

14 June 2021

MARKET WRAP- NATURAL RUBBER



MARKET OVERVIEW-WEEKLY

FUTURES MARKET PRICES

Market	Expiry	Quotation	Open	High	Low	Close	%Chg
JAPAN-RSS3	Nov.21	JPY/kg	242.4	245.7	234.7	238	-2.14
SHFE-RSS3	Sep.21	JPY/kg	14075	14380	12720	12990	-8.68
SIEE*-TSR20	Jun.21	CNY/ton	10930	11360	10930	11080	-1.64
SICOM-RSS3	Jul.21	CNY/ton	221.9	224	210	220	-1.96
SICOM-TSR20	Jul.21	USD/100kg	167.8	167.8	160.3	163.5	-1.98
MCX-RSS4	Jun.21	USD/100kg	17248	17335	16920	17207	0.29
ICEX-RSS4	Jul.21	INR/100kg	17340	17340	17320	17320	0.14

INDICES/CURRENCIES/CRUDE OIL

	Rate	%Chg
DJIA	34479.6	-0.796
Nikkei	28948.73	0.025
MSCI Asia Pacific ex-Japan	705.16	0.014
Sensex	52474.76	0.719
Nifty	15799.35	0.824
Baltic Dry	2857	17.19
Bloomberg Commodity Index	94.9903	0.32
TR/CC-CRB Index	212.2459	0.93
USD-INR	73.24	0.52
USD-JPY	109.65	0.15
USD-CNY	6.3967	0.03
USD-TBH	31.08	-0.16
USD-MYR	4.106	-0.48
NYMEX -WTI Jun.21	70.91	1.85
ICE Brent Crude Oil Jun.21	72.69	1.11

SPOT MARKET PRICES

Market	Grade	Quotation	Price	%Chg
Bangkok-Thailand	RSS3	TBH/kg	68.3	-5.88
Kuala Lumpur-Malaysia	SMR20	USc/kg	162.9	-2.69
Indonesia-Belawan	SIR20	USc/kg	202.75	-1.22
Vietnam^	SVR10	USc/kg	167	-1.18
Kottayam-India	RSS4	INR/100kg	16950	-0.29
Kottayam-India	RSS5	INR/100kg	16750	0.60
Kottayam-India	ISNR20	INR/100kg	15650	-0.32
Kottayam-India	Latex (drc60%)	INR/100kg	12365	-2.48

* Shanghai International Energy Exchange

^ARBC prices

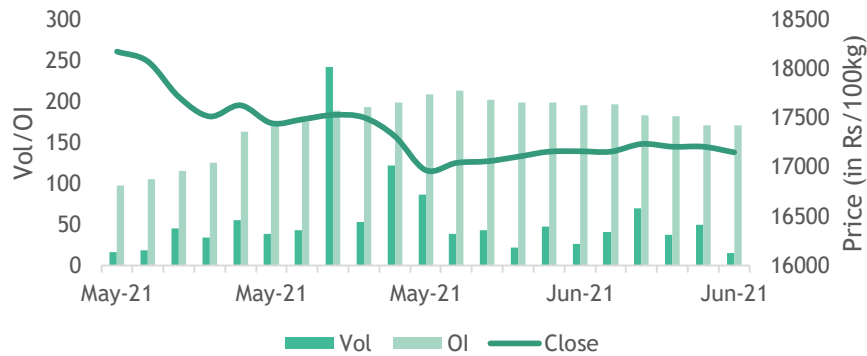
MCX RUBBER FUTURES

Expiry	Open	High	Low	Close	%Chg	Vol	Chg Vol	OI	Chg OI
Jun.21	17248	17335	16920	17207	0.29	224	72	171	-28
Jul.21	16125	16490	16080	16468	0.38	316	231	253	188
Aug.21	16000	16890	16000	16890	0.00	17	#N/A	17	17
Sep.21	-	-	-	-	-	-	-	-	-

