

Rubber waiting for the rebound high point and then short selling

After the Spring Festival, Hujiao Tiaokongdikai tumbled down, all the way to last Thursday the minimum exploration to 22,405 yuan / ton, down more than 5,000 points, a drop of up to 18%. Addition to macro bearish factors this Jiaojia tumbled, mainly from excess supply, high inventories and weak fundamentals. Overall to keep the excess supply situation Since 2005, by the the natural rubber main producing countries glue forest replanting scheme, acreage significantly increase production efficiency factors, global natural rubber production to maintain high-speed growth. The world's natural rubber production in 2012 was approximately 11,332,000 tons, a year-on-year growth of 3.2%, due to the global economic slowdown, the overall weakness in the demand side, the global natural rubber consumption increased by only 2.5% in 2012, the total demand of about 1119.5 tons, leading to global natural rubber supply overall surplus of 137,000 tons. Supply and demand in 2013 as a whole will continue to maintain a relaxed situation, this year's global natural rubber production is expected to continue to maintain a steady growth in consumption has been restored, but the supply remains the overall surplus situation. Thailand's current natural rubber purchasing and storage plan is about to expire by the end of March. Thailand Deputy Minister of Agriculture, said on February 19, the Thai government to stop the implementation of its rubber-purchase mechanism rubber prices have rebounded. Recently, the Thai government, a government spokesman said the Thai rubber industry organizations will spend 19.4 billion baht from the hands of the rubber farmers to buy smoked sheet, but did not give a specific implementation time. Late Thailand purchasing and storage policy to continue to perform or will continue to have an impact on the market. In addition, India will be a substantial increase in the natural rubber import tariffs message will exacerbate the oversupply of the international market, natural rubber is expected to a certain extent. Destocking process is slow Since the end of last year, the State Reserve Bureau has started a new round of the natural rubber Shouchu measures, and succession in rubber futures contract on January and May to accept the goods of a total of 50,000 tons, but this does not seem to change the domestic full latex excess situation. As of March 15, the Exchange registered warehouse receipts rebounded to 57,730 tons, and the total delivery warehouse inventory climbed to a new high of 113,803 tons. High future inventory destocking slow process will remain constrained disk. In addition, as of March 15, the Qingdao Bonded rubber stocks totaled up to 358,300 tons, compared with 354,900 tons in the end of February to continue to climb. It is worth mentioning that a rubber warehouse fire in the Free Trade Zone of March 7 Although the fire caused by the rubber loss of only 2,000 tons, but this incident led to the Free Trade Zone Requests rubber warehouse unified security rectification check for outdoor storage. The goods requested cleared within 10 days, move further exacerbating the market bad atmosphere. The new glue Listing pressure still need to be honored First, in March, the main producing areas of Thailand natural rubber more than 90% in the state stopped cutting new plastic open cut remains to be the traditional festival in Thailand in April – can be in full swing after the Songkran Festival; Secondly, Indonesia's natural

rubber producing areas in March enter the traditional peak season of production, production has steadily increased, to some extent, make up for the seasonal reduction of production in Thailand; Third, China Yunnan area after another in the mid to late cut open, and Hainan producing will gradually cut open in early April, . Therefore, it is expected that the main producing areas at home and abroad in April new rubber supply will be gradually restored, the market will face seasonal vulnerable period in order to honor the new glue listed pressure.Short, high inventories, the overall pattern of over-supply is the main factor of the bad disk, but Hujiao continued to plunge after the market oversold short-term rebound in demand. Fundamentals greatly improved the situation, after the reintegration of vulnerable Hujiao rebound likely.Therefore, the strategy, can wait for the rebound high re-entry short selling short Admission reference pressure region 24000-24800 yuan / ton.CRIA