



# MALAYSIAN RUBBER BOARD

## D I G E S T

A monthly publication of the Malaysian Rubber Board

2020  
NOV

## Natural Rubber Market Review

### November

The Kuala Lumpur rubber market exhibited a mixed trend in November tracking performance of regional rubber futures markets and oil markets before surging on the last trading day. The recovery was supported by Covid-19 vaccine optimism, steady economic recovery in China coupled with tighter NR supply due to rainy season in certain parts of the major NR producing regions. Nevertheless, the market was dragged down by concerns over the economic impact brought by Covid-19 that triggered widening lockdowns across the globe and a continuously strengthening ringgit against the US dollar. Compared with those on 30 October 2020, the price of SMR 20 fell by 22.0 sen/kg or 3.2% to close at 664.50 sen/kg. Meanwhile, latex concentrate closed at 585.00 sen/kg, a decline of 162.50 sen/kg or 21.7% following the announcement of a lockdown in Europe to prevent Covid-19 from spreading which resulted in car manufacturers postponing their import of latex from fears of their failure to sell vehicles in the coming months. Price movements of selected grades of rubber in November are shown in Table 1.

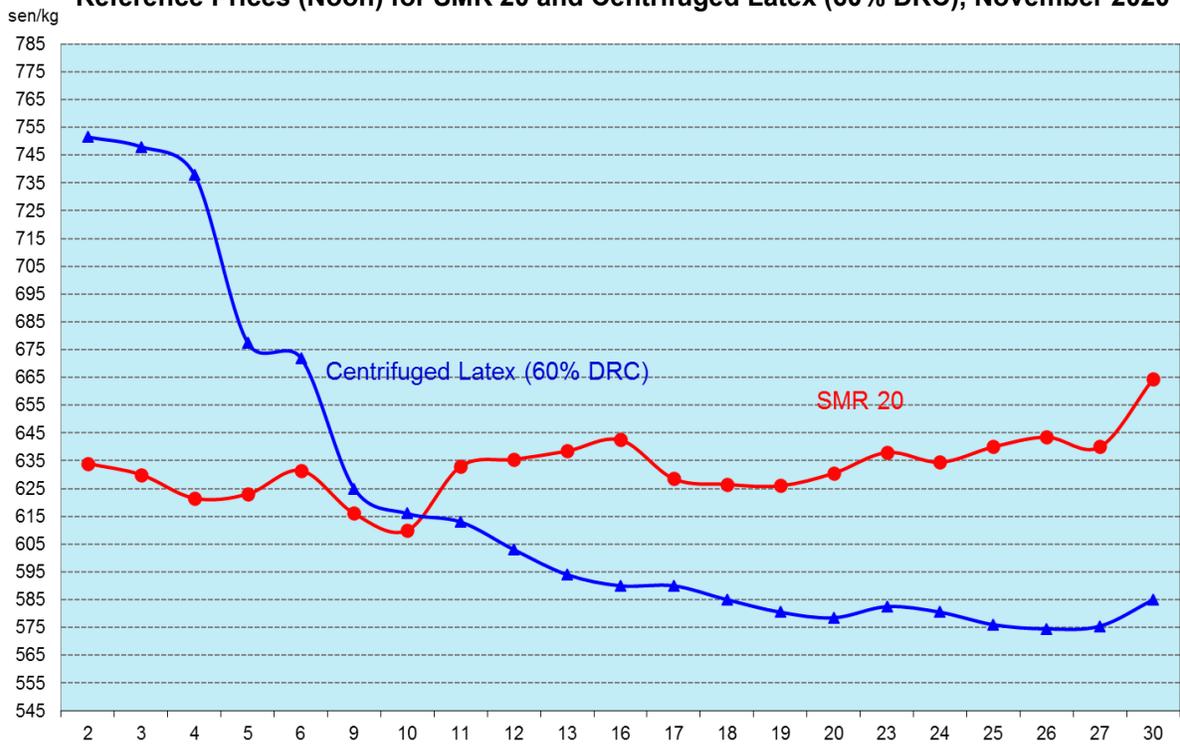
The uptrend in November was supported by strong advices from regional rubber futures markets following concerns about tighter natural rubber (NR) supply from certain parts of the major NR producing countries due to rainy season, Covid-19 vaccine optimism, bargain hunting and steady economic recovery in China from a stream of encouraging economic data and policies. Policy wise, it was reported that China adopted the 14<sup>th</sup> Five Year Plan (2021-2025) for National Economic and Social Development with an annual GDP growth target of 5 per cent. Moreover, Vice Finance Minister Xu Hong Cai stated that China will speed up the spending of special funds allocated to local governments to help support the economy. By the end of October, local governments had spent 1.198 trillion yuan (RM747 billion), 70.9% of the provided funds. Data wise, China's exports surged by 11.4% year-on-year (y-o-y) in October 2020 with the 2020 quarter four GDP growth expected at 5.7 per cent. The China Association of Automobile Manufacturers (CAAM) reported that China's auto sales in October rose 12.5% from a year earlier to 2.6 million vehicles. In addition, continuous recovery of China's manufacturing sector was observed whereby the industrial profits grew for the sixth straight month in October, at their quickest pace since early

