

## **Tocom Natural Rubber may climb 11% in 2013: Report**

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TOKYO (Commodity Online): According to the 35-nation International Rubber Study Group, natural rubber surplus may contract 61% in 2013 as global consumption of the commodity climbs to record highs.

The futures, meanwhile is expected to climb 11% to reach 350 yen per kilogram (\$3,830 a metric ton) in Tokyo this year, Bloomberg said citing a survey of 12 analysts.

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“Less supply from Thailand and other Southeast Asian countries will help prices,” said Makoto Sugitani, the head of sales at Newedge Japan Inc. to Bloomberg.

“Expectations for a global economic recovery will accelerate rubber’s advance,” he added. The futures so far has advanced 4.3% this year.

In 2013, the natural rubber surplus is expected to narrow to 179,000 tons and 153,000 tons in 2014. China will buy 7.2% more even as the nation consumes 34 percent of the world’s rubber output currently.

However, Bridgestone Corp, globally a major player in tyre business says that they are not confident of demand getting better: “We aren’t so confident that demand is getting better,” Makoto Shiomi, a spokesman for the company said to Bloomberg.

“Recent movements in rubber prices don’t affect the pace of consumption,” he added.

The weakening of Japanese yen has also contributed to price rallies in natural rubber as Japan pursues aggressive monetary easing measures.

The July futures in Tokyo was seen trading at 315.9 yen a kilogram as of 14:55 JST; almost flat.