

## **Tire firms seek to combat rubber-price fluctuations**

Chinese tire companies plan to launch a fund to avoid the risk of frequent rubber-price fluctuations.

The China Rubber Industry Association, affected severely by such fluctuations, has been trying to find a solution with tire companies.

Now, the Hangzhou Zhongce Rubber Co Ltd has proposed launching a stabilization fund for all enterprises, the Shanghai Securities News reported on Tuesday.

The association says such a fund could handle rubber-market initiatives and maintain the market's healthy development.

In recent years, rubber has become a financial product for global trading, which has caused a gradual price change.

However, as it is the sole raw material for tires, the majority of tire companies have had trouble with retail price controls.