**Table 1: Reference Prices (Noon) of SMR CV, SMR 20 and Centrifuged Latex (60% DRC), November 2020**

	SMR CV		SMR 20		Centrifuged Latex (60% DRC)	
	sen/kg	RM/tonne	sen/kg	RM/tonne	sen/kg	RM/tonne
<b>Highest</b>	1,272.50	12,725.00	664.50	6,645.00	751.50	7,515.00
<b>Lowest</b>	977.50	9,775.00	610.00	6,100.00	574.50	5,745.00
<b>Average</b>	1,054.57	10,545.70	632.74	6,327.40	620.76	6,207.60
<b>Change from the last day of the previous month</b>	-271.00	-2,710.00	-22.00	-220.00	-162.50	-1,625.00

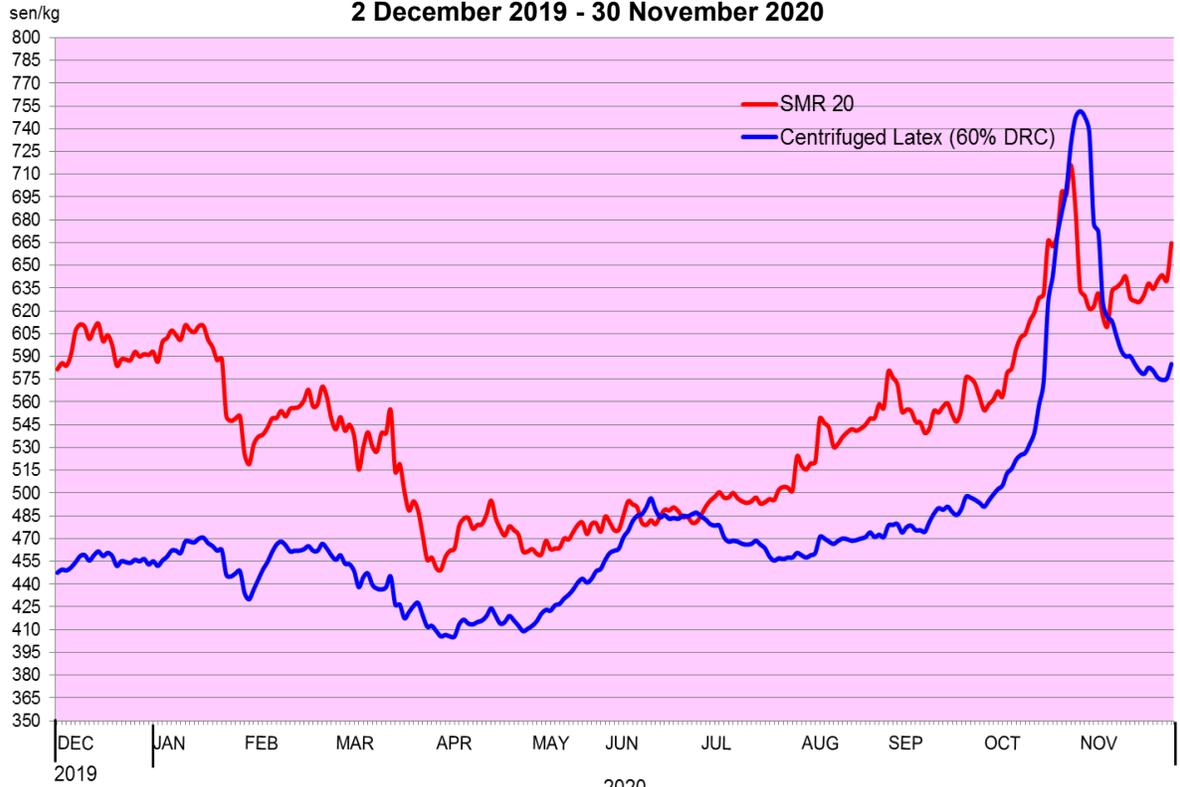
Note: \* Reference price of Centrifuged Latex, 60% DRC  
Source: Malaysian Rubber Board

