

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

Market Report week 52/2008

Development of futures quotations at the main trading places for Natural Rubber in week 51/2008:

	Quality	Price	MON	TUE	WED	THU	FRI
TOCOM	RSS 3	Yen/kg	114,30	116,00	122,10	120,30	124,00
SICOM	RSS 3	USC/kg	106,00	109,50	119,00	121,00	125,00
SICOM	TSR 20	USC/kg	107,00	112,00	116,50	120,00	123,00
MRE	SMR CV	USC/kg	169,50	169,70	169,40	170,30	171,45
MRE	SMR 20	USC/kg	113,55	114,75	116,70	118,40	119,95
Development of EUR/USD during week 51/2008:							
USD Fix			1,3470	1,3670	1,4088	1,4590	1,3980

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

After the consistent downward-trend of the last weeks, prices increased last week at TOCOM by abt. 17 % and at the SICOM above 20 %. Especially the announcement of the IRCo (International Rubber Consortium) from Thailand, Indonesia and Malaysia to reduce the export in 2009 by 915.000 mt and the implementation of a minimum export-price at USC 135,00 per kg as well as an intervention plan from the new Thai president, targeting to buy up to 200.000 mt, raised the hope of the producers to get better prices and led to higher prices at the future markets.

The decision of the OPEC last week to reduce the daily production by another 2,2 Mio. Barrel/day led to a short-term price jump to levels of above 47 USD/barrel, but towards the end of last week prices dropped back again to 35-40 USD/barrel. Together with the oil price the EUR started moving again partly above 1,47 to drop back again below 1,40 towards the end of the week.

The prospect for the next coming weeks is very uncertain. Without an improvement of the sluggish worldwide demand in the long run, these measures might be without success.

NR- Trading department – 22.12.2008