

05 August 2024

# MARKET WRAP- NATURAL RUBBER



## MARKET OVERVIEW-WEEKLY

### FUTURES MARKET PRICES

Market	Expiry	Quotation	Open	High	Low	Close	%Chg
JAPAN-RSS3	Jan.25	JPY/kg	317.7	319.1	310.1	315.3	-0.76
SHFE-RSS3	Sep.24	CNY/ton	14345	14450	13970	14345	-0.28
SIEE*-TSR20	Aug.24	CNY/ton	12055	12250	11710	12105	0.29
SICOM-RSS3	Sep.24	USD/100kg	206	219	205.9	219	6.31
SICOM-TSR20	Sep.24	USD/100kg	163.4	179	159.8	167.4	2.83
SHFE-Butadiene Rbr	Sep.24	USD/100kg	14630	14695	14070	14325	-3.08

### INDICES/CURRENCIES/CRUDE OIL

	Rate	%Chg
DJIA	39737.26	-2.10
Nikkei	35909.7	-4.67
MSCI Asia Pacific ex-Japan	553.72	-0.83
Sensex	80981.95	-0.43
Nifty	24717.7	-0.47
Baltic Dry	1675	-7.36
Bloomberg Commodity Index	94.7317	-1.28
TR/CC-CRB Index	270.1339	-2.62
USD-INR	83.794	0.11
USD-JPY	146.54	-4.67
USD-CNY	7.16	-1.24
USD-TBH	35.28	-1.67
USD-MYR	4.495	-3.44
NYMEX -WTI "	73.52	-4.72
ICE Brent Crude Oil "	76.81	-5.32

### SPOT MARKET PRICES

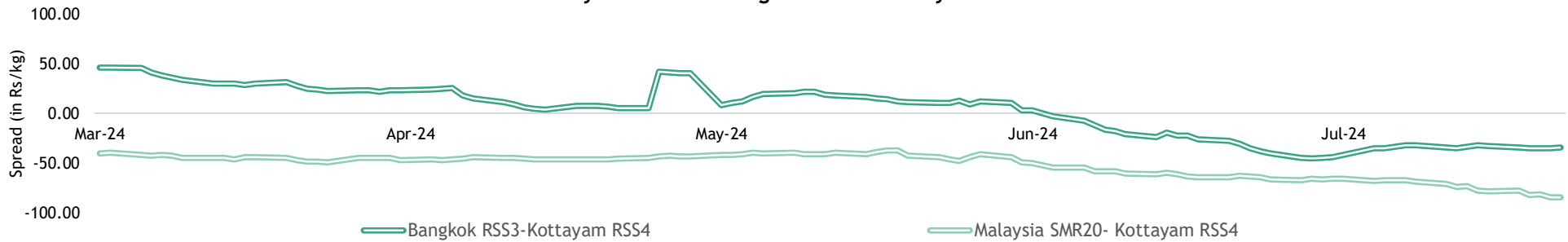
Market	Grade	Quotation	Price	%Chg
Bangkok-Thailand	RSS3	TBH/kg	82.88	4.65
Kuala Lumpur-Malaysia	SMR20	USc/kg	173.65	3.92
Indonesia-Belawan	SIR20	USc/kg	216.75	1.17
Kottayam-India	RSS4	INR/100kg	23000	5.50
Kottayam-India	RSS5	INR/100kg	22500	5.63
Kottayam-India	ISNR20	INR/100kg	21900	7.35
Kottayam-India	Latex (drc60%)	INR/100kg	17330	2.51
Vietnam	SVR10	USc/kg	173	1.82

\* Shanghai International Energy Exchange

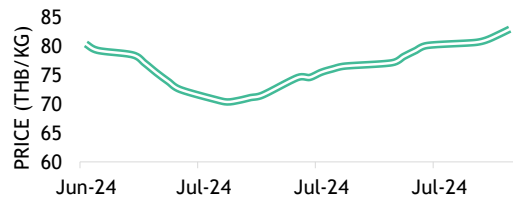
" Front month futures

## PRICE CHARTS

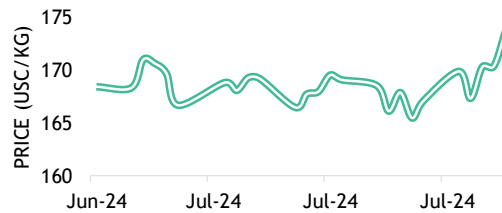
### Kottayam RSS4 v/s Bangkok RSS3 & Malaysian SMR 20



