

Market Report week 28/2014

Development of futures quotations at the main trading places for natural rubber in week of July 7th, 2014:

	QUALITY	PRICE	MON	TUE	WED	THUR	FRI
TOCOM	RSS 3	YEN/kg	210,70	211,10	211,90	214,60	211,90
SGX	RSS 3	USC/kg	209,00	205,30	206,50	209,00	207,80
SGX	TSR 20	USC/kg	177,20	173,70	174,00	174,20	173,10
MRE	SMR CV	USC/kg	236,50	236,45	236,45	236,20	236,95
MRE	SMR 20	USC/kg	176,50	175,75	174,90	174,40	172,95

Development of EUR/USD and BRENT crude oil during week of July 7th, 2014:

EUR/USD Fix		1,3657	1,3688	1,3663	1,3652	1,3594
USD/JPY Fix		101,334	101,574	101,478	101,891	102,06
Oil/BRT	USD/Barrel	112,49	112,38	111,80	110,55	110,60

(TOCOM RSS 3: 6th month closing, SGX RSS 3 & TSR 20: 1st pos. settlement, MRE SMR CV & SMR 20: closing quotation)

The downward trend at the futures in the week of June 30th continued last week. TOCOM RSS 3 lost during the week 1,4 %, SGX RSS 3 dropped abt. 1,0 % and TSR 20 almost 3,1 %. But this was not enough. At the beginning of this week quotes at the future markets dropped sharply after Shanghai lost as much as 5 % intraday. Compared to Friday TOCOM RSS 3 quoted on Monday 4,1 % lower, SGX RSS 3 lost 4,4 % and TSR 20 abt. 3,8 %.

Probably it's mainly speculative selling that caused this sharp technical reaction. Anyhow, sentiment remains strained due to the big surplus of rubber, even if the global consumption of NR is expected to rise abt. 3,9 % 2014/2015.

NK - Trading, 08.07.2014

Abbreviations:

RSS3 = Ribbed Smoked Sheets 3
TSR 20 = Technically Specified Rubber 20
SMR = Standard Malaysian Rubber

TOCOM = Tokyo Commodity Exchange
SGX = Singapore Exchange
MRE = Malaysian rubber Exchange
BRT = crude oil "BRENT"