



A monthly publication of the Malaysian Rubber Board

Natural Rubber Market Review

August

The Kuala Lumpur rubber market closed August 2025 with a mixed performance. Prices were supported by concerns over reduced raw material supplies in major producing countries amid persistent wet weather, as well as renewed optimism from the U.S.-China tariff truce, rising crude oil prices, and fresh Chinese economic stimulus measures. However, gains were limited by the stronger ringgit against the U.S. dollar and volatile regional rubber futures, with traders remaining cautious ahead of key signals on future U.S. interest rate moves. Compared with those on 31 July 2025, price of SMR 20 increased by 23.0 sen/kg or 3.2% to close at 743.50 sen/kg on 29 August 2025. Meanwhile, latex concentrate closed at 569.50 sen/kg, a decrease of 2.0 sen/kg or 0.3 per cent. Price movements of selected grades of rubber in August 2025 are shown in Table 1.

Gains during the review period were driven by favourable fundamental factors. The Association of Natural Rubber Producing Countries (ANRPC) projects global natural rubber (NR) production to rise modestly by 0.5% in 2025 compared to 2024,

while demand is expected to grow by 1.3%. Meanwhile, torrential rains from Typhoon Kajiki in key Southeast Asian producing regions may slow the pace of new rubber production. On the trade front, the U.S. and China extended their tariff truce by 90 days—maintaining current tariffs of 30% by the U.S. and 10% by China—easing trade tensions and lifting investor sentiment across the region. U.S. trade officials are expected to meet their Chinese counterparts again in the next two to three months to discuss the future of bilateral economic relations. Meanwhile, China’s automobile exports surged to 575,000 units in July, driven by new-energy vehicles (NEVs), with total shipments for January –July reaching 3.68 million units, up 12.8% year-on-year, according to the China Association of Automobile Manufacturers (CAAM). China’s fiscal revenue also grew by 0.1% in the first seven months of 2025 following a 0.3% drop in the first half of the year, while fiscal expenditure rose by 3.4%. Signs of continued economic softness in China have fuelled expectations for additional government stimulus measures. In addition, the Commerce Department’s Bureau of Economic Analysis (BEA) reported that U.S. GDP grew at a 3.3% annualized rate last quarter.

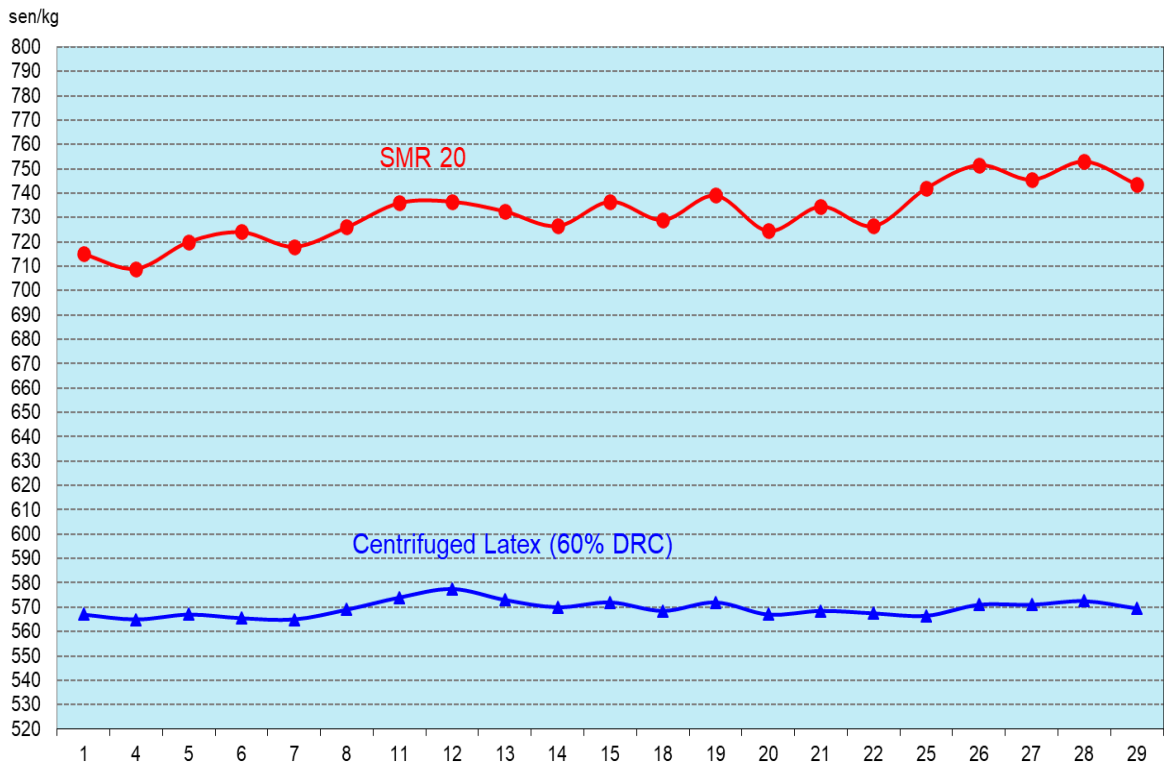
Nevertheless, further gains were capped by a challenging business environment. Malaysia’s

Table 1: Reference Prices (Noon) of SMR CV, SMR 20 and Centrifuged Latex (60% DRC), August 2025

	SMR CV		SMR 20		Centrifuged Latex (60% DRC)	
	sen/kg	RM/tonne	sen/kg	RM/tonne	sen/kg	RM/tonne
Highest	982.50	9,825.00	753.00	7,530.00	577.50	5,775.00
Lowest	961.50	9,615.00	709.00	7,090.00	565.00	5,650.00
Average	969.10	9,691.00	731.86	7,318.60	569.48	5,694.80
Change from the last day of the previous month	-3.50	-35.00	23.00	230.00	-2.00	-20.00

