

Thailand Monthly Rubber Report – February 2017

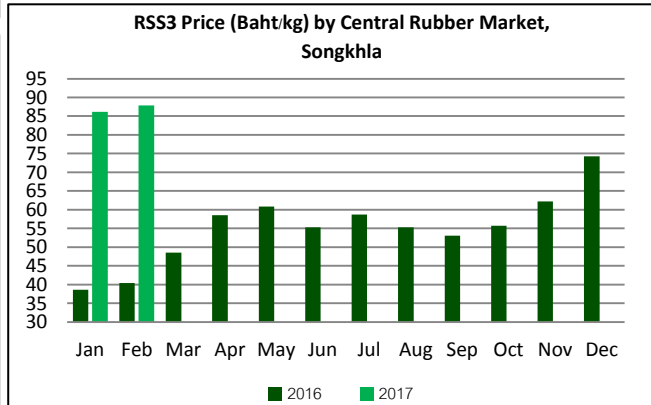
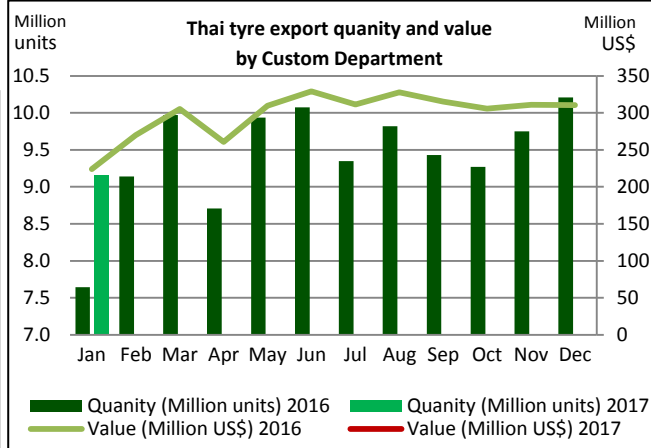
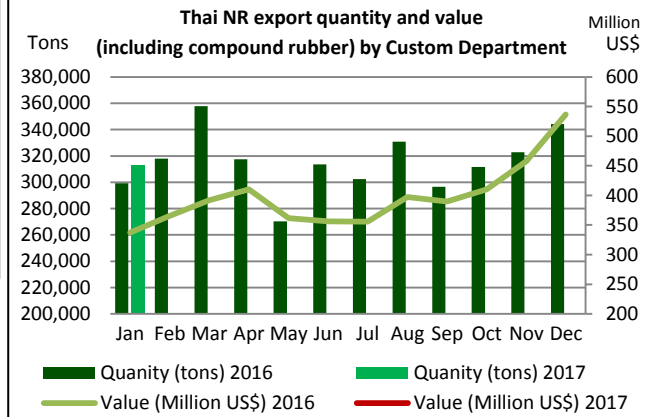


February average RSS3 price announced by Central Rubber Market in Songkhla stood at 87.85 Baht/kg, 1.93 % up from January due to the following factors. After the cease of monsoon, supply of raw material increases in producing countries, especially southern Thailand. Small holders seize opportunity to earn prior to upcoming untappable period during wintering season. However, there is a concern over rubber supply as rubber leaves become blemish and start falling by 40-50%. The wintering season has started in the north and the north east. Local entrepreneurs accelerate their purchase of rubber to stock up. OPEC compliance with oil curbs rises to 94 percent in February. President Donald Trump has promised across-the-board income and business tax cuts, saying that they will unlock economic growth. Fed said the U.S. economy is back to normal, the labor market is healthy again and inflation is headed higher. The European Commission expects the EU to grow by 1.8% both in 2017 and 2018, compared with earlier estimates of 1.6% and 1.8% as the EU economy has shown sign of recovery. China's producer price inflation picked up more than expected in January to near six-year highs as prices of steel and other raw materials extended a torrid rally, adding to views that global manufacturing activity is building momentum. However, another economic figure of China shows sign of volatility. China's forex reserve continued to shrink in January, falling for the seventh straight month, to below the closely watched 3 trillion U.S. dollars.

In January, Thailand exported 312,663 tons of natural rubber (including compound rubber), 9.17 % down from December 2017, 4.48 % up yoy, generating export income of US\$ 547.43 million, 2.04 % up from December, 62.24 % up yoy.

In tyre sector, in January Thailand exported 9.16 million units of all tyres, 19.87 % up yoy, with the export value of US\$ 298.02 million, 33.09 % up yoy.

Thai NR export (Custom Department)		Jan 2017	% (Jan 2017)	
			MoM	YoY
TSR	Quantity (tons)	147,221.81	-6.82	6.83
	Value (Million US\$)	281.33	8.11	65.39
RSS	Quantity (tons)	52,906.79	-15.85	-2.24
	Value (Million US\$)	108.39	-7.38	57.71
Latex	Quantity (tons)	92,714.51	-6.27	6.19
	Value (Million US\$)	120.24	1.57	64.69
Compound (HS 4005)	Quantity (tons)	16,219.33	-10.46	18.60
	Value (Million US\$)	32.21	-2.31	58.60
Other	Quantity (tons)	3,601.44	-43.06	-43.21
	Value (Million US\$)	5.26	-33.43	-0.12
Total	Quantity (tons)	312,663.88	-9.17	4.48
	Value (Million US\$)	547.43	2.04	62.24



Thai NR average prices (Baht/kg) by Central Rubber Market, Hatyai, Songkhla	Feb 2017	%	
		MoM	YoY
local unsmoked sheets	84.14	6.48	128.95
latex at factory	75.09	-1.09	108.29
unsmoked sheets at Central Market	86.21	5.02	124.39
RSS3 at Central Market	87.85	1.93	117.34
FOB. (Bangkok)	96.44	4.91	113.17