**Reference Prices (Noon) for SMR 20 and Centrifuged Latex (60% DRC), November 2020**



Source : MRB

**Reference Prices (Noon) for SMR 20 and Centrifuged Latex (60% DRC)  
2 December 2019 - 30 November 2020**



Source : MRB

2017 at 28.2% (y-o-y) to 642.91 billion yuan (USD97.79 billion). Furthermore, China's official manufacturing Purchasing Manager's Index (PMI) for November expanded at 52.1, following improving new export orders and import index coupled with the acceleration of production and procurement activities by enterprises. The positive sentiment was also spurred by a recovery in crude oil prices beginning mid-month after Organization of the Petroleum Exporting Countries (OPEC) and allies, OPEC+ plan on tapering production cuts into 2021 by 7.7 million barrels per day, Covid-19 vaccine optimism coupled with the nomination of Joe Biden as US President. Market operators also celebrated optimism of reconciling US-China trade relations after the nomination of Joe Biden as US President as China will seek to renegotiate trade deal. Decreased NR production in September 2020 by 25.2% year-on-year to 46,187 tonnes reported by Department of Statistics Malaysia (DOSM) further lifted sentiment. The signing of the Regional Comprehensive Economic Partnership (RCEP) on 15 November comprising the 10 Association of South East Asian Nations (ASEAN) members, Australia, China, Japan, New Zealand and South Korea along with better outlook of the US economic recovery gave the market another boost. The US economy rebounded by 33.1% in July-September 2020 and is expected to recover to pre-pandemic levels by mid-2021 under a Biden presidency as vaccine progress continues.

Nevertheless, declines in certain parts of the month were contributed by losses in regional rubber futures markets and crude oil prices, concerns on economic impact from Covid-19 pandemic coupled with a stronger ringgit against the US dollar. Profit taking activities were observed in the regional rubber futures markets amid widening lockdowns globally as Covid-19 cases surged. Market sentiment was also dampened by losses in crude oil prices from renewed worries of the efficacy of Covid-19 vaccines coupled with Chinese crude oil imports that slipped 12.2% in October from 42.56 million tonnes last month as crude inventory nears full level. It was reported that both the International Monetary Fund (IMF) and UN Conference on Trade and Development's (UNCTAD) expects "a long and difficult ascent" from the Covid-19-induced recession. Institute for International Finance (IIF) expects that global debt would break \$277 trillion by year end. Ringgit continued to strengthen against the US dollar in November at RM 4.0690- 4.1635, compared with the rate in October that recorded RM 4.1385- 4.1650.

## Outlook

Prices are expected to trade range bound in the near term amid surging Covid-19 cases globally. Nevertheless, the market is set to be supported by vaccine progress optimism, tighter NR supply till early 2021 coupled with steady economic recovery in China, especially from the Chinese enterprises. The decline in NR production was expected to continue due to erratic weather, reducing tapping activities from Covid-19 containment measures, Pestalotiopsis leaf fall disease, rainy season and floods in some parts of Thailand and Malaysia. On the other hand, the ANRPC in its Natural Rubber Trends & Statistics, September 2020 released on 14 October 2020 anticipated the world NR production at 12.901 million tonnes, down 6.8% from the previous year. Meanwhile, world consumption in 2020 was scaled up slightly to 12.611 million tonnes or down 8.4% from the previous year. Prices are also expected to track the performance of ringgit, crude oil prices and regional rubber futures markets. Market operators are expected to continuously monitor the developments of Covid-19 infections and vaccine progress, upcoming fiscal stimulus, coupled with the developments of the U.S-China diplomatic relations.