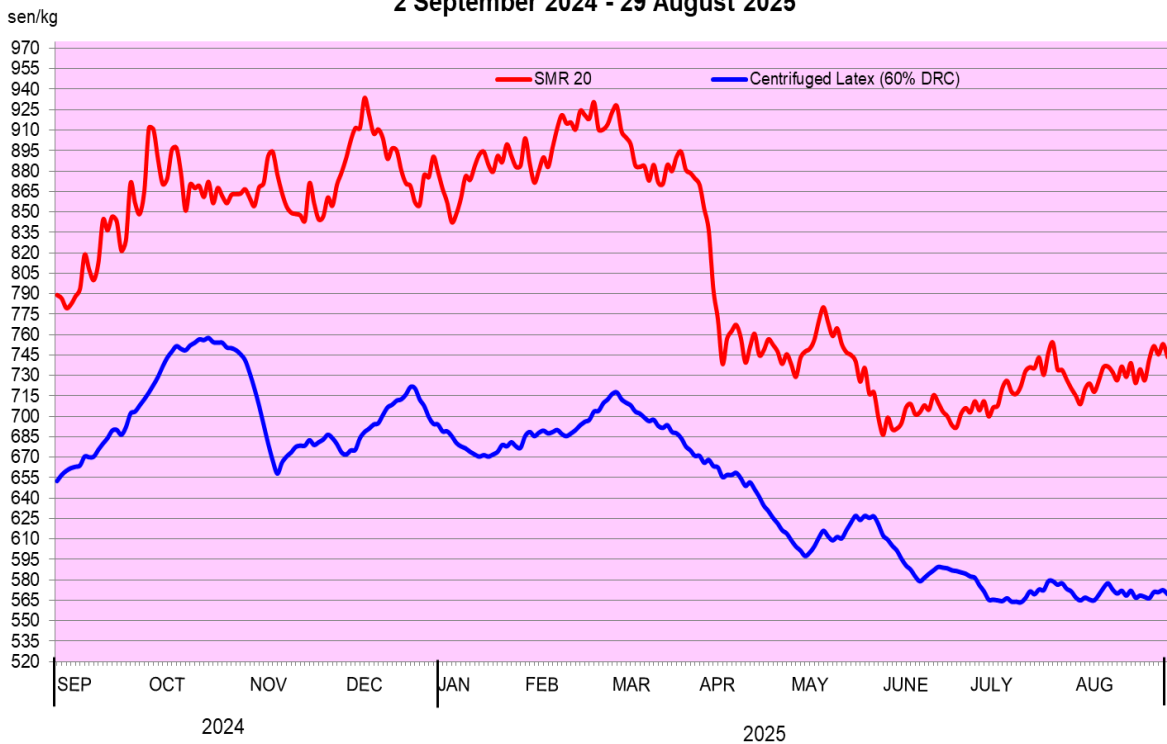
Source: Malaysian Rubber Board (MRB)

Reference Prices (Noon) for SMR 20 and Centrifuged Latex (60% DRC), August 2025



Source : MRB

Reference Prices (Noon) for SMR 20 and Centrifuged Latex (60% DRC), 2 September 2024 - 29 August 2025



Source : MRB

natural rubber (NR) production rose 5.9% in June 2025 to 25,679 tonnes, up from 24,256 tonnes in May 2025. In the United States, the Commerce Department added 407 derivative steel and aluminium products to its tariff list, imposing a 50% tariff on their metal content alongside the regular rate on non-metal components. At the same time, expectations for a September interest rate cut eased after Federal Reserve meeting minutes revealed policy makers favoured a wait-and-see approach amid tariff-related inflation risks. U.S. President Donald Trump threatened to impose additional tariffs and restrict technology exports on countries targeting American technology firms with digital taxes and later doubled trade tariffs to 50% on India after the deadline for levies passed without a trade deal. Meanwhile, in China, new yuan loans contracted in July for the first time in 20 years, signalling weak private sector demand as Beijing works toward a durable trade agreement with Washington. Data from the National Bureau of Statistics (NBS) showed that industrial profits fell 1.5% year-on-year in July, following a 4.3% decline in June, bringing the overall drop for the January–July period to 1.7%. China's manufacturing activity also contracted for the fifth consecutive month in August, with the official purchasing managers' index (PMI) edging up slightly to 49.4 from 49.3 in July, underscoring continued sluggish domestic demand as producers await clarity on trade negotiations with the U.S.

Outlook

Prices are expected to remain driven by regional rubber futures performance, ringgit–U.S. dollar fluctuations, and benchmark crude oil price movements, as traders await clearer signals on U.S. monetary policy. Market participants will also closely watch global economic data releases, U.S. trade tariff developments, weather conditions in key natural rubber-producing countries, and evolving geopolitical tensions.

News Briefs

Trump hits dozens of countries' goods with steep tariffs

U.S. President Donald Trump slapped steep tariffs on exports from dozens of trading partners including Canada, Brazil, India and Taiwan, pressing ahead with his plans to reorder the global economy ahead of trade deal deadline. Trump set rates including a 35% duty on many

goods from Canada, 50% for Brazil, 25% for India, 20% for Taiwan and 39% for Switzerland, according to a presidential executive order.

- reuters.com, 1 Aug

Asia's factory activity worsens as US trade uncertainty bites

Asia's factory activity deteriorated in July as soft global demand and lingering uncertainty over U.S. tariffs weighed on business morale, private sector surveys showed, clouding the outlook for the region's fragile recovery. The surveys were taken before Japan and South Korea clinched trade deals with Washington, offering some hope that receding uncertainty could prop up manufacturing activity in coming months, some analysts say.

- reuters.com, 1 Aug

U.S. manufacturing extends slump; factory employment lowest in 5 years

U.S. manufacturing contracted for a fifth straight month in July and factory employment dropped to the lowest level in five years amid tariffs that have raised prices of imported raw materials. The Institute for Supply Management (ISM) said that its manufacturing PMI dropped to 48.0 last month from 49.0 in June. A PMI reading below 50 indicates contraction in manufacturing, which accounts for 10.2% of the economy.

- reuters.com, 1 Aug

EU banks can weather recession driven by global trade war, stress test shows

Banks across the European Union are strong enough to weather an economic shock driven by geopolitical and trade tensions, the European Banking Authority said as it presented the outcome of its latest health check of the sector. The EBA tested how 64 European banks, including 51 euro zone lenders, would react to a prolonged recession across the EU and other advanced economies, finding none would breach their core capital requirement, and only one would breach its leverage requirement.

- reuters.com, 1 Aug

Euro zone manufacturing approached stability in July as PMI hits three-year high

Euro zone manufacturing moved closer to stabilization in July as factory activity contracted at its slowest pace in three years, despite a dip in new orders and slower output growth, a survey showed. The HCOB Eurozone Manufacturing Purchasing Managers' Index, compiled by S&P Global, edged up to 49.8 in July from 49.5 in June, reaching its highest level since July 2021.

- reuters.com, 1 Aug

U.S. factory orders fall sharply in June on aircraft orders drop

New orders for U.S.-manufactured goods fell in June as commercial aircraft orders plunged, reversing the surge in plane orders that had driven the overall upswing in orders in the prior month. Factory orders tumbled 4.8% after an upwardly revised 8.3% increase in May, the Commerce Department's Census Bureau said. Economists polled by Reuters had forecast factory orders would decline 4.8% after a previously reported 8.2% jump in May. Orders were up 3.8% on a year-over-year basis in June.

- reuters.com, 4 Aug

China's services activity growth hits 14-month high in July, S&P PMI shows

China's services activity expanded at its fastest pace in 14 months in July, fuelled by stronger demand, including a rise in new export orders, a private-sector survey showed. The S&P Global China General Services PMI rose to 52.6 in July from 50.6 the previous month, marking the fastest pace since May last year. The 50-mark separates expansion from contraction.

- reuters.com, 4 Aug

U.S. services activity flatlined in July, ISM data shows

U.S. services sector activity unexpectedly flatlined in July with little change in orders and a further weakening in employment even as input costs climbed by the most in nearly three years, underscoring the ongoing drag of uncertainty over the Trump administration's tariff policy on businesses. The Institute for Supply Management

(ISM) said its nonmanufacturing purchasing managers index (PMI) slipped to 50.1 last month from 50.8 in June.

