

## **India rubber seen down on sluggish demand**

MUMBAI, July 16 (Reuters) – Natural rubber prices in India, the world’s fourth-biggest producer, are likely to ease this week on subdued demand from tyre makers and higher availability due to rising imports. July rubber on India’s National Multi-Commodity Exchange provisionally closed up 7 rupees at 18,310 rupees per 100 kg on Monday. The spot price of the most-traded RSS-4 rubber (ribbed, smoked sheet) in the Kochi market in southern Kerala state fell by 50 rupees to 18,550 rupees per 100 kg. “Demand is not supporting an upside in prices. Tyre makers are relying on imports for a significant part of their requirement,” said a senior official at the Indian Rubber Dealers Federation, who declined to be named. India’s natural rubber imports rose about 11 percent in June from a year ago to 21,189 tonnes, the state-run Rubber Board said in a statement earlier this month. India imports natural rubber from Thailand, Indonesia, Malaysia and Vietnam. The country’s top rubber producing Kerala state has so far received 34 percent lower rainfall than normal since the beginning of the monsoon season on June 1, raising concerns over India’s rubber output. However, Sheela Thomas, chairman of the state-run Rubber Board, said last week, “As of now, it’s raining intermittently. That’s good for our crop.” India is likely to produce 942,000 tonnes of natural rubber in the current year, up from 899,400 tonnes a year ago as production that was planned years ago comes onstream in non-traditional areas such as the north-eastern states. (Reporting by Rajendra Jadhav and Shihar Aneez in Colombo; Editing by Prateek Chatterjee)