## News Briefs

### ***IMF chief economist urges more fiscal stimulus to boost recovery amid global liquidity trap***

Gita Gopinath, chief economist of the International Monetary Fund (IMF), urged policymakers to provide more fiscal stimulus to boost the recovery from the Covid-19 pandemic as the global economy is in a liquidity trap. "For the first time, in 60% of the global economy including 97% of advanced economies central banks have pushed policy interest rates below 1%. In one-fifth of the world, they are negative," Gopinath wrote in an op-ed article in the Financial Times, adding central banks have little room to further cut interest rates if another shock strikes.

- [thestar.com.my](https://www.thestar.com.my), 2 Nov

### ***U.S. to continue elevated import duties on Chinese consumer tyres***

The U.S. Commerce Department has determined that elevated import duties imposed in 2015 on certain consumer tyres imported from China should remain in place, according to the

department's expedited "sunset" review of the duties. Since the imposition in August 2015 of these duties, imports of passenger tyres from China have fallen nearly 95%, to 2.8 million units last year from 50.4 million units in 2014, according to U.S. Commerce Department data. Through the first six months of 2020, they fell even further, dropping 42.2% to 905,444.

- *rubbernews.com*, 3 Nov

### **Thailand Cabinet gives nod to THB62billion rice, rubber price guarantees**

Mobile Cabinet meeting in Phuket approved a budget of THB61.9 billion to help rice and rubber farmers via the Bank for Agriculture and Agricultural Cooperatives (BAAC). For rubber planters, the Cabinet approved a budget of THB10.042 billion to guarantee incomes. It will guarantee prices per kilogram of THB60 for good quality raw rubber sheet, THB57 for fresh latex, and THB23 for rubber lump – each limited to 25 rai per farmer. Forty per cent of the guarantee payment will go to workers and 60% to farm owners. The scheme runs from October this year to March 2021. The BAAC will fund the scheme via central budget.

- *nationthailand.com*, 4 Nov

### **Chinese President Xi pledges to import more as pandemic shakes global economy**

China will import over USD22 trillion worth of goods over the next decade, and the country is accelerating its opening up in spite of the global Covid-19 pandemic, Chinese President Xi Jinping said. Speaking via video message at the opening of the November 5-10 China International Import Expo, or CIIE, an annual import show in Shanghai, he said the world should not let unilateralism and protectionism undermine the international order.

- *reuters.com*, 4 Nov

### **China said to consider 5% annual GDP growth target for next five years**

China's policymakers are close to setting an average annual economic growth target of around 5% for the next five years, at the lower end of ranges previously considered as global risks cloud the outlook, policy sources said. Beijing is looking to set a more flexible growth target for the 14th five-year plan to hedge against

external risks caused by the pandemic and rifts with the United States, three people involved in internal discussions said following last week's agenda-setting leadership meeting.

- *theedgemarkets.com*, 5 Nov

### **China's Oct crude oil imports down 12.2% m/m as buying frenzy fades**

China's crude oil imports slipped 12.2% in October from the prior month as refiners hit the brakes after months of a buying frenzy that had raised crude inventory to a near-full level, and as independent refineries run out of import quotas. China, the world's No.1 crude oil importer, bought 42.56 million tonnes of the resource last month, data from the General Administration of Customs showed.

- *reuters.com*, 6 Nov

### **China's exports surged unexpectedly last month, as pace of import growth cooled off**

China's exports surged unexpectedly last month, as the pace of import growth cooled, data released by the country's customs agency showed. Exports grew by 11.4% last month, compared to a year earlier. This was faster growth than in September, when exports rose by an 18-month high 9.9%. October's figure was above the 9.2% forecast of a Bloomberg poll of analysts and was again the highest monthly growth rate since March 2019, when exports surged 14.2%. Imports grew by 4.7% over the same period from a year ago, down from a surprise jump of 13.2% in September. Analysts had forecast growth of 8.6% in October. The previous month had brought an all-time record import haul of USD203 billion, but that cooled to USD178.74 billion in October.

