

Slowdown in natural rubber supply seen

Staff Reporter

KOCHI: The Association of Natural Rubber Producing Countries (ANRPC) says supply growth during the current year will be slower than last year and will counter a fall in prices triggered by slackening demand.

Natural rubber supply from ANRPC member-countries was estimated to grow by 1.5 per cent this year, a sharp fall from the previous year's growth rate of 8.6 per cent, said the May bulletin from the association. Cambodia, China, India, Indonesia, Malaysia, Papua New Guinea, the Philippines, Singapore, Sri Lanka, Thailand and Vietnam are the members of the association. These countries together account for 93 per cent of the world supply of natural rubber and represent nearly 60 per cent of the global demand.

Supplies from the member-countries are expected to total 10.47 million tonnes this year as compared to 10.32 million tonnes in the previous year.

Figures for the current year have marginally been revised upwards from the previous month's estimate of 10.29 million tonnes.

The higher supply is accounted for by Thailand, which is reported to have produced more natural rubber than was earlier anticipated. The country was expected to produce 3.62 million tonnes this year and had already pro-

duced 8.96 lakh tonnes in the first quarter of 2012, said the report. Indonesia is expected to produce three million tonnes against last year's 3.01 million tonnes, and Malaysia 9.56 lakh tonnes, 10 per cent less than last year.

Production of natural rubber in India is expected to be nearly 3 per cent higher than last year at 9.19 lakh tonnes but lower than estimates made earlier this year. The ANRPC report, however, pointed out how production in India would slow down during the rainy quarter to between 60,000 tonnes and 65,000 tonnes a month.

China and India are expected to see slackening demand while there is likely to be spurt in demand in Malaysia, the report said.

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m on June 07

Currencies	TT Buying	TT Selling
U.S. Dollar	54.74	55.06
Euro	68.97	69.37
Pound Sterling	85.34	85.86
Jap Yen (100 Units)	68.80	69.23
Swiss Franc	57.43	57.78
Singapore Dollar	43.05	43.31
Australian Dollar	54.68	55.01
Canadian Dollar	53.51	53.84
Swedish Kroner	7.70	7.75
Danish Kroner	9.28	9.33
New Zealand Dollar	42.35	42.62
Hongkong Dollar	7.06	7.10
Malaysian Ringitt	17.30	17.43
Kuwaiti Dinar	195.17	197.02
UAE Dirham	14.90	14.99
Bahraini Dinar	144.95	146.33
Qatari Riyal	13.50	13.90
Saudi Riyal	13.10	13.30
Omani Riyal	141.74	143.45

Source: Indian Bank