- reuters.com, 5 Aug

U.S. trade gap skids to 2-year low; tariffs exert pressure on service sector

The U.S. trade deficit narrowed in June on a sharp drop in consumer goods imports, and the trade gap with China shrank to its lowest in more than 21 years, the latest evidence of the imprint on global commerce President Donald Trump is making with sweeping tariffs on imported goods. The overall trade gap narrowed 16.0% in June to USD60.2 billion, the Commerce Department's Bureau of Economic Analysis said.

- reuters.com, 5 Aug

Euro zone business growth inched up in July but remained subdued, PMI shows

Business activity in the euro zone grew at a slightly faster pace in July than in June but remained sluggish as demand dipped, a survey showed on Tuesday. The HCOB Eurozone Composite Purchasing Managers' Index, compiled by S&P Global, edged up to 50.9 in July from 50.6 in June, just below a preliminary estimate of 51.0.

- reuters.com, 5 Aug

KPK reviewing allocation needs for new rubber planting in Ranau

The Ministry of Plantation and Commodities (KPK) through the Malaysian Rubber Board, is re-evaluating the need to increase allocations for the opening of new rubber planting areas, particularly in hardcore poverty areas such as Ranau. In a written parliamentary reply published on the Dewan Rakyat portal today, the ministry said that, as a proactive measure, several initiatives are being implemented. These include identifying suitable land, providing agricultural input assistance and high-quality rubber seedlings, group-based rubber crop development programme, and offering technical training and guidance for participants.

- bernama.com, 5 Aug

Trump's sweeping new tariffs take effect

President Donald Trump's sweeping new tariffs finally took effect on 7 Aug 2025, slapping levies on dozens of countries and risking price increases for a host of everyday goods. Tariffs between 10% and 41% were applied to nearly 70 countries beginning at 12:01 a.m. 7 Aug 2025, significantly expanding the reach of Trump's confrontational trade policy. Canada, a top U.S. trade partner, faces a 35% tariff. While Brazil, a key source of coffee, receives a 40% tariff which, when added on top of the 10% baseline tariff in the new order, means a 50% rate on the country's imports to the U.S. The countries facing the highest rates in the executive order are Laos and Myanmar at 40% and Syria at 41%.

- abcnews.go.com, 7 Aug

Trump says US to levy 100% tariff on imported chips but some firms exempt

President Donald Trump said the United States will impose a tariff of about 100% on imports of semiconductors but offered up a big exemption - it will not apply to companies that are manufacturing in the U.S. or have committed to do so. The move is part of Trump's efforts to bring manufacturing back to the United States, and his remarks were made in tandem with an announcement that Apple would be investing an additional USD100 billion in its home market.

- reuters.com, 7 Aug

China's July exports top forecasts amid rush to meet Trump tariff deadline

China's exports beat forecasts in July, as manufacturers made the most of a fragile tariff truce between Beijing and Washington to ship goods ahead of a looming deadline later this month. Outbound shipments from the world's second-largest economy rose 7.2% year-on-year in July, customs data showed, beating a forecast 5.4% increase in a Reuters poll and June's 5.8% growth. Imports grew 4.1%, following a 1.1% rise in June. Economists had predicted a 1.0% fall.

- reuters.com, 7 Aug

MRC unveils three ESG Initiatives to advance rubber industry's sustainable transition

The Malaysian Rubber Council (MRC) today launched three key initiatives to reinforce the rubber industry's commitment to sustainability and environmental, social and governance (ESG) practices. Chief executive officer Muhammad Eizaaz Muhammad Redzuan said the initiatives marked a significant shift in MRC's role, positioning the agency as a strategic enabler of responsible and sustainable growth, beyond its traditional function of promoting exports. "To build on this momentum, I am proud to announce that MRC will today launch three significant sustainability initiatives," he said in his welcoming remarks at the Malaysian Rubber Industry ESG Conference (MREC 2025) here today.

- bernama.com, 7 Aug

Trump's higher tariffs hit major US trading partners, sparking defiance and concern

U.S. President Donald Trump's higher tariffs on imports from dozens of countries kicked in, raising the average U.S. import duty to its highest in a century and leaving major trade partners such as Switzerland, Brazil and India hurriedly searching for a better deal. The U.S. Customs and Border Protection agency began collecting the higher tariffs of 10% to 50% at 12:01 a.m. EDT (0401 GMT) after weeks of suspense over Trump's final tariff rates and frantic negotiations with countries seeking to lower them.

- reuters.com, 7 Aug

Indian Auto sales fall 4.3% in July, hurt by Trump tariffs, IT job cuts, rains

Automobile retail sales in July fell 4.3% from the previous year as uncertainty about US tariffs' impact, job cuts in the IT sector, and heavy rains weighed on consumers, said a dealers' association. Two-wheeler sales contracted 6.5% and passenger vehicle fell almost 1%, according to data shared by the Federation of Automobile Dealers Associations (FADA).

- business-standard.com, 7 Aug

Majority of Malaysian chip exports to US may escape 100% tariff

A portion of Malaysia's semiconductor exports may qualify for exemptions from the United States' 100% tariff on imported chips, according to CIMB Treasury and Markets Research. Its head of research Michelle Chia and senior economist Azhar said this reflects the presence of US firms and other multinationals that depend on Malaysia's chip supply chain and have ongoing or planned capital investments in the US. "The 65% of Malaysia's semiconductor exports to the US that originate from US firms operating locally, and a portion of the remaining 35% from firms with US affiliations, may still qualify for exemptions," they said in a note.

- *nst.com.my*, 7 Aug

China's car sales growth slows in July, with weaker hybrid demand

China's car sales growth slowed in July partly due to weaker demand for hybrids, as regulators in the world's biggest auto market crack down on a price war that has bruised the industry. Sales rose 6.9% from July 2024 to 1.85 million cars, down from an 18.6% year-on-year increase in June, data from the China Passenger Car Association showed on Friday. Demand for hybrids continued to weaken, with sales of plug-in and extended-range hybrids combined falling 3.6% from July last year as advancements in battery technology and charging infrastructure eased range anxiety about pure EVs.

- *reuters.com*, 8 Aug

Global trade falters with more weakness ahead

Global trade is stagnating, and fresh data suggests the slowdown may deepen, as weak consumer demand, high interest rates, and tighter fiscal policies weigh on cross-border flows of goods. Capital Economics analysts warn that the post-pandemic trade rebound has run its course, with volumes now drifting sideways. Trade in goods which is historically a bellwether of global economic health has lost momentum in both advanced and emerging markets.

- *investing.com*, 10 Aug

China's July factory-gate prices miss forecast, deflation concerns persist

The producer price index (PPI) fell 3.6% year on year in July, National Bureau of Statistics (NBS) data showed, missing economists' forecast of a 3.3% slide and matching the near 2-year low recorded in June on a month-on-month basis, PPI shrank 0.2%, improving from June's 0.4% drop.

- *reuters.com*, 10 Aug

China CPI remains flat in July

China's consumer price index was largely unchanged in July, while producer prices fell more than expected amid sluggish domestic demand and persistent tariff risks. CPI was flat year-on-year in June, government data showed. The print compared with expectations for a 0.1% after a 0.1% rise seen in the prior month. CPI rose 0.4% month-on-month, above expectations of a 0.3%.