- *scmp.com*, 7 Nov

### **Malaysian: Production of natural rubber increased 3.7 per cent in September 2020**

Production of natural rubber (NR) increased 3.7% in September 2020 to 46,187 tonnes as compared to 44,543 tonnes in the previous month. Meanwhile, compared to the same month in the previous year, it recorded a decrease of 25.2%. Exports of Malaysia's NR amounted 48,720 tonnes in September 2020, an increase of 14.2% against 42,658 tonnes in August 2020.

Rubber gloves was the main export item with export value increasing by 25.6% from RM3.0 billion in August 2020 to RM3.8 billion in September 2020. Among the highest exports of rubber gloves were to the United States, Germany and United Kingdom. The stocks of NR inclined in September 2020 with 255,140 tonnes as compared to 233,492 tonnes in August 2020 with an increase of 9.3%. Total domestic consumption for NR was 45,207 tonnes, a decrease of 2.9% as compared to the previous month. Rubber gloves industry dominates the use of NR with 34,016 tonnes or 75.2% from the total domestic consumption.

- *dosm.gov.my*, 9 Nov

***After Joe Biden election win, China will seek to renegotiate trade deal, Beijing advisers say***

Joe Biden's US election victory will encourage China to try and renegotiate Donald Trump's trade deal, viewed in Beijing as being "twisted" in Washington's favour, according to advisers to the Chinese government. Shi Yinhong, an adviser to China's State Council, effectively the country's cabinet, said Beijing would see it as in its interests to reduce the heavy import targets and reduce tariffs on exports to the United States.

- *scmp.com*, 9 Nov

***New Covid-19 lockdowns imperil European car sales recovery***

The second wave of the Covid-19 pandemic in Europe will dash hopes for a sales recovery toward the end of the year, analysts say. "While we are still assessing some of the details, lost sales (in Western Europe) could amount to 300,000 to 400,000 in the final couple of months" of 2020, said LMC Automotive analyst Jonathon Poskitt. He noted that a second wave and renewed lockdowns were "always a serious threat." LMC Automotive's latest forecast calls for full-year Western European sales of 10.58 million units, a 26% decrease from the 14.3 million vehicles sold in 2019. That is a downward revision from early October, when LMC forecast sales of 10.92 million units in the region, a decrease of 24% from last year.

- *rubbernews.com*, 9 Nov

***US GDP will be back to pre-pandemic levels by mid-2021 under a Biden presidency and as vaccine progress continues, Goldman says***

The V-shaped economic recovery is alive and well, at least according to Goldman Sachs. Economists led by Jan Hatzius published their latest US gross domestic product (GDP) forecast over the weekend, updating their outlook on near-term stimulus, Covid-19 vaccine development, and economic reopening. Goldman expects the recovery to cool after GDP leaped 33% in the third quarter, but recent developments have pushed back the timing of a full rebound. The latest wave of Covid-19 cases is the most important factor affecting future growth and is already placing a significant drag on GDP, the team said. The US economy will now grow just 3.5% in the first quarter of 2021, half of the 7% expansion previously expected by the bank.

- *businessinsider.com*, 10 Nov

***China leads global auto industry recovery from virus with Oct sales rising 12.5%***

Vehicle sales in China rose 12.5% in October from the same month a year earlier, the seventh straight monthly rise as the world's biggest vehicle market leads the global industry in recovering from lows hit during the Covid-19 pandemic. The country's overall economic recovery has also accelerated, expanding by 4.9% in the July-September quarter, compared with 3.2% in the previous three months. Sales reached 2.57 million vehicles last month, data from the China Association of Automobile Manufacturers (CAAM) showed.

- *reuters.com*, 11 Nov

***Thailand expected to produce 4.9 million tonnes of natural rubber this year***

Thailand is expected to produce some 4.9 million tonnes of natural rubber throughout this year, said Rubber Authority of Thailand (RAOT) Governor Nakorn Tangavirapat. Of the total natural rubber production projected, some 4.18 million tonnes are bound for export to world markets including China and Britain, Nakorn said.

