Futures Exchange, he said. For the week just-ended, the rubber prices moved within a tight range, tracking the movements on Tocom. On a Friday-to-Friday basis, the Malaysian Rubber Board's official physical price for tyre-grade SMR20 fell 13 sen to 720.5 sen per kg, while latex-in-bulk dropped 24 sen to 562.5 sen per kg. The unofficial sellers' closing price for tyre-grade SMR20 declined 8.5 sen to 721 sen per kg and latex-in-bulk lost 25.5 sen to 560 sen per kg. – Bernama