- *investing.com*, 11 Aug

US auto sales see modest growth in July amid EV surge

New light vehicle sales in the U.S. reached a seasonally adjusted annualized rate (SAAR) of 15.9 million units in July, according to S&P Global Mobility. This is an improvement from 15.5 million units averaged during May and June. This modest growth in sales volume, projected at 1.33 million units sold, is a roughly 3.2 percent increase year over year according to a joint forecast from J.D. Power and GlobalData. J.D. Power had initially projected SAAR to hit 16.4 million units earlier in the month.

- *digitaldealer.com*, 11 Aug

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hybrids, slowed to 12% from 29.7% in June, but still outsold gasoline cars for the fifth straight month.

- reuters.com, 11 Aug

China's automobile exports rise to 575,000 units in July, up 22.6% year-on-year

China's automobile exports hit 575,000 units in July, with new-energy vehicles (NEVs) driving the growth, data from the China Association of Automobile Manufacturers (CAAM) showed. Total shipments in the first seven months stood at 3.68 million units, up 12.8 percent year-on-year. NEVs remained the main growth engine, with exports exceeding 225,000 units in July, up 10 percent from June and more than doubling year-on-year, according to the CAAM. The CAAM attributed July's strong passenger car sales to the continued impact of the vehicle trade-in program, progress in the industry-wide campaign to address "involution," and the steady rollout of new models.

- globaltimes.cn, 11 Aug

US, China extend tariff truce by 90 days, staving off surge in duties

The United States and China extended a tariff truce for another 90 days, staving off triple-digit duties on each other's goods, as US retailers get ready to ramp up inventories ahead of the critical end-of-year holiday season. The new order prevents US tariffs on Chinese goods from shooting up to 145%, while Chinese tariffs on US goods were set to hit 125%, rates that would have resulted in a virtual trade embargo between the two countries. It locks in place at least for now, a 30% tariff on Chinese imports, with Chinese duties on US imports at 10%.

- reuters.com, 12 Aug

Malaysia natural rubber production increased by 5.9% in June 2025

Natural Rubber (NR) production increased by 5.9% in June 2025 (25,679 tonnes) as compared to May 2025 (24,256 tonnes). Year-on-year comparison showed that the production of NR decreased by 14.1% (June 2024: 29,881 tonnes). Production of NR in June 2025 for Malaysia was mainly contributed by smallholders sector (84.7%) as compared to estates sector (15.3%).

The exports performance was contributed by NR-based product such as gloves, tyre, tube and rubber thread. Gloves were the main exports of rubber-based products with a value of RM1.2 billion in June 2025, a decrease of 1.7% as compared to May 2025 (RM1.3 billion).

- dosm.com, 12 Aug

Electric vehicle sales growth eases to 21% in July: research firm

Global electric vehicle sales grew 21% year-on-year in July, the slowest rate since January and down from 25% in June, as momentum in plug-in hybrid sales in China slackened, market research firm Rho Motion said.

China is the world's biggest car market and accounts for more than half of global EV sales, which in Rho Motion's data include battery-electric vehicles and plug-in hybrids.

- reuters.com, 12 Aug

China announces anti-dumping rulings on halogenated butyl rubber from Canada, Japan, India

China's Ministry of Commerce announced preliminary rulings on its anti-dumping investigations into halogenated butyl rubber from Canada, Japan and India. According to a statement, the ministry has decided to terminate its probes into halogenated butyl rubber imports from India due to their low market share, while confirming anti-dumping violations in such products from Canada and Japan.

Under China's anti-dumping regulations, importers of Canadian and Japanese halogenated butyl rubber must pay security deposits of up to 40.5 percent to Chinese customs, starting Aug. 14, the statement said.

- english.news.cn, 12 Aug

U.S. trade team will meet Chinese officials in two or three months, Bessent says

U.S. trade officials will meet again with their Chinese counterparts within the next two or three months to discuss the future of the economic relationship between the two countries, Treasury Secretary Scott Bessent said. The comments come a day after the trading partners extended a

tariff truce for another 90 days, staving off triple-digit duties on each other's goods.

- reuters.com, 13 Aug

China pledges more financial support for consumption with loan interest subsidy

China plans to boost domestic consumption by offering interest subsidies on loans to households and businesses, aiming to reduce borrowing costs and spur spending, Vice Finance Minister Liao Min said. Economists have long urged Beijing to switch to a consumption-led economic model and rely less on debt-fuelled investment and exports for growth. Pressures from higher U.S. tariffs have heightened calls for a shift in long-term strategy. The policy "will support domestic consumption to become a major driving force of the national economy," Liao said at a press conference.

- reuters.com, 13 Aug

US car sales slow after tariff-driven buying surge ends

After a wave of rushed buying, driven by looming tariffs, US car sales have started to slow, weighing on carmakers. New car sales fell by 300,000 in June from 15.6 million to 15.3 million, according to data released by Cox Automotive last month.

- aljazeera.com, 13 Aug

Goldman Sachs sees Fed cutting rates thrice in 2025, twice more in 2026

Goldman Sachs said in a research note it expects the U.S. Federal Reserve to deliver three 25-basis-point interest rate cuts this year and two more in 2026. This would put the terminal rate at between 3% and 3.25%, down from the current 4.25%-4.50% level. The Goldman note followed data showing U.S. consumer prices increased marginally in July, rising just 0.2% last month after a gain of 0.3% in June, in line with economists' expectations.

- reuters.com, 13 Aug

Traders see 99% chance of September rate cut

Traders are now pricing in a 99% probability of a 25-bps interest rate cut at the September 17, 2025, Federal Reserve meeting, according to Investing.com's Fed Rate Monitor Tool.

This is up from yesterday's probability of 91.4%. Further, traders now see a 1.4% probability of a 50-basis point cut at the upcoming meeting. Previously, there was zero chance of such an outcome.

- investing.com, 13 Aug

China July bank loans unexpectedly contract for first time in 20 years

New yuan loans contracted by 50 billion yuan (USD6.97 billion) in July, falling well short of analysts' forecasts and plunging from 2.24 trillion yuan in June, according to Reuters calculations based on data released by the People's Bank of China.

That marked the first contraction since July 2005 and the largest monthly decline since December 1999, according to central bank data.

- reuters.com, 13 Aug

U.S. producer inflation heats up as goods, services prices soar

U.S. producer prices increased by the most in three years in July amid a surge in the costs of goods and services, suggesting a broad pickup in inflation was imminent, posing a dilemma for the Federal Reserve. The producer price index for final demand jumped 0.9% last month, the largest advance since June 2022, after being unchanged in June, the Labor Department's Bureau of Labor Statistics said.

- reuters.com, 14 Aug

China industrial output growth slows in July; retail sales miss forecast

China's industrial production in July fell short of expectations as overseas demand waned following earlier front-loading due to U.S. tariffs, according to official data released. Industrial production grew 5.7% year-on-year in July, government data showed. The reading was

below expectations of 6% and fell from the 6.8% rise seen in the prior month. Retail sales also disappointed, rising 3.7% in July versus expectations of 4.6% and a previous 4.8%. Other data released also presented a soft picture for the Chinese economy.

