



WEBER & SCHAER

GmbH & Co.

NATURAL RUBBER

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After a consolidation phase of two weeks - induced by heavy profit taking in other commodity markets - the NR market apparently has now settled. After the lowest levels on last Thursday, prices at SICOM Apr/Jun have gone up already by 10,25 UScts for RSS 3 and 7,00 UScts for TSR 20. The price development is similar to that of crude oil. Also Brent oil was quoted at a temporary low of 56,00 on 16.02., whereas the level today is around 59,00 USD.

On the international rubber market the participants obviously recall the fundamental factors and realise a growing shortage - particularly in view of the starting wintering dry season, when temperatures soar, leaves fall and the latex output decline by 30% on average. Producers and Exporters are very cautious to sell too far forward on concerns about raw material supply. They do not want to make the same bad experience as last year.

It is reported that most buyers from China are withdrawn from the market since their New Year festival (31.01. - 03.02.) as they are of the opinion that prices are too high. On the other hand we hear, that the big international dealers are fully committed for nearby shipments already. It could well be that later on the Chinese are not in a position to buy because there are no sellers anymore.

Our actual SICOM Charts from 01.07.04 and 01.01.06 are attached.

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