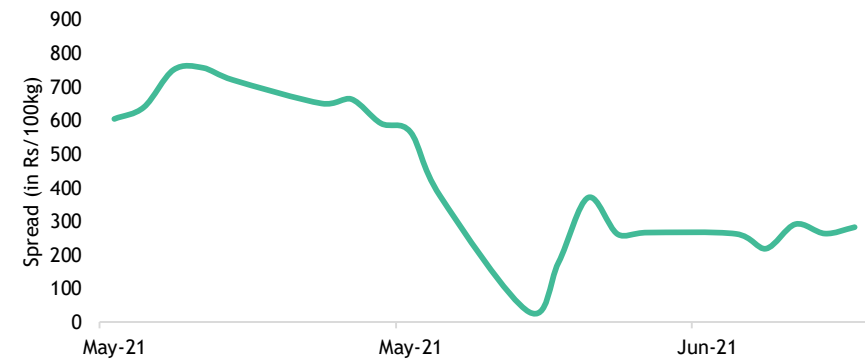
SPREAD

	Spot	Jun.21	Jul.21	Aug.21	Sep.21
Spot	0	-257	482	60	-
Jun.21		0	-739	-317	-
Jul.21			0	422	-
Aug.21				0	-
Sep.21					-

PVO-MCX JUN FUT

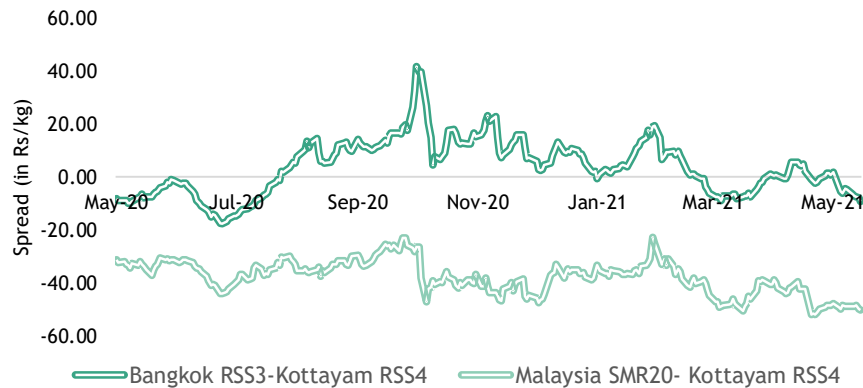


SPREAD CHART- MCX RUBBER Jul-Jun fut

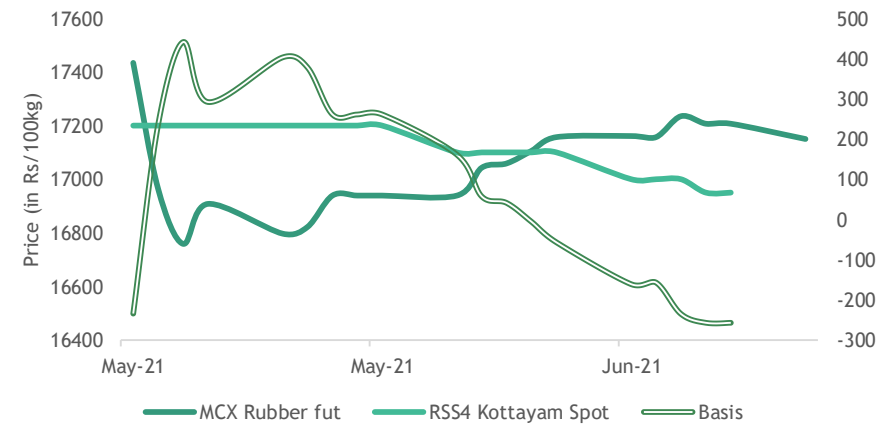


DOMESTIC V/S INTERNATIONAL SPOT

Kottayam RSS4 v/s Bangkok RSS3 & Malaysian SMR 20

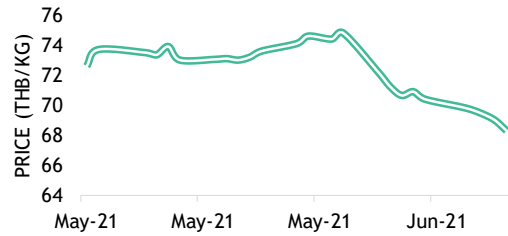


KOTTAYAM RSS4 SPOT - MCX FUTURES

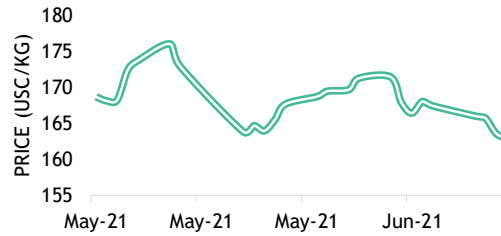


PRICE CHARTS

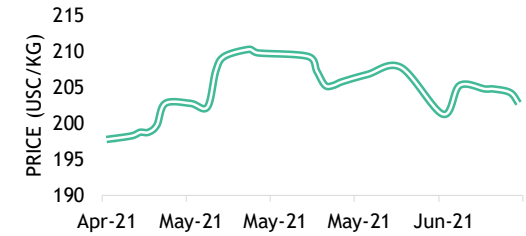
BANGKOK RSS3 SPOT



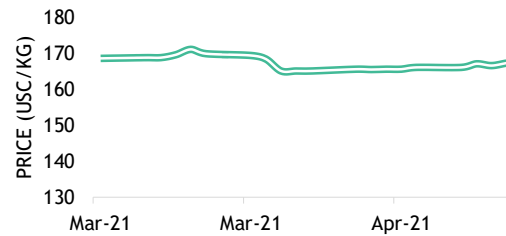
MALAYSIAN SMR 20 SPOT



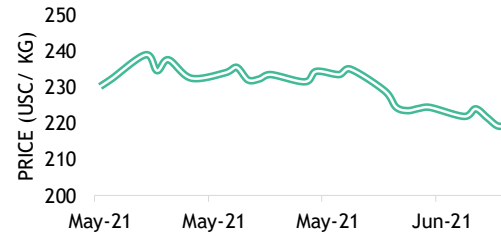
INDONESIAN SIR 20 SPOT



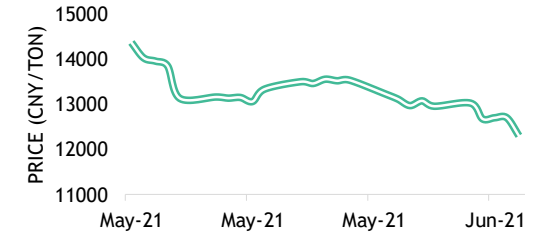