- *china.org.cn*, 14 Nov

***The global natural rubber and gum market stabilized at USD25 billion, but the pandemic hampers resuming the growth***

The global natural rubber (NR) and gum market amounted to USD25.2 billion in 2019, therefore, remained relatively stable against the previous year. This figure reflects the total revenues of producers and importers (excluding logistics costs, retail marketing costs, and retailers' margins, which will be included in the final consumer price).

- *globaltrademag.com*, 14 Nov

***China's factory output beats forecasts as Asia shakes off Covid-19 slump***

China's factory output rose faster-than-expected in October and retail sales continued to recover albeit at a slower-than-forecast pace, as the world's second-largest economy emerged from its Covid-19 slump. Industrial output climbed 6.9% in October from a year earlier, data from the National Statistics Bureau (NBS) showed, in line with September's gain. Analysts polled by Reuters had expected a 6.5% rise. The upbeat figures came as other Asian economic powerhouses also climbed out from their pandemic depths with Japan's economy reporting its fastest quarterly growth on record.

- *reuters.com*, 16 Nov

***World economy on track for synchronous rebound: Morgan Stanley***

The world economy is on track for a synchronous rebound that will gain traction from March 2021 onwards, according to Morgan Stanley economists led by Chetan Ahya. In their outlook for the year ahead titled 'The Next Phase of the V,' the economists expect both developed and emerging economies to drive the next phase of global reflation with global growth hitting 6.4% in 2021, spurred by highly supportive fiscal and monetary policy.

- *bloomberg.com*, 16 Nov

***APEC region to record historic contraction in 2020, better outlook next year***

Economic growth in the Asia Pacific Economic Cooperation (APEC) region declined by 3.7% in the first six months of 2020 as consumption, trade

and investments reversed to bigger-than-expected contractions, said the APEC Policy Support Unit. For the whole year, the region's economy is expected to contract by 2.5% or equal to an output loss of USD1.8 trillion, the regional economic forum's research and analysis arm said. It said this would be the first contraction for the APEC region's economy in three decades.

- *theedgemarkets.com*, 16 Nov

***Malaysian government makes higher allocation of RM300 million to assist rubber smallholders in 2021***

Rubber smallholders' well-being and income stability continue to be of concern to the government, which therefore has provided a higher allocation of RM300 million for 2021 to support them, said the Plantation Industries and Commodities Ministry (MPIC). MPIC Deputy Minister II Datuk Seri Dr Wee Jeck Seng said since January this year, a total of RM157.3 million had been disbursed under the Rubber Production Incentive (IPG) to 127,420 smallholders for 163.4 million kilogrammes (kg) of rubber. "The IPG is an incentive provided by the government with the aim of easing rubber smallholders' economic burden due to a decline in rubber prices.

- *bernama.com*, 17 Nov

***New lobbying group to push for 100% EV sales by 2030***

The Zero Emission Transportation Association is pushing for "an accelerated transition to electric vehicles, which will create hundreds of thousands of new jobs, secure American global EV manufacturing leadership, dramatically improve public health and significantly reduce carbon pollution," according to a statement. The nonpartisan group, based in Washington, is backed by 28 big-name corporations representing several industries. Members include EV manufacturers and startups such as Tesla, Rivian, Lordstown Motors and Lucid Motors as well as ride-hailing giant Uber and regional utilities.

- *autonews.com*, 17 Nov

**Fed's Powell signals emergency credit programs should be extended**

Federal Reserve Chair Jerome Powell said it was not time to shut down emergency programs aimed at battling the economic fallout from the Covid-19 pandemic, with cases again surging and the economy left with "a long way to go" to recover. "I don't think it is time yet, or very soon," to shutter the suite of credit programs set up by the Fed last spring with the authorization of the Treasury Department and funding from Congress, Powell said in the clearest indication yet he feels the programs are likely needed beyond 31<sup>st</sup> December, when many are due to expire.