- reuters.com, 14 Aug

Chinese new car sales on track to return to 2023 growth levels as NEV sales continue to rise

Car sales in China rose 14.7% year-on-year to 2.59 million units in July 2025, according to data from the China Association of Automobile Manufacturers (CAAM). It follows a 13.8% rise in June. On a monthly basis, the results were not so positive with total car sales falling 10.7% in July and reversing the 8.1% growth seen in June. Sales of new energy vehicles (NEVs)—this includes battery electric (BEV), hybrid and fuel cell electric vehicles (FCEV)—saw a dramatic rise, growing 27.4% year-on-year to 1.26 million units in July. This marked a fifth consecutive month of growth in this sector. NEVs made up 48.7% of all new car sales in China.

- euronews.com, 14 Aug

Johari: Reviving idle rubber land to cut RM7bil import bill

The consolidation of smallholder rubber plantations is progressing well, with ongoing efforts to revive idle plots and reduce Malaysia's reliance on imported rubber, says Plantation and Commodities Minister Datuk Seri Johari Abdul Ghani. He said the ministry, in collaboration with the Malaysian Rubber Board (MRB) and the Rubber Industry Smallholders Development Authority (RISDA), was working to identify smallholder-owned plots that were no longer being cultivated and bring them under joint management.

- nst.com.my, 14 Aug

U.S. retail sales rise in July; softening job market poses risk to spending

U.S. retail sales increased solidly in July, supported by strong demand for motor vehicles as well as promotions by Amazon.com and Walmart, though a softening labor market and higher goods prices could curb consumer

spending growth in the third quarter. Retail sales rose 0.5% last month after an upwardly revised 0.9% gain in June, the Commerce Department's Census Bureau said.

- reuters.com, 15 Aug

U.S. business inventories rise as expected in June

U.S. business inventories increased as expected in June, lifted by higher motor vehicle stocks. Inventories rose 0.2% after being unchanged in May, the Commerce Department's Census Bureau said. Inventories are a key component of gross domestic product and one of the most volatile. They increased 1.6% year on year. Inventories decreased at a USD26.0 billion annualized rate in the second quarter, subtracting 3.17 percentage points from GDP growth. The drag was more than offset by a smaller trade deficit as a tariff-related flood of imports subsided.

- reuters.com, 15 Aug

U.S. manufacturing production stalls in July

U.S. factory production was unchanged in July suggesting manufacturing activity was stalling as businesses navigate higher costs from import tariffs. The unchanged reading in manufacturing output reported by the Federal Reserve followed an upwardly revised 0.3% increase in June.

- reuters.com, 15 Aug

U.S. consumer sentiment weakens in August; inflation expectations rise

U.S. consumer sentiment softened in August as households anticipated higher goods prices because of import tariffs. The University of Michigan's Surveys of Consumers said its Consumer Sentiment Index dropped to 58.6 this month from a final reading of 61.7 in July.

- reuters.com, 15 Aug

U.S. import prices rebound in July on higher consumer goods costs

U.S. import prices rebounded in July, boosted by higher costs for consumer goods, the latest indication that inflation was poised to pick up because of tariffs. Import prices increased 0.4%

last month after a downwardly revised 0.1% dip in June, the Labor Department's Bureau of Labor Statistics said.

- reuters.com, 15 Aug

Global EV sales growth slows to 21% in July as China pauses subsidies

July's electric vehicle sales numbers brought a reality check for the industry. According to research firm Rho Motion, global deliveries of plug-in cars both full battery electrics and plug-in hybrids rose 21% year-over-year.

That's still solid, but it's also the slowest growth rate since January, down from June's 25%. Roughly 1.6 million plug-in vehicles found homes worldwide last month.

- autos.yahoo.com, 15 Aug

Thailand EV sales soar to 18% share as Thai car market edges up in 2025

Thailand's automotive market in 2025 continues to show only a slight decline compared with 2024, but the outlook is improving, with annual sales expected to reach around 600,000 units, up from 570,000 last year.

The electric vehicle (EV) sector, however, is expanding prominently. In the first seven months of 2025, EV registrations reached 66,000 units, almost equalling the full-year total of 67,000 units in 2024. Attention is now on whether manufacturers can meet the government's EV3.0 and EV3.5 support scheme conditions, which require local production to offset imports within set deadlines. The Excise Department is closely monitoring certain producers at risk of missing targets, requiring them to report monthly production and sales.

- nationthailand.com, 17 Aug

Indonesia's auto industry urges government support as Malaysia closes in on sales gap

Indonesia's automotive industry group has called on the government to step up support for the sector as Malaysia's new car sales continue to close in on Indonesia's long-held lead in Southeast Asia's largest auto market. The Indonesian Automotive Industry Association (Gaikindo) said government incentives are crucial

to sustaining competitiveness, especially as sales growth slows.

- jakartaglobe.id, 17 Aug

U.S. tariffs could cut Malaysia's GDP by up to 1.2%, says Zafrul

The United States tariffs are expected to reduce Malaysia's gross domestic product by 0.6 to 1.2 percentage points compared with earlier projections. Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz said this is based on preliminary analysis by the ministry. "For 2026, GDP growth is also expected to decline slightly compared with 2025, as the impact of the tariffs will be felt throughout the year.

- nst.com.my, 18 Aug

China to continue stimulating consumption, premier says

China will continue to boost consumption and protect people's livelihoods, expanding the country's positive growth trend, Premier Li Qiang told a State Council plenary meeting. Li, whose comments were broadcast by China's state broadcaster China Central Television, said authorities would strive to achieve the full year economic growth target set at roughly 5%.

- reuters.com, 18 Aug

Europe: August 2025 light vehicle production forecast

The outlook for light vehicle production in Europe has been adjusted, with an increase of 57,000 units for 2025 but a reduction of 83,000 units for 2026. Greater China's light vehicle production outlook has been upgraded by 195,000 units for 2025, supported by government incentives and strong export activity. The new energy vehicle (NEV) market remains robust, with a 14% year-on-year growth in passenger vehicle production in July. Japan's production forecast for 2025 has been upgraded by 98,000 units, largely driven by Toyota's anticipated increase in exports. South Korea's production was also upgraded by 23,000 units, with eco-friendly vehicle exports offsetting declines in US exports.

- spglobal.com, 18 Aug

U.S. hikes steel, aluminum tariffs on imported appliances, railcars, EV parts

The U.S. Commerce Department said it is hiking steel and aluminum tariffs on more than 400 products including wind turbines, mobile cranes, appliances, bulldozers and other heavy equipment, along with railcars, motorcycles, marine engines, furniture and hundreds of other products. The department said 407 product categories are being added to the list of “derivative” steel and aluminum products covered by sectoral tariffs, with a 50% tariff on any steel and aluminum content of these products plus the country rate on the non-steel and non-aluminum content.

- reuters.com, 19 Aug

China leaves benchmark lending rates unchanged, matching forecast

China kept benchmark lending rates unchanged for the third consecutive month, meeting market expectations, as authorities signalled they are in no rush to deliver monetary stimulus despite a string of recent disappointing economic data. The one-year loan prime rate (LPR) was kept at 3.0%, while the five-year LPR was unchanged at 3.5%. In a Reuters survey of 23 market participants conducted this week, all participants predicted no change to either of the two rates.

