

Market Report week 39/2017

Development of futures quotations at the main trading places for natural rubber week 38/2017:

| | QUALITY | PRICE | MON | TUE | WED | THUR | FRI |
|-------|---------|--------|--------|--------|--------|--------|--------|
| TOCOM | RSS 3 | YEN/kg | closed | 213,40 | 212,20 | 210,20 | 210,50 |
| SGX | RSS 3 | USC/kg | 177,70 | 174,30 | 178,20 | 175,30 | 176,50 |
| SGX | TSR 20 | USC/kg | 154,90 | 151,40 | 154,80 | 151,20 | 153,40 |
| MRE | SMR CV | USC/kg | 209,55 | 209,60 | 209,50 | 208,60 | Closed |
| MRE | SMR 20 | USC/kg | 154,45 | 151,45 | 157,20 | 152,80 | Closed |

Development of EUR/USD and BRENT crude oil during week 38/2017:

| | | | | | | |
|-------------|------------|----------|----------|----------|----------|----------|
| EUR/USD Fix | | 1,1951 | 1,1976 | 1,2006 | 1,1907 | 1,1974 |
| USD/JPY Fix | | 133,1170 | 133,5385 | 133,6595 | 133,8710 | 134,0950 |
| Oil/BRT | USD/Barrel | 55,25 | 55,81 | 55,78 | 55,81 | 56,36 |

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

Meeting of the world's largest rubber producers (ITRC) this week has not brought anything productive. Ideas of cutting export volumes, of supporting local demand and of closely monitoring on the rubber price trend – all this could lead to measures, but for the moment without deeds.

After the strong demand from China in the weeks before, the situation calmed down again. In response to the high stocks in Qingdao and Shanghai, we see now a relaxed market. China's economy and investments cooled down. The downgrade of China's credit rating by American rating agency to "A+" – a stage lower than before – irritated the Chinese government.

The US Fed left interest unchanged but signaled the exit from the expansive monetary policy of recent years. So very possible, that we will see the increase of interest rate still this year.

Thailand production is still very slow, recurring rainfalls disturb tapping.

NR-department

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"