

## Market Report week 50/2007

Development of futures quotations at the main trading places for Natural Rubber in week 49/2007:

	<b>Quality</b>	<b>Price</b>	<b>MON</b>	<b>TUE</b>	<b>WED</b>	<b>THU</b>	<b>FRI</b>
TOCOM	RSS 3	Yen/kg	266,30	266,00	268,60	266,20	273,40
SICOM	RSS 3	USC/kg	237,00	236,50	237,25	236,00	239,00
SICOM	TSR 20	USC/kg	229,50	230,00	230,25	228,00	233,50
MRE	SMR CV	USC/kg	252,65	250,70	252,40	251,00	252,60
MRE	SMR 20	USC/kg	237,00	234,85	235,95	234,80	237,80
Development of EUR/USD during week 49/2007:							
USD Fix			1,4640	1,4710	1,4710	1,4545	1,4640

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

The future markets are going crazy again. Despite considerably lower oil-prices in comparison to the previous weeks the exchanges of TOCOM and SICOM were much firmer. As main reason the weaker Yen against the USD was mentioned. The important 200 day moving- average of 270,30 Yen/kg was breached clearly already on Friday and quoted this morning at 282,60 Yen/kg.

On Friday last week we received the news, that the Chinese Government plans to sell 19.000 mt of old rubber on 18<sup>th</sup>, December of their strategic reserves. This is equivalent to 20 % of the whole reserve. Short-term it is more a "bearish" factor, but in the middle-term Chinese buyers will built up this stock again.

In the physical market new rainfalls mainly in Malaysia affect the production. In the rubber-rich area of South Sumatra seasonal rainfalls influence the production. The demand especially from the trade is constantly good, whereas a lot of consumers still hope to get lower prices. There is not plenty of time left to get a considerable downward-correction before the wintering in the main growing areas north of the equator starts, as we normally entered the peak season already.

NR- Trading department – 10.12.07