

Market Report week 03/2010

Development of futures quotations at the main trading places for Natural Rubber in week 02/2010:

	Quality	Price	MON	TUE	WED	THU	FRI
TOCOM	RSS 3	Yen/kg	291,70	299,90	296,60	303,80	298,10
SICOM	RSS 3	USC/kg	308,00	311,50	310,00	318,00	316,00
SICOM	TSR 20	USC/kg	304,90	308,20	306,70	312,40	310,90
MRE	SMR CV	USC/kg	318,05	322,10	320,35	324,95	325,70
MRE	SMR 20	USC/kg	299,95	303,95	302,10	306,50	306,35
Development of EUR/USD during week 02/2010:							
USD Fix			1,4508	1,4443	1,4508	1,4470	1,4365
Öl/WTI	USD/barrel		81,87	79,53	78,77	78,41	77,26

(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 last week a rumour made the round that the Thai government plans to sell up to 300.000 mt of NR from intervention-stocks, to stopp the current price-rallye. In fact, the IRCo (International rubber consortium, consisting of Thailand, Indonesia & Malaysia) announced some time ago to start intervening, to stabilize prices when they are too low. However the IRCo immediately disclaimed that anything about this rumour is true, as they have never built up any stock so far.

Last week prices at the futures of TOCOM rose abt. 2,2 % , while SICOM rose abt. 4,5 % . This Monday TOCOM started low and dropped sharply to recover during the night-session by almost YEN/kg. This shows that speculation at the commodity-markets increases significantly. Anyhow, we can stipulate that wintering in the main areas of SE-Asia is starting soon, while demand is constantly good. Because of this we do not expect any weakening of prices in the near-term, especially as nearby shipments are quite tight all over the place.

NR- Trading department – 18.01.2010