

## Rubber Recovers From Nine-Month Low as Yen Weakens on U.S. Data

Rubber rebounded from a nine-month low as U.S. data stoked optimism that recovery in the world's largest economy is picking up, boosting the dollar and raising the appeal of futures denominated in yen. The contract for delivery in December on the Tokyo Commodity Exchange climbed to as high as 235 yen a kilogram (\$2,390 a metric ton). That's 2.2 percent higher than the close for the most-active contract yesterday, which settled at the lowest price since Sept. 7. Futures traded at 231.8 yen at 10:46 a.m., heading for a fifth monthly loss and second quarterly drop. Purchases of new homes jumped in May to a five-year high, while business investment plans improved for a third straight month, figures from the Commerce Department showed yesterday in Washington. The yen depreciated as much as 0.4 percent to 98.24 per dollar. "Rubber was bought back as the yen weakened and concerns eased about a turmoil in financial markets," Kazuhiko Saito, an analyst at broker Fujitomi Co. in Tokyo, said today by phone. Asian stocks rebounded after China's central bank said it will ensure money-market stability, easing concerns that rising interest rates may worsen a slowdown in the world's second largest economy. China is the biggest rubber user, consuming 3.85 million tons last year, representing 34 percent of global demand. Rubber for September delivery on the Shanghai Futures Exchange traded at 18,150 yuan (\$2,954) a ton. Natural-rubber inventories rose for a third week, climbing 48 tons to 114,556 tons, the bourse said June 21. Thai rubber free-on-board dropped 0.3 percent to 85.60 baht (\$2.76) a kilogram yesterday, according to the Rubber Research Institute of Thailand. Bloomberg