- reuters.com, 18 Nov

**'Attack of the debt tsunami': Covid-19 pushes global debt to record high**

The Covid-19 crisis pushed global debt levels to a new high of over USD 272 trillion in the third quarter, the Institute for International Finance said, as it warned of the "attack of the debt tsunami." The institute said global debt would break new records in the coming months to reach USD277 trillion by the end of the year. This would represent a debt-to-GDP ratio of 365%.

- cnbc.com, 19 Nov

**China-led shift to electric vehicles to help end 'oil era': study**

An aggressive China-led shift to electric vehicles is expected to slash global oil demand growth by 70% by 2030 and will help bring an end to the "oil era", according to research by the Carbon Tracker think tank published. Within 10 years, China could save more than USD80 billion in annual oil import costs as new-energy vehicles (NEVs) become increasingly competitive, Carbon Tracker said.

- reuters.com, 20 Nov

**A Biden stimulus plan will spur US economic growth of 4.6% in 2021, Ned Davis Research says**

President-elect Joe Biden's multi-trillion dollar stimulus plan will spur a surge in economic growth next year, according to a note from Ned Davis Research (NDR). NDR estimates US real GDP will increase by 4.6% in 2021, in a recovery

that will be marked by a slow start in the first half of next year, followed by a strong second half.

- businessinsider.com, 20 Nov

**Global economy recovering but momentum may be slowing, says IMF chief**

The global economy is recovering from the depths of the Covid-19 crisis, but there are signs of slowing momentum in countries with resurging infection rates, the International Monetary Fund (IMF) said in a new report for G20 major economies. The report, released ahead of this week's virtual meetings of finance officials and leaders from the Group of 20 countries, underscored the uneven nature of the global recovery and warned the crisis would likely leave deep, unequal scars.

- thesundaily.my, 20 Nov

**China's new five-year plan to boost post-pandemic global recovery**

The leadership of the Communist Party of China (CPC) has adopted proposals for formulating the 14th Five-Year Plan (2021-2025) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035. China's new development plan proposals, which stress innovation, domestic demand, quality of development and high-level opening-up among others, will provide more development opportunities and bring shared prosperity to the world, according to scholars and politicians at the Understanding China Conference in Guangzhou.

- xinhuanet.com, 22 Nov

**G20 says it will strive for fair global access to Covid-19 vaccine**

Leaders of the 20 biggest economies vowed to spare no effort to supply Covid-19 drugs, tests and vaccines affordably and fairly to "all people", reflecting worries that the pandemic could deepen divisions between the world's rich and poor.

- reuters.com, 23 Nov

**G20 to extend debt relief to mid-2021, pushes private sector to help**

Leaders of the world's 20 biggest economies endorsed a plan to extend a freeze in official debt service payments by the poorest countries to mid-2021 and backed a common approach for dealing with their debt problems. The G20 debt relief initiative - launched shortly after the start of the pandemic in the spring - has helped 46 of 73 eligible countries defer USD5.7 billion in 2020 debt service payments, freeing up funds for countries to fight the pandemic and shore up their economies.

- reuters.com, 23 Nov

**IMF chief urges G20 leaders to maintain policy support as global economy "not out of the woods"**

International Monetary Fund (IMF) Managing Director Kristalina Georgieva urged the Group of 20 (G20) leaders to maintain policy support and reinforce the economic bridge to recovery as the global economy is "not out of the woods." "I commended the G20 countries as a whole for taking unprecedented actions to mitigate the impact of Covid-19 including fiscal and monetary measures that have helped to prevent massive bankruptcies and an even deeper crisis," Georgieva said in a statement following a virtual meeting of G20 Leaders' Summit hosted by Saudi Arabia.

- thestar.com.my, 23 Nov

**US: Markit Manufacturing PMI improves to 56.7 in November vs. 53 expected**

The IHS Markit's Manufacturing Purchasing Managers' Index (PMI) for the US edged higher to 56.7 in November from 53.4 in October to show that the economic activity in the manufacturing sector continued to expand at a robust pace. This reading beat the market expectation of 53 by a wide margin. Furthermore, the Services PMI rose to 57.7 from 56.9 and surpassed the analysts' estimate of 55.3.

