

Market Report week 38/2014

Development of futures quotations at the main trading places for natural rubber in week of September 08th, 2014:

	QUALITY	PRICE	MON	TUE	WED	THUR	FRI
TOCOM	RSS 3	YEN/kg	196,60	191,00	188,60	187,90	190,20
SGX	RSS 3	USC/kg	170,30	166,00	163,50	163,40	164,00
SGX	TSR 20	USC/kg	159,10	152,40	150,90	152,20	153,40
MRE	SMR CV	USC/kg	224,00	221,80	219,45	216,70	214,95
MRE	SMR 20	USC/kg	161,40	154,55	151,50	150,40	152,60

Development of EUR/USD and BRENT crude oil during week of September 08th, 2014:

EUR/USD Fix		1,2952	1,2892	1,2945	1,2918	1,2934
USD/JPY Fix		105,2410	106,2010	106,6500	107,1005	107,1775
Oil/BRT	USD/Barrel	100,00	100,40	99,10	96,80	98,10

(TOCOM RSS 3: 6th month closing, SGX RSS 3 & TSR 20: 1st pos. settlement, MRE SMR CV & SMR 20: closing quotation)

In the past week quotations at the future-exchanges dropped all through the way. TOCOM RSS 3 lost abt. 3,8 %, SGX RSS 3 weakened abt. 6,1 % and TSR 20 abt. 4,7 %. Mainly caused by still week demand and plenty of available rubber. Nevertheless, first signs of an inverse trend are seen. Stocks in the chinese warehouses dropped significantly to less then 150.000 mt. according to SGX. At it's highest, not long ago, stocks were indicated with almost 400.000 mt ! On year-to-year comparism the wordlwide NR production dropped in the first eight months of the year abt. 1,7 %, according to IRSG. Tiremakers are steadily buying on the spot market at low levels, even for nearby shipments. Furthermore in production areas south of the equator, like south Sumatra and Kalimantan, wintering is in full progress, causing a reduction in availabilities in the coming weeks. For many small holders in South East Asia tapping is no more efficient as prices are too low. Either the production is shut down or trees are already chopped. Workers are looking for better jobs in the industry or they help harvesting other crop like palm oil or fruits.

NR-department, 15.09.2014

Abbreviations:

RSS3 = Ribbed Smoked Sheets 3
TSR 20 = Technically Specified Rubber 20
SMR = Standard Malaysian Rubber

TOCOM = Tokyo Commodity Exchange
SGX = Singapore Exchange
MRE = Malaysian rubber Exchange
BRT = crude oil "BRENT"