- reuters.com, 19 Aug

U.S. business activity picks up in August, factories lead the way – survey

U.S. business activity picked up pace in August, led by a resurgent manufacturing sector that saw the strongest growth in orders in 18 months, a purchasing managers survey showed. S&P Global’s flash U.S. Composite PMI Output Index, which tracks the manufacturing and services sectors, increased to 55.4 this month, the highest level since December, from 55.1 in July. A reading above 50 indicates expansion in the private sector.

- reuters.com, 21 Aug

Anticipated U.S. new-vehicle market growth the result of unusual factors

Including retail and non-retail transactions, new-vehicle sales are projected to reach 1,483,005 in

the US by the end of August. This equates to an 8.2% year-on-year increase. This year, August features 27 selling days, one less than the same month last year. Comparing the sales volume without adjusting for the number of selling days translates to an increase of 4.4% from 2024. The seasonally-adjusted annualised rate (SAAR) for new-vehicle sales is expected to be 16.1 million units, up one million units from August 2024.

- autovista24.autovistagroup.com, 21 Aug

EU pushes for reduced US autos tariff from 1st August as joint text limits exemptions

The European Union will work to ensure lower U.S. tariffs on its car exports are applied retroactively to 1st August, the bloc’s trade chief said, as the transatlantic partners set out details of a framework trade deal struck in July. In a 3-1/2-page joint statement, the two sides spelled out that 15% U.S. tariffs would apply to most EU imports and listed the commitments made, including the EU’s pledge to eliminate tariffs on U.S. industrial goods and to give preferential market access for a wide range of U.S. seafood and agricultural goods.

- reuters.com, 21 Aug

Euro zone business activity accelerates in August as new orders grow, PMI shows

Euro zone businesses saw new orders increase in August for the first time since May 2024, helping overall activity expand at the fastest pace in 15 months despite persistent weakness in exports, a survey said. The HCOB Flash Eurozone Composite Purchasing Managers’ Index, compiled by S&P Global, rose to 51.1 in August from 50.9 in July, marking the third consecutive monthly improvement and the highest reading since May 2024. A Reuters poll had predicted a dip to 50.7.

- reuters.com, 21 Aug

Export value of rubber gloves at RM6b in first five months of 2025, says minister

The export value of Malaysia’s rubber glove sector hit RM6 billion for the period of January to May 2025, said Minister of Plantation and Commodities Datuk Seri Johari Abdul Ghani. He said that the export value reached demonstrated the resilience of the rubber glove industry despite

challenges arising from the US imposing tariffs on rubber glove products. The minister highlighted that Malaysian goods exported to the US are subject to a 19% tariff, the same rate as Thailand, while China faces a much higher tariff of 55%.

- *theedgemalaysia.com*, 21 Aug

25 years of shaping Malaysia's rubber industry for a sustainable future

As Malaysia celebrates its 68th Merdeka Day, the nation reflects on industries that have carried its name worldwide. Among them is the rubber industry, which has grown from its humble beginnings as a producer of raw rubber into a driver of higher value manufactured rubber product exports. The rubber industry has become a symbol of Malaysian capability. This year, the Malaysian Rubber Council (MRC) marks its 25th anniversary of shaping the rubber industry.

- *theedgemalaysia.com*, 25 Aug

Malaysia eyes alternative rubber markets amid US trade pressure

The Plantation and Commodities Ministry is stepping up engagement with industry players to explore alternative markets following the United States' imposition of tariffs on selected Malaysian rubber products. Minister Datuk Seri Johari Abdul Ghani said the move was crucial to safeguard the competitiveness of Malaysia's rubber sector, which remains a key contributor to export earnings. "In 2024, the US accounted for about RM8.3 billion, or 24.6%, of Malaysia's total rubber and rubber product exports," he said at the International Rubber Industry Convention & Expo 2025 (IRICE 2025) here today.

- *nst.com.my*, 25 Aug

Trump vows export curbs, tariffs in digital tax reprisal

US President Donald Trump threatened to impose fresh tariffs and export restrictions on advanced technology and semiconductors in retaliation against other nations' digital services taxes that hit American technology companies. Trump posted on social media that the measures "are all designed to harm, or discriminate against, American Technology" and "outrageously, give a complete pass to China's largest Tech Companies." The president's latest act of trade

brinkmanship again raises uncertainty over tariff rates for US trading partners. Soon after Trump set country-based levies with dozens of partners earlier this month, he vowed to impose new charges on a range of imports. Last week, he said imported furniture would be subject to new duties.

- *thestar.com.my*, 26 Aug

Despite weakness in external trade, Malaysia's economy to remain resilient

Malaysia's Leading Index (LI) annual growth rate saw a marginal 0.2 per cent decline in June 2025, at 113.4 points compared with 113.6 points a year ago, according to the Statistics Department Malaysia (DOSM). Malaysia's economy is expected to grow at a softer pace as the leading index (LI) declined by -0.2%yoy in Jun-25 (May-25: +0.3%yoy). The decline was driven by weaknesses in four of the seven components, led by a sharp fall in Real Imports of Other Basic Precious and Non-Ferrous Metals (-27.4%yoy).

- *businesstoday.com.my*, 26 Aug

China's industrial profits extend decline as demand, deflation woes take toll

Profits at China's industrial firms fell 1.5% in July from a year earlier, following a 4.3% slump in June, while a 1.8% profit drop in the first half eased slightly to a 1.7% slide in the January-July period, National Bureau of Statistics (NBS) data showed.

- *reuters.com*, 26 Aug

Indonesia says U.S. agrees tariff exemption for its palm oil, cocoa, rubber

The United States has agreed in principle to exempt Indonesian exports of cocoa, palm oil and rubber from the 19% tariff imposed by President Donald Trump since 7th August, Indonesia's top trade negotiator said. The exemption will take effect once both sides reach a final agreement, but no timeline has been set because the U.S. is busy in tariff talks with other countries, Airlangga Hartarto, who is also the chief economic minister, told Reuters.

- *reuters.com*, 26 Aug

Malaysia eyes future-ready rubber industry with push for consolidation, technology, market diversification

Malaysia is strengthening its rubber sector to withstand global trade headwinds and secure long-term competitiveness, with a focus on industry consolidation, technology adoption and diversified markets. Plantation and Commodities (KPK) Minister Datuk Seri Johari Abdul Ghani said the sector, which earned RM33.7 billion in exports in 2024, faces rising challenges, including US tariffs and shifting global demand. In the same year, the US accounted for approximately RM8.3 billion or 24.6% of Malaysia's total rubber and rubber product exports, especially in rubber gloves and automotive rubber components, among others.

- [themalaysianreserve.com](https://www.themalaysianreserve.com), 26 Aug

Worldwide natural rubber market

The natural rubber market is set to see a steady increase in demand over the next decade, with market volume expected to reach 16 million tons and market value projected to hit USD26.7billion by 2035. This growth is fueled by rising global demand for natural rubber. Driven by increasing demand for natural rubber worldwide, the market is expected to continue an upward consumption trend over the next decade. Market performance is forecast to retain its current trend pattern, expanding with an anticipated CAGR of +0.7% for the period from 2024 to 2035, which is projected to bring the market volume to 16M tons by the end of 2035. In value terms, the market is forecast to increase with an anticipated CAGR of +1.3% for the period from 2024 to 2035, which is projected to bring the market value to USD26.7billion (in nominal wholesale prices) by the end of 2035.

