

Market Report week 28/2007

Development of futures quotations at the main trading places for Natural Rubber in week 27/2007:

	Quality	Price	MON	TUE	WED	THU	FRI
TOCOM	RSS 3	Yen/kg	246,60	247,20	247,70	249,50	244,70
SICOM	RSS 3	USC/kg	203,50	203,50	203,00	203,50	200,50
SICOM	TSR 20	USC/kg	197,00	197,25	197,00	199,00	198,00
MRE	SMR CV	USC/kg	235,80	236,15	232,65	232,90	232,00
MRE	SMR 20	USC/kg	205,20	204,40	201,25	201,55	200,25
Development of EUR/USD during week 27/2007:							
USD Fix			1,3585	1,3585	1,3608	1,3638	1,3588

(TOCOM RSS 3 - 6. month closing , SICOM RSS 3 & TSR 20 – 1st pos. settlement, MRE SMR CV & SMR 20 – closing quotation)

Mid of last week prices stabilized slightly at the future markets after prices dropped almost 2 weeks without a break. Therefore this reaction was somehow expected. Anyhow, at the end of the week prices dropped sharply again to continue it's strong rise again this Monday. This reactions are normal as big short-positions were built during the last few weeks and the market was expected to be fairly "oversold" already. From the market we hear that mainly China is having very good demand for nearby shipments. After the prices for RSS 3 and STR 20 dropped substantially in the previous weeks, Chinese buyers focus their interest now again stronger on Thailand's production, after having favoured especially SIR 20 in the 1st half of the year.

Production in most of the places of South-East –Asia is normalizing consistently, even from Indonesia we actually hear that the dry season in some places of Sumatra is reaching it's end . However, a lot of Indonesian producers still complain about the high raw-material prices making it impossible to offer at the current low market prices especially for nearby shipments, particularly as the August shipment month is almost sold out.

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