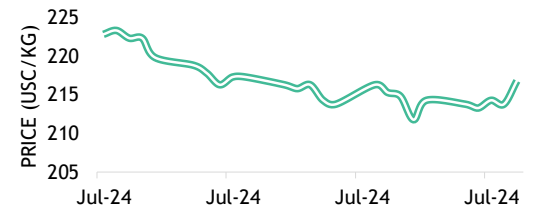
#### BANGKOK RSS3 SPOT



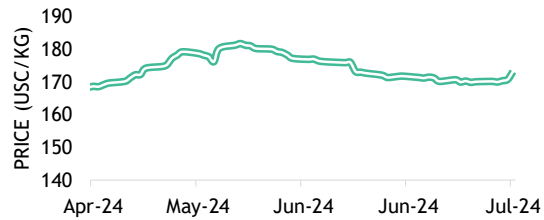
#### MALAYSIAN SMR 20 SPOT



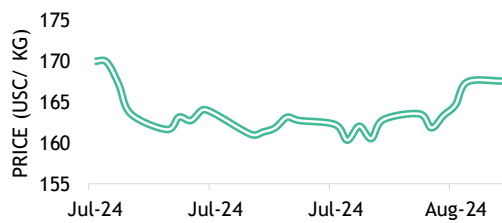
#### INDONESIAN SIR 20 SPOT



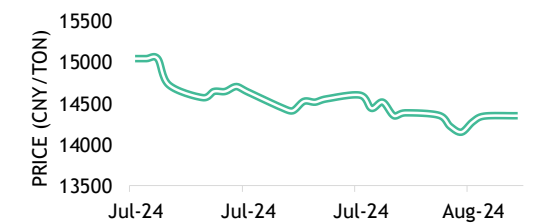
#### VIETNAM SVR 10 SPOT



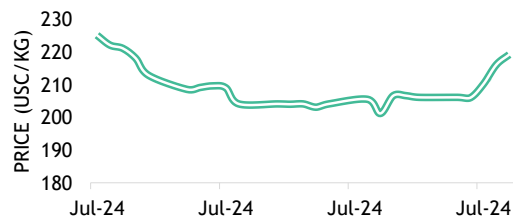
#### SICOM TSR20 SEP FUT



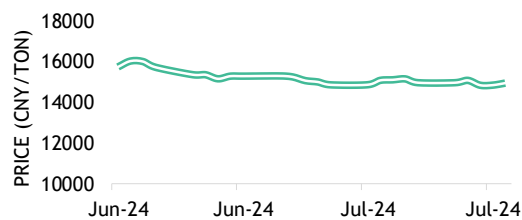
#### SHFE RSS3 SEP FUT



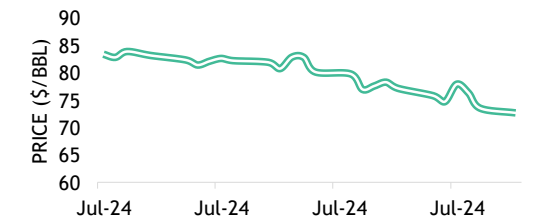
#### SICOM RSS3 SEP FUT



#### SHFE BUTADIENE RUB SEP FUT



#### NYMEX WTI SEP FUT



## MARKET NEWS & UPDATES

\*Steady to positive moves were witnessed in the overseas natural rubber market, while in the Indian market, the commodity continued rising. Lingering worries over supply from the major natural rubber producing countries due to decline in output and logistics constrains continued lending support. Expectation of an interest rate cut in the US too lend support. However, rising geopolitical tensions weighed on, keeping gains under check. In the Indian market, supply crunch continued to push natural rubber prices higher. RSS4 grade rubber was quoted at its highest level in 13-years. Fall in production due to lean production phase, unfavourable weather, firm trend in the overseas market along with hurdles in imports due to container shortage and rising shipping costs amidst robust demand propelled the uptrend.

\* As of 02 Aug 2024, rubber inventories in warehouses monitored by the Shanghai Futures Exchange rose 1.8 per cent to 243578 tons from previous Friday.

