

Thailand Monthly Rubber Report – September 2017

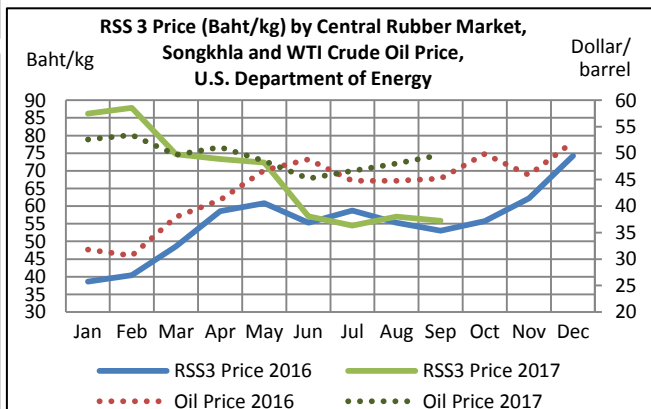
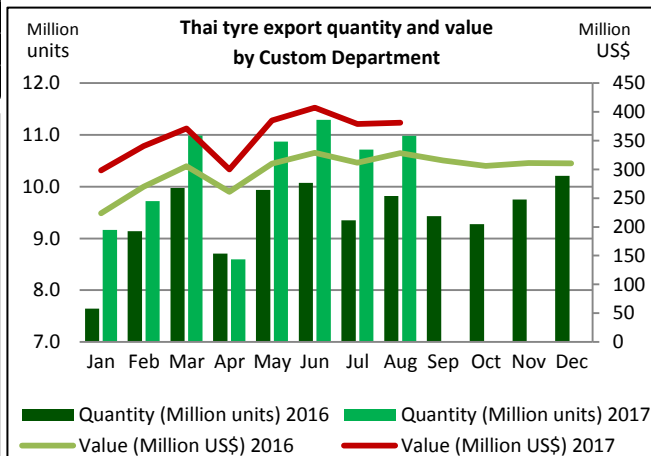
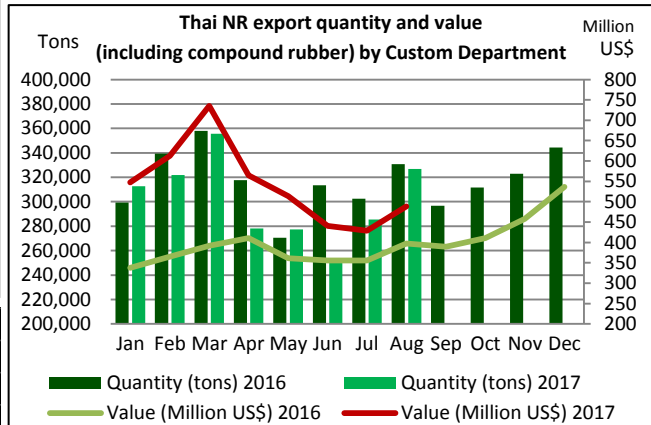


September average RSS3 price announced by Central Rubber Market in Songkhla stood at 55.8 Baht/kg, down 2.16 % from August due to the following factors. Albeit continued rain in rubber plantations in Thailand which resulted in low tapping ability and therefore low output in rubber market, rubber price dropped in line with TOCOM and SHFE, coupled with appreciating baht and yen being the main negative factor. Financial markets expected that FED is likely to increase interest rate this year after Labor Department said its consumer-price index showed stronger growth for headline and core prices in August. China's non-financial outbound direct investment (ODI) dropped 41.8 percent year on year to \$68.72 billion in the first eight months. However, certain positive factors supported rubber price against further slump. Weekly average crude oil price at Cushing, Oklahoma improved from 46.7 in the first week of September to 48.6, 49.08 and 50.20 dollar per barrel in the 2nd, 3rd and 4th week respectively. China's factory activity expanded in September at the fastest pace in five years, as the country's vital manufacturing sector stepped up production to meet strong demand. According to European Automobile Manufacturers Association, in the 28-nation EU, car sales climbed 5.6 percent to 865,047 vehicles in August, the best August performance in a decade.

In August, Thailand exported 326,687 tons of natural rubber (including compound rubber), up 14.47 % from July, down 1.26 % yoy, generating export income of US\$ 488.48 million, up 13.9 % from July and 22.98 % yoy. Overall, during January to August Thai NR exports (including compound rubber) reached 2,418,927 tons, down 4.43 % yoy. The YTD export value touched US\$ 4.33 billion, up 45.55 % yoy.

In tyre sector, in August Thailand exported 10.98 million units of all tyres, up 11.81 % yoy, with the export value of US\$ 380.94 million, up 16.12 % yoy. Overall, during January to August Thai exports of all tyres reached 82.32 million units, up 10.28 % yoy, generating export income of US\$ 2.86 billion, up 22.34 % yoy.

Thai NR export (Custom Department)		Aug 2017	%		Jan-Aug 2017	%	
			MoM	YoY		YoY	YoY
STR	Quantity (tons)	122,032.21	24.17	-14.24	1,085,766.01	-4.54	
	Value (Million US\$)	195.72	22.12	-0.21	2,095.65	42.64	
RSS	Quantity (tons)	69,245.78	29.50	66.99	425,418.37	14.15	
	Value (Million US\$)	124.51	25.35	83.29	922.86	65.53	
Latex	Quantity (tons)	105,167.08	1.80	-14.69	749,212.14	-11.18	
	Value (Million US\$)	121.00	-2.37	22.98	1,025.37	46.73	
Compound	Quantity (tons)	13,644.47	13.88	-27.12	97,499.60	-30.31	
	Value (Million US\$)	30.03	14.01	1.38	216.27	0.89	
Other	Quantity (tons)	16,598.44	-9.53	225.23	61,031.50	62.60	
	Value (Million US\$)	17.21	-9.42	236.73	70.75	98.30	
Total	Quantity (tons)	326,687.97	14.47	-1.26	2,418,927.62	-4.43	
	Value (Million US\$)	488.48	13.90	22.98	4,330.91	45.55	



Thai NR average prices (Baht/kg) by Central Rubber Market, Hatyai, Songkhla	Sep 2017	%	
		MoM	YoY
local unsmoked sheets	51.83	0.29	4.73
latex at factory	52.65	2.91	7.06
unsmoked sheets at Central Market	53.39	0.13	4.62
RSS3 at Central Market	55.80	-2.16	5.16
FOB. (Bangkok)	61.66	0.54	9.60

