

RUBBER DEMAND FORECAST AT 25.7 MN TONNES IN 2010

- Global demand for rubber, both natural and synthetic, is forecast to rise to 25.7 million tonnes in 2011, down slightly from an earlier estimate of 26.1 million tonnes in March, but still higher than last year's consumption, said IRSG
- The rubber consumption reached 24.6 million tonnes in 2010, 15.3 percent higher than in 2009, reflecting a strong recovery in the demand for vehicles and tyres, the International Rubber Study Group said in a statement
- Demand is forecast to rise further in 2012 to 27.6 million tonnes, said IRSG without giving details
- Global synthetic demand is expected to grow by 5.0 per cent in 2011 and 9.0 per cent in 2012, while global natural rubber demand is forecast to rise by 3.8 per cent in 2011 and 5.4 per cent in 2012, it said
- Natural rubber prices have tumbled nearly 30 per cent from a record high due to uncertainties in the outlook for the global economy, monetary tightening in China, a devastating earthquake which hit auto production in Japan, and now rising supply in main producing countries
- Key global natural rubber production was forecast at 9.96 million tonnes in 2011, slightly higher than a previous estimate of 9.94 million tonnes on an upward output revision by the second-largest producer Indonesia, another industry group said

WORLD RUBBER SITUATION ('000 TONNES)

	2008	2009	2010
Natural rubber			
Production	10,128	9,690	10,384
Consumption	10,175	9,329	10,765
Supply-demand surplus/deficit	-47	361	-381
Stock	1,519	1,880	1,499
Synthetic rubber			
Production	12,741	12,261	13,987
Consumption	12,658	12,019	13,845
Supply-demand surplus/deficit	83	242	142
Stock	3,097	3,339	3,481
Production total	22,869	21,951	24,371
Consumption total	22,833	21,348	24,610
Stock total	4,616	5,219	4,980

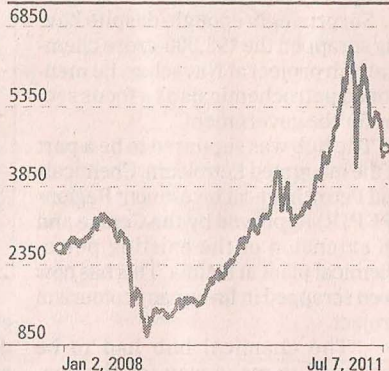
Note: (1) May include balancing adjustments.

(2) Stocks refer to end of period volumes.

Source: All data taken from Rubber Statistical Bulletin, April-June 2011 edition/Reuters

SGX- RSS3 RUBBER FUTURES AUGUST EXPIRY

\$/tonne



Source: Bloomberg