VIETNAM SVR 10 SPOT



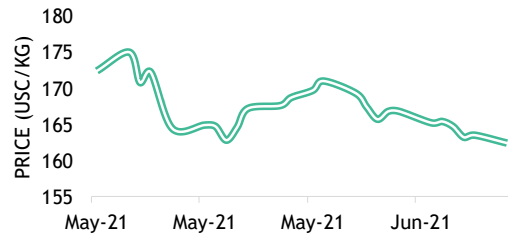
SICOM RSS3 APR FUT



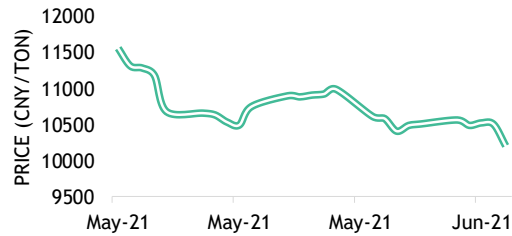
SHFE RSS3 MAY FUT



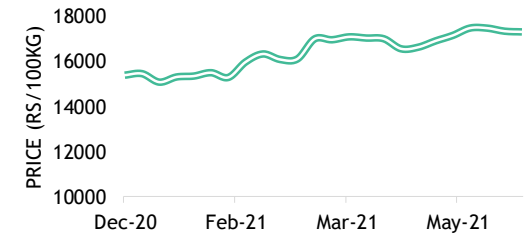
SICOM TSR20 APR FUT



SIEE TSR20 JUN FUT



ICEX RUBBER FUTURES



MARKET NEWS & UPDATES

Natural rubber trended steady to weak in the week gone by and is expected to show similar sentiments in the week ahead as well. RSS4 grade in the Indian market was held in tight ranges in the futures market, while it inched down in spot market in lacklustre trades. Japan's Osaka rubber futures and SHFE rubber futures too ended down. Covid-19 pandemic and related developments continued swaying the overall market sentiments in the natural rubber market.

