

Market Report week 07/2017

Development of futures quotations at the main trading places for natural rubber week 6/2017:

	QUALITY	PRICE	MON	TUE	WED	THUR	FRI
TOCOM	RSS 3	YEN/kg	298,90	303,50	309,00	307,70	311,70
SGX	RSS 3	USC/kg	275,50	276,90	279,90	277,80	283,00
SGX	TSR 20	USC/kg	218,60	221,50	221,60	218,90	223,80
MRE	SMR CV	USC/kg	274,40	267,70	269,10	Holiday	269,70
MRE	SMR 20	USC/kg	221,15	229,20	222,25	Holiday	221,10

Development of EUR/USD and BRENT crude oil during week 5/2017:

EUR/USD Fix		1,0742	1,0675	1,0647	1,0688	1,0628
USD/JPY Fix		112,3875	112,4035	119,5295	120,0300	120,5785
Oil/BRT	USD/Barrel	56,83	55,48	54,91	55,60	56,61

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

We saw correction phase in both rubber markets Shanghai and Tokyo early the week, after a long and sharp rally since late last summer.

Chinese speculators ping global rubber prices to 5-year-high. Investors are punting on global rubber demand surging on revived growth in china stoking the auto sector, allied with hope a president trump stimulus will stoke the US economy. The natural rubber shortage and the recovery in the global economy have brightened prospects for the industry this year.

The week finished with improvements in China's economic data, which has lifted demand outlook. Shanghai's move helped to continue a bull trend.

Higher costs of raw materials, particularly natural rubber, has prompted further price increases by major tire makers in Europe.

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"