- [indexbox.io](https://www.indexbox.io), 27 Aug

Malaysia makes contingency plans for agriculture exports under EU deforestation rules

Malaysia has contingency plans in place to remain competitive in European markets as it works to avoid being classified as a "standard risk" country under the European Union's new deforestation rules, the commodities ministry said. If Malaysia fails to acquire "low risk" status, engagement sessions will be conducted with all industries that export agricultural products to

Europe to ensure they comply with EU requirements, the Ministry said in a parliamentary reply.

- [reuters.com](https://www.reuters.com), 27 Aug

European car sales resume rise in July, BYD firmly ahead of Tesla

New car sales in Europe rose 5.9% in July as a jump in Germany outweighed drops in Britain, France and Italy, European Automobile Manufacturers Association data showed. Domestic carmakers such as Volkswagen are studying new launches to fend off Chinese competitors in Europe's growing EV market and comply in a profitable manner with regulations that encourage adoption of the vehicles. ACEA CEO Ola Kaellenius co-signed a letter to European Commission President Ursula von der Leyen saying that EU targets to cut CO2 emissions from vehicles, including a 100 per cent reduction for cars by 2035, are no longer feasible. Sales in the European Union, Britain and the European Free Trade Association rose to 1.09 million cars in July, ACEA data showed.

- [channelnewsasia.com](https://www.channelnewsasia.com), 27 Aug

Trump's 50% tariffs on India take effect as deadline passes with no trade deal

U.S. President Donald Trump's doubled 50% trade tariffs on India took effect as the deadline for the levies passed with no trade deal reached between Washington and New Delhi. But select items like steel, copper, aluminum, pharmaceuticals, automobiles, and electronics will be exempt.

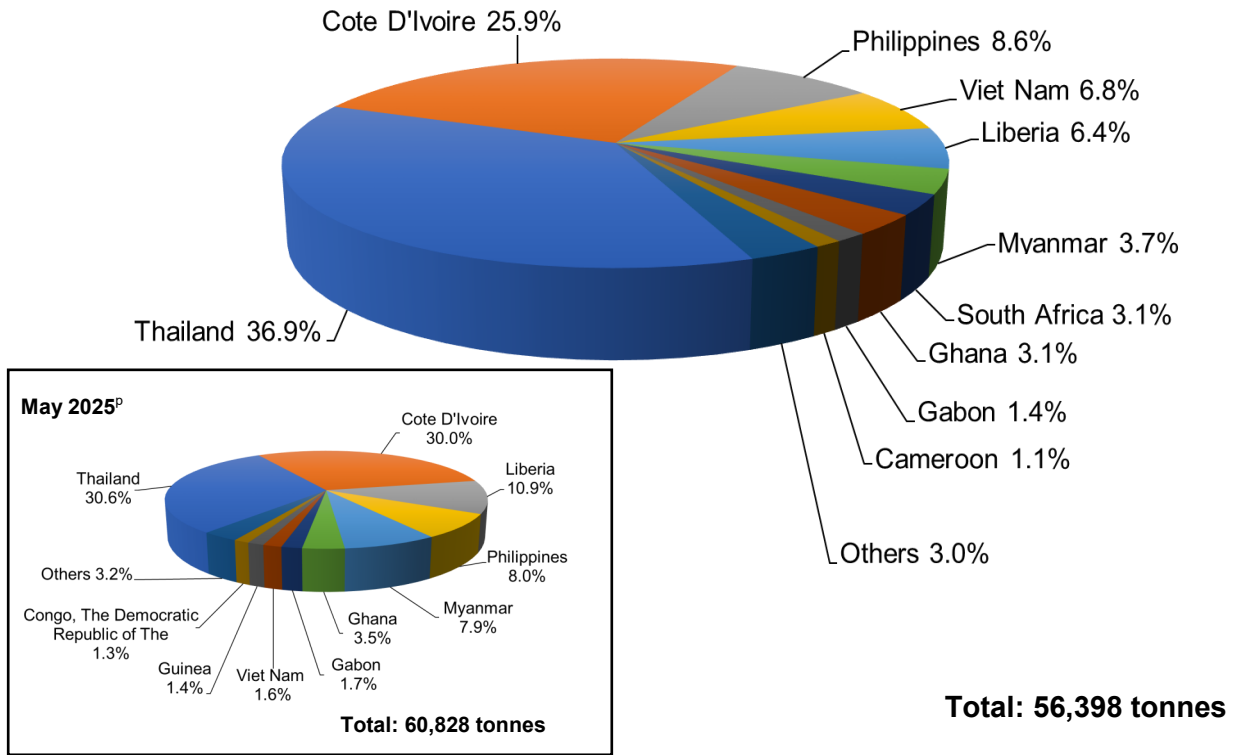
- [investing.com](https://www.investing.com), 27 Aug

U.S. second-quarter GDP revised higher as businesses boost investment in AI

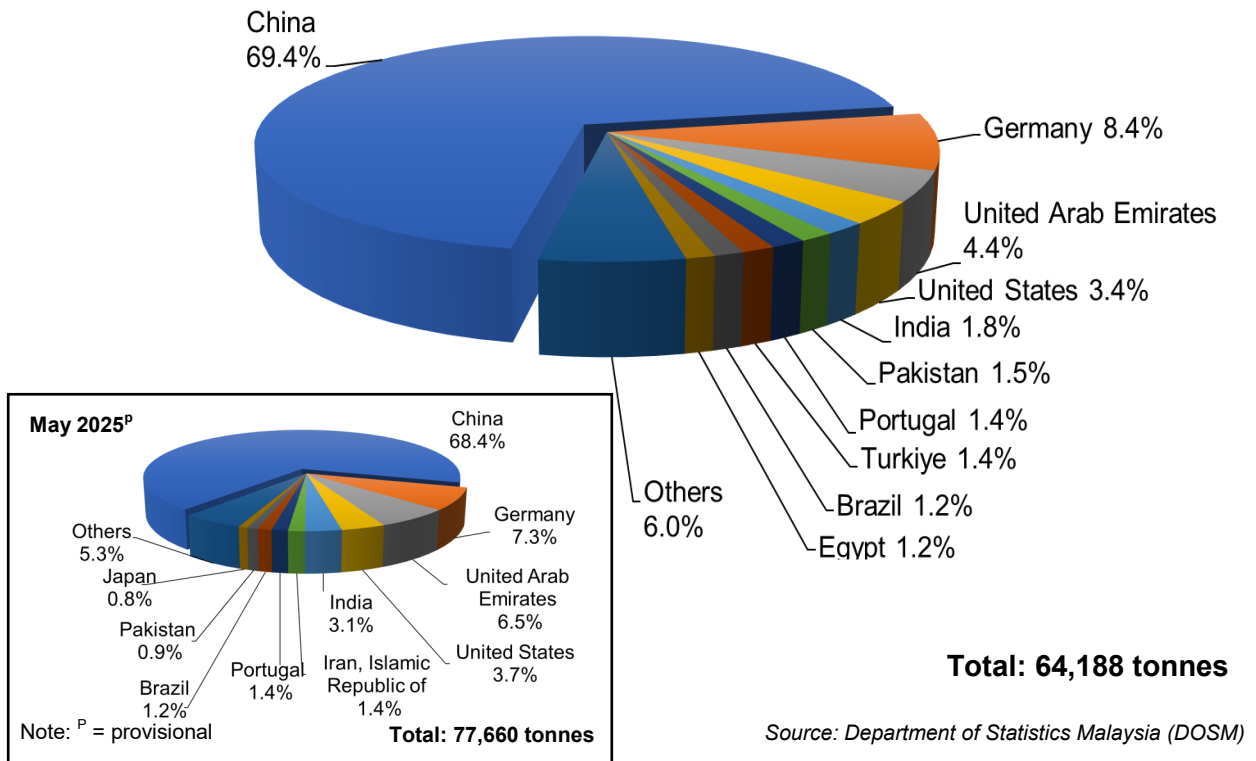
GDP increased at a 3.3% annualized rate last quarter, the Commerce Department's Bureau of Economic Analysis (BEA) said in its second estimate. The economy was initially reported to have grown at a 3.0% pace in the second quarter. Economists polled by Reuters had expected GDP growth would be raised to a 3.1% rate.

