

Thailand to buy rubber on exchanges to boost prices

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Thailand, the world's biggest rubber exporter, plans to buy more than 10,000 tonnes on the Tokyo and Shanghai exchanges to boost prices, according to the Rubber Estate Organisation Managing Director, Mr Chanachai Plengsiriwat. The country will continue to buy rubber directly from farmers until rates reach appropriate levels, Mr Chanachai said. Rubber has plunged 22 per cent since reaching a five-month high of ¥344.4 a kg (\$4,345 a tonne) on the Tokyo Commodity Exchange on February 27 as Europe's debt crisis and a slowing economy in China, the biggest user, reduced demand. The May contract in Tokyo fell as much as 1.4 per cent to ¥254.5 a kg, before closing higher at ¥260. The auction rate for ribbed smoked sheet at Thailand's Songkhla market was 106.35 baht (\$3.38), or ¥268, a kg, according to the Rubber Research Institute of Thailand.

— Bloomberg