

India Natural Rubber: Sentiments to remain subdued in 2013 on rise in production

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TOKYO/KOTTAYAM (Commodity Online): Natural Rubber market sentiments may remain subdued in 2013 due to higher production and lower consumption estimates released so far. In India, rubber spot prices have fallen from a high of Rs 16300 per 100 kg and futures prices have fallen from Rs 17000 to Rs 15800 levels in the first two months of 2012 till date.

Among the factors that caused the recent fall in prices include the lower India GDP growth, fall in production in automobile industry demand to make tyres and rise in production in the past few months.

“At National Multi Commodity Exchange, Rubber for February delivery seems to be on a moderate recovery phase and support is now seen at 157.25, 155.42 levels,” according to Sreekumar Raghavan, Chief Strategist at Commodity Online.

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Tocom PricesMeanwhile, at Tokyo Commodity Exchange, benchmark rubber contract for July delivery rose to a high of 337.8 Yen per kg, the highest level in ten months but has now retreated to 334.8 levels as markets look forward to the European Central Bank policy decision later in the day.Commodity Online