- [reuters.com](https://www.reuters.com), 29 Aug

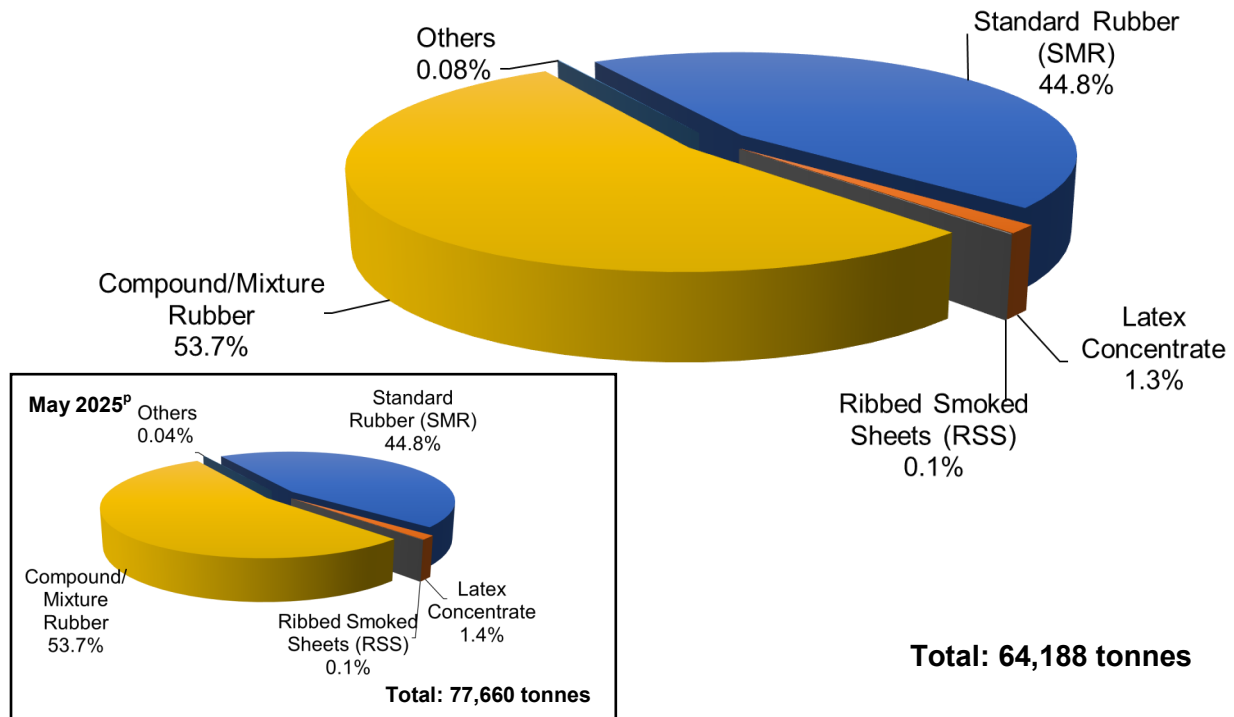
Malaysia's Imports of NR by Countries of Origin, June 2025^P



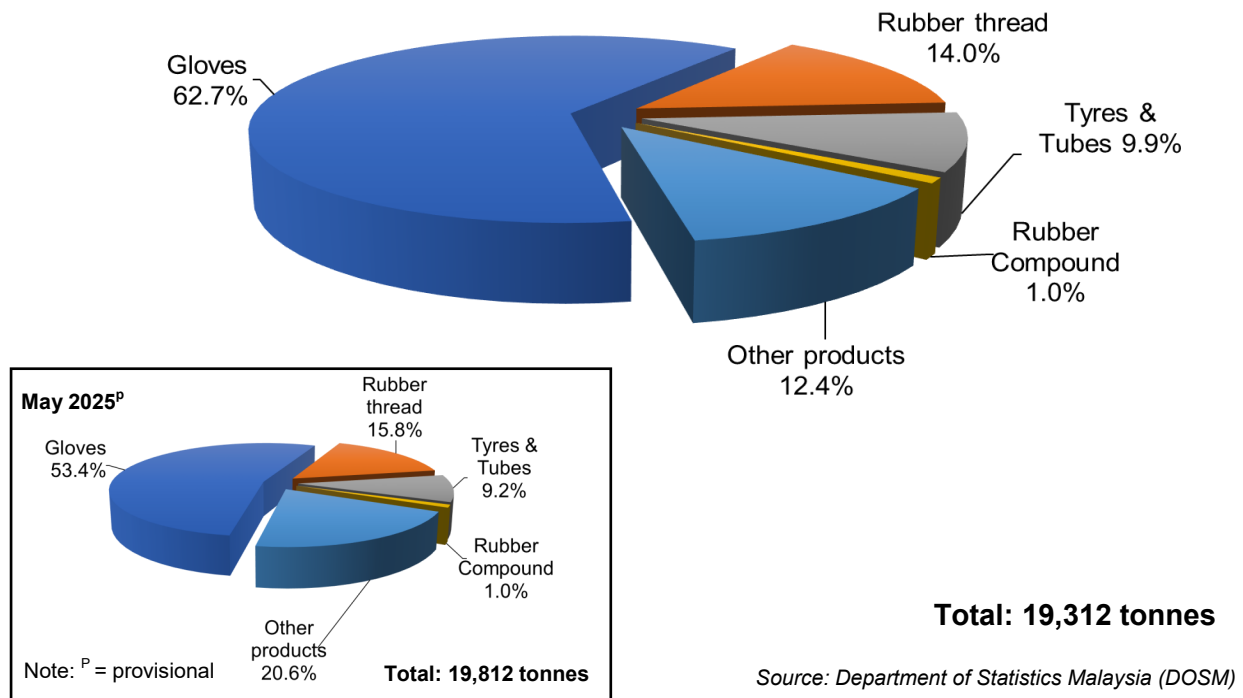
Malaysia's NR Exports by Countries, June 2025^P



Malaysia's NR Exports by Types, June 2025^P



Malaysia's NR Consumption by Product Sectors, June 2025^P



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