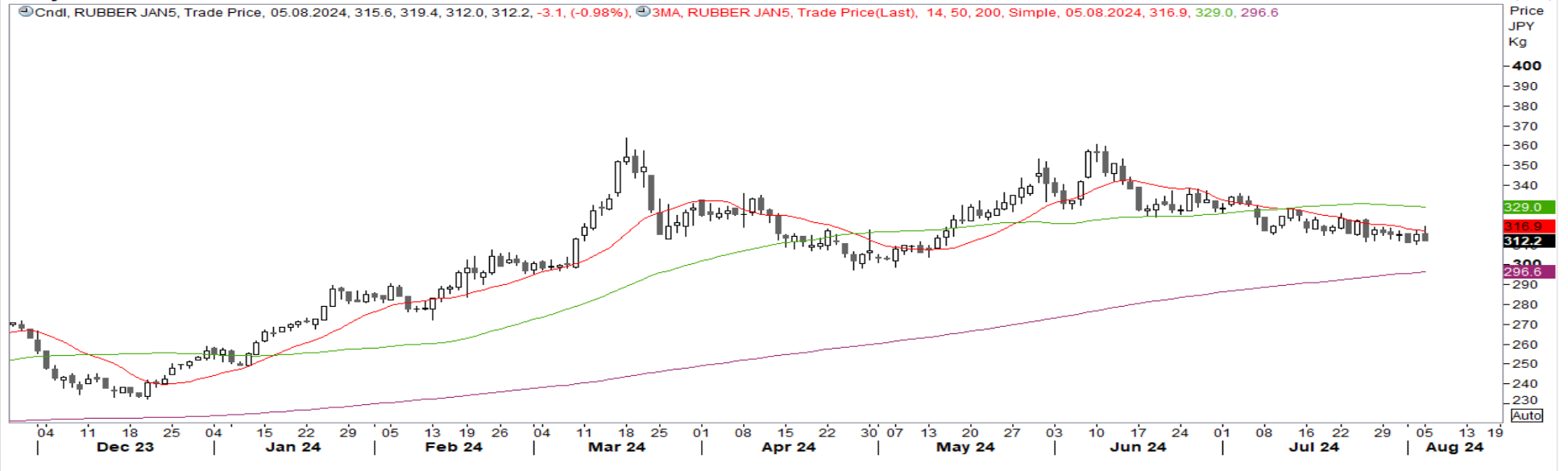
\* Myanmar exported over 62,000 tons of natural rubber, earning over 87 million U.S. dollars in the first quarter of the current fiscal year 2024-2025, the state-run media the Global New Light of Myanmar reported. The country aims to export over 300,000 tons of rubber in the current fiscal year, the report said. Seventy percent of Myanmar's rubber is exported to China, with the rest going to Singapore, Indonesia, Malaysia, Thailand, Vietnam, the Republic of Korea, India, Japan, and other countries, it added. Rubber is mainly produced in Mon and Kayin states, as well as Taninthayi, Bago, and Yangon regions, it said.

\* Malaysia's natural rubber (NR) production rose 20.1 per cent month-on-month to 25,608 tonnes in May 2024 from 21,325 tonnes in April 2024, according to the Department of Statistics Malaysia (DoSM). Year-on-year, NR production increased by 6.1 per cent from 24,126 tonnes in May 2023. Citing the Malaysia Rubber Board Digest published in May 2024, DoSM said the Kuala Lumpur rubber market started with a bullish tone, with Standard Malaysian Rubber (SMR) 20 surging to a new high at 840.00 sen per kilogramme (kg), the highest since April 2017 before fluctuating towards month end. "Generally, the market sentiment was boosted by firmer advice in regional rubber futures markets amid concerns over tight global raw materials supply in major producing countries due to heavy rains. "The market sentiment was also supported by China's strong car sales and the latest stimulus measures announced to shore up the economy," it said. Prices for all SMR increased between 1.2 per cent and 3.2 per cent in May 2024 compared with the previous month. Meanwhile, DoSM said total NR stock grew 16.9 per cent to 175,368 tonnes in May 2024 versus 211,119 tonnes in April 2024, with rubber processors factory contributing 91.4 per cent of the stocks, followed by rubber consumers factory (8.5 per cent) and rubber estates (0.1 per cent). It said NR exports rose 6.3 per cent to 50,796 tonnes in May 2024 from 47,795 tonnes in the previous month. "China remained as the main destination for NR exports which accounted for 39.2 per cent of total exports in May 2024, followed by India (10.6 per cent), Germany (9.4 per cent), the United Arab Emirates (6.5 per cent) and the United States (4.6 per cent)," it said. It added that gloves were the main exports of rubber-based products with a value of RM1.25 billion in May 2024, an increase of 14.1 per cent as compared to RM1.09 billion in April 2024.

## OUTLOOK

### JAPAN OSAKA RUBBER JAN25 FUT

#### Daily RUBBER JAN5



May vary inside 295-365 ranges.

### PIVOT

Exchange	Contract	S3	S2	S1	Pivot	R1	R2	R3
JAPAN-RSS3	Jan.25	301.6	305.8	310.6	314.8	319.6	323.8	328.6
SHFE-RSS3	Sep.24	13580	13775	14060	14255	14540	14735	15020
SICOM-RSS3	Sep.24	197	199	203	205	208	210	213

## UPCOMING HOLIDAYS

Date	Country	Holiday	Date	Country	Holiday
09.Aug.24	Singapore	National Day	16.Sep.24	Malaysia	Malaysia Day
12.Aug.24	Thailand	H.M. Queen Sirikit's B'day	17.Sep.24	Malaysia	B'day of Prophet Muhammad
12.Aug.24	Japan	Mountain Day Observed	23.Sep.24	Japan	Autumnal Equinox Day
15.Aug.24	India	Independence Day	01-07.Oct.24	China	National Day
02-03.Sep.24	Vietnam	National Day			
16-17.Sep.24	China	Mid-Autumn Festival			
16.Sep.24	India	Id-E-Milad			
16.Sep.24	Indonesia	B'day of Prophet Muhammad			
16.Sep.24	Japan	Respect for the Aged Day			

News Source: Cogencis, Thomson Reuters, websites of various Exchanges, rubber organizations/associations/boards and news agencies.

Chart source: Cogencis, Thomson Reuters

Data source: Cogencis, Thomson Reuters, Rubber Board etc

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