According to ANRPC, based on the preliminary estimates up to May 2021, the world production of natural rubber (NR) in 2021 is anticipated to grow at 5.8%, year-on-year, to 13.812 million tonnes; while world demand of NR is estimated at 6.7% growth to 13.679 million tonnes in the same reference period.

Kerala government extended the state-wide lockdown to June 15.

Rubber inventories in warehouses monitored by the Shanghai Futures Exchange rose by 0.2 per cent to 181575 tonnes on week on week basis according to the data released by the exchange last Friday.

According to IMD's center at Thiruvananthapuram, Kerala, southwest monsoons in for the period June 1 to June 9 was excess (+20% to +59%) for Pathanamthitta dist, normal (+19% to -19%) for Idduki and Kottayam, deficient (-20% to -59%) for Alappuzha, Ernakulam, Kasaragod, Kollam, Malappuram, Thiruvananthapuram & Thrissur and large deficient (-60% or less) Kannur, Kozhikode, Palakkad & Wayanad districts and Mahe.

According to the Rubber Board, natural rubber production increased to 7.15 lakh tonnes (lt) compared with 7.12 lt in 2019-20. The rise came after the production in the first quarter dropped by 41,000 tonnes to 82,000 tonnes (1.23 lakh tonnes). Natural rubber consumption declined to 10.96 lt against 11.34 lt in 2019-20.

