

Market Report week 34/2008

Development of futures quotations at the main trading places for Natural Rubber in week 33/2008:

	Quality	Price	MON	TUE	WED	THU	FRI
TOCOM	RSS 3	Yen/kg	307,20	304,40	309,00	309,60	300,50
SICOM	RSS 3	USC/kg	290,00	287,00	291,00	290,50	284,50
SICOM	TSR 20	USC/kg	289,25	284,50	288,50	289,25	283,00
MRE	SMR CV	USC/kg	331,40	328,80	328,80	327,40	324,40
MRE	SMR 20	USC/kg	296,00	293,05	293,55	292,10	288,25
Development of EUR/USD during week 33/2008:							
USD Fix			1,5022	1,4885	1,4860	1,4897	1,4712

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

At the beginning of the week markets mainly improved due to higher crude-oil-prices on potential threat to production from tropical storm “Fay” in the Gulf of Mexico.

Medium- and long-term IRSG, who held a meeting in India on last Saturday, expects a decline in rubber-demand , as global economies weaken. USA and some European countries still face signs of a recession. For 2008 IRSG expects an increase in rubber-demand of only 2,6 % following 6,4 % in 2007. Supply is expected to increase by abt. 2,5 % per year constantly. However, as per the last couple of weeks, the further price development of crude-oil will be decisive for the further price development of rubber and other commodities. At least crude oil came down by almost 25 % since it reached the historical peak of abt. 146 USD/barrel in mid July , so that the potential for a stronger technical reaction might increase again.

NR- Trading department – 18.08.08