# Tepid Demand Hurts Rubber

- **A continuing** downturn in automobile sales affected natural rubber consumption in May

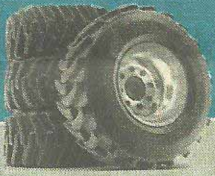
- **Last year,** demand was initially good but fell from Nov and has not picked up yet
- **Rains helped** tapping after a long dry spell, which has led to a marginal rise in supply in May
- **But a** drop in export was expected as the difference between domestic and international prices narrowed down
- **The dip** in imports is due to a tepid demand because the tyre industry is not keeping a long inventory

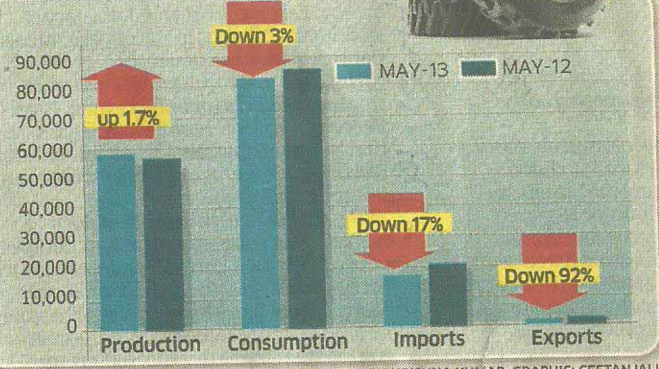
**₹200** per kg

**Global prices** in May 2012 making it lucrative for the exporters

**₹25-30** per kg

**Drop in global** prices in May 2013 in comparison to May 2012






TEXT: PK KRISHNA KUMAR, GRAPHIC: GEETANJALI