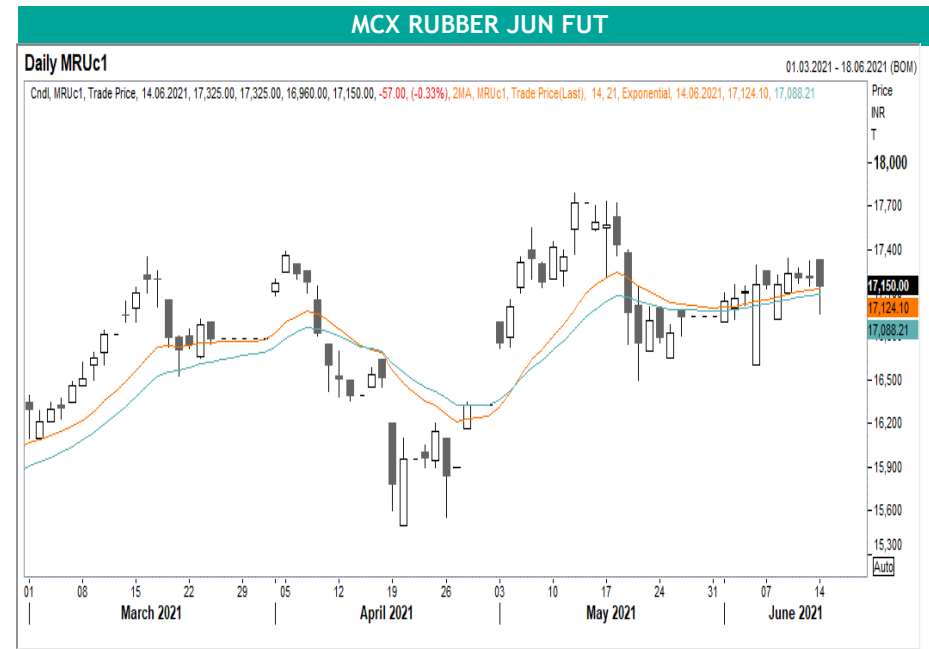
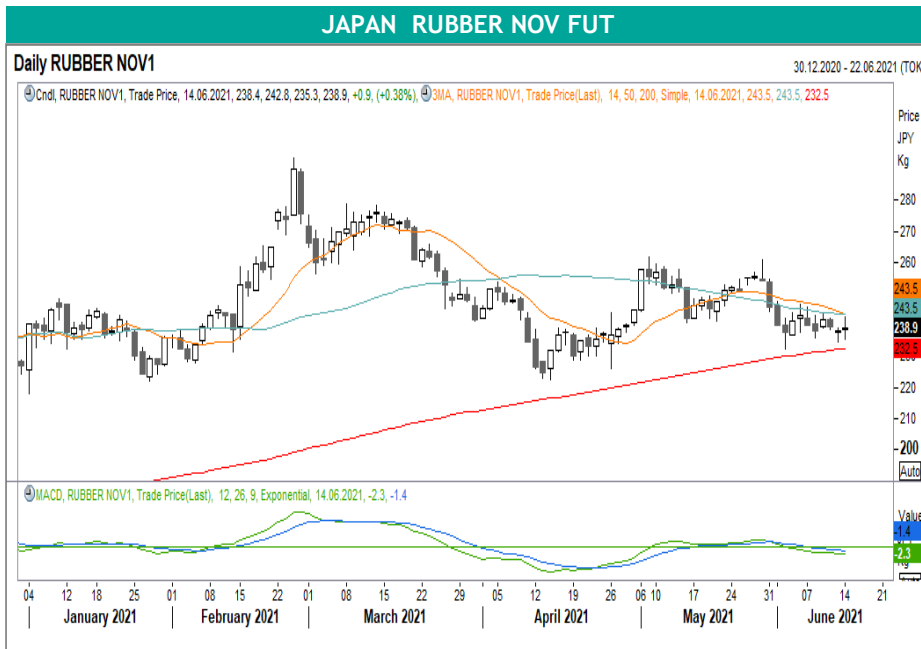
Cambodia exported \$99.87 million of natural rubber from January to April this year, according to the country's Ministry of Agriculture, Forestry and Fisheries. In total, 61,056 tonnes of natural rubber were exported over the four months. Rubber export revenues increased by 2.5 percent over the same period in 2020 (\$97.43 million) according to the ministry.

The Malaysian Rubber Council (MRC) said the Malaysian rubber industry's exports increased by 169.6% in the first quarter of 2021 (1Q21) to RM21.84 million from RM8.1 million a year earlier.

Ivory Coast exported 351719 tonnes of natural rubber from January to April, down nine per cent on year on year from the same period in 2020.

The Arunachal Pradesh government has urged the Rubber Board to make subsidies available to farmers and increase activities in plantations by conducting workshops in an effort to revive rubber crop in the state. In a meeting with Rubber Board Executive Director K.N. Raghavan, the government asked the Board to actively take part in transforming the state into the rubber bowl of the Northeast and help boost its economy.

OUTLOOK



A range bound move inside 220-265 expected. A breakout from either the sides accompanied by substantial volume may lend fresh directions.

A movement inside 17400-16800 expected and a breakout from either the sides could lend fresh directions.

PIVOT

Exchange	Contract	S3	S2	S1	Pivot	R1	R2	R3
JAPAN-RSS3	Nov.21	222.2	228.5	233.2	239.5	244.2	250.5	255.2
SHFE-RSS3	Sep.21	10687	11703	12347	13363	14007	15023	15667
ICEX-RSS4	Jul.21	16945	17065	17180	17300	17415	17535	17650
MCX-RSS4	Jun.21	16558	16739	16973	17154	17388	17569	17803

HOLIDAYS -2021

JUNE		
Day	Country	Occasion
3	Thailand	HM Queen's Birthday
14	China	Dragon Boat Festival

JULY		
Day	Country	Occasion
20	Malayasia/Indonesia	Hari Raya Haji/Eid-ul-Adha
21	India	Bakrid
22-23	Japan	Marine and Sports Day
26	Thailand	Asarnha Bucha Day
28	Thailand	HM King's Birthday

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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