

We wish all a MERRY CHRISTMAS and a HAPPY NEW YEAR!

Market Report week 51/2008

Development of futures quotations at the main trading places for Natural Rubber in week 50/2008:

	Quality	Price	MON	TUE	WED	THU	FRI
TOCOM	RSS 3	Yen/kg	117,70	105,00	112,00	110,00	105,80
SICOM	RSS 3	USC/kg	Holiday	108,00	110,50	106,90	102,00
SICOM	TSR 20	USC/kg	Holiday	104,00	105,50	102,90	102,00
MRE	SMR CV	USC/kg	Holiday	175,75	173,30	169,70	170,30
MRE	SMR 20	USC/kg	Holiday	113,25	112,90	112,00	112,30
Development of EUR/USD during week 50/2008:							
USD Fix			1,2860	1,2830	1,2930	1,3175	1,3315

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

Prices at the TOCOM lost last week „only“ another 2,5 % compared with the previous one. The level of 100,00 Yen/kg seems to be the bottom at the moment. As much as the speculation led to unrealistic high prices before the “ crash”, it now leads to speculative lows.

In Indonesia members of the IRCo (International Rubber Consortium) of Thailand, Indonesia and Malaysia gathered to decide measures to stop the free fall of the rubber prices. First of all it was conclude to cut the export next year by 1/6th. Furthermore rubber shall not be sold below USC 135,00 per kg. Actually, main grades such as RSS 3 Thai, SMR/SIR/STR 20 are quoted around 108- 110 USC/kg ! During this week members of the OPEC will meet to decide a deep supply cut. Whether all these measures will be successful to “help prices on their feet” is doubtful in view of the dull demand.

NR- Trading department – 15.12.2008