- fxstreet.com, 23 Nov

**RCEP's synergy with China's economic strategy bodes well for Asia-Pacific**

After eight years of tough negotiations, 15<sup>th</sup> November saw a breakthrough for regional

cooperation as 15 Asia-Pacific nations signed the biggest free-trade deal in history. Comprising the 10 Association of South East Asian Nations (ASEAN) members, Australia, China, Japan, New Zealand and South Korea, the Regional Comprehensive Economic Partnership (RCEP) will reduce trade barriers across a third of the world's population and economic output area. Economists at Johns Hopkins University estimate the pact could add USD186 billion to the global economy, a welcome boost as we face the worst recession in a century.

- scmp.com, 24 Nov

**World economy risks buckling into 2021 despite vaccine hope**

The surging Covid-19 is stoking fears of a fresh downturn for the world economy, heaping pressure on central banks and governments to lay aside other concerns and do more to spur demand. Hopes are mounting that Covid-19 vaccines will become available as soon as December, but widespread delivery will take months and infections are rising again in many large economies. Authorities are responding with more restrictions to limit the virus' spread at the price of weaker economic activity. "While there is much excitement over the progress of vaccine development, it will not be the quick fix that many expect it to be," Singapore's Trade & Industry Minister Chan Chun Sing told reporters.

- thestar.com.my, 24 Nov

**China economic activity can return to reasonable range in 2021, says Premier Li**

China's premier Li Keqiang said he expects economic activity in the country can return to a reasonable range next year, after the impact of the Covid-19 pandemic on GDP growth in 2020. "China's economy this year can achieve positive growth, and we expect next year (economic) operations can recover to a reasonable range," Li told a news conference with leaders of six major international economic and financial organisations, including the World Bank and International Monetary Fund (IMF). China's economy, the world's second-largest, grew 0.7% in the first nine months of 2020 from a year earlier, while third-quarter GDP was up 4.9% year -on-year (y-o-y).

- malaymail.com, 24 Nov

***Xi Focus: Xi underlines China's commitment to open world economy amid pandemic fallout***

Although the Covid-19 pandemic has plunged the world into recession and stoked anti-globalization sentiments, China has never wavered from its determination to build an open economy. The country has continued to make resolute efforts with a deft hand in pursuit of its goal. Attending a series of international meetings last week, President Xi Jinping delineated ways to tackle the most pressing challenges facing humanity. He voiced a steadfast commitment that China will embrace the world with more open arms and create greater global recovery opportunities.

- *xinhuanet.com*, 25 Nov

***Malaysia sees no rubber glove supply disruption due to factory closures***

Malaysia, the world's largest producer of rubber gloves said it does not anticipate any disruption to supply after a top manufacturer shut some factories due to a Covid-19 outbreak among its workers. "Be assured that new capacity is available to make good the interim shortfall and that there is not going to be any aggravated disruption to whatever is currently being supplied to the world," the Malaysian Rubber Glove Manufacturers Association (MARGMA) said in a statement.

- *bangkokpost.com*, 25 Nov

***Fed minutes: US economic suffering may rise without stimulus***

Officials at the Federal Reserve feared the US economy was on a course for renewed pain without Congress approving more stimulus to help its recovery from the pandemic, according to minutes of the central bank's latest policy meeting released. Members of the Federal Open Market Committee (FOMC) also considered future changes in its strategy of buying Treasury assets and mortgage-backed securities, the minutes from the 4<sup>th</sup>-5<sup>th</sup> November meeting said.

- *malaymail.com*, 26 Nov

***China's industrial profits grow at quickest monthly pace since early 2017***

Profits at China's industrial firms grew in October for a sixth consecutive month and at their

quickest pace since early 2017, pointing to a steady recovery in the manufacturing sector after it was hard hit by the Covid-19 pandemic. Profits at Chinese industrial firms surged 28.2% year-on-year in October to 642.91 billion yuan (USD97.79 billion), National Bureau of Statistics (NBS) data showed, after rising 10.1% in September versus the previous year. That was the biggest monthly profit growth since Jan-Feb 2017.

- *reuters.com*, 27 Nov

***AstraZeneca CEO expects to run new global trial of Covid-19 vaccine: Bloomberg***

AstraZeneca is likely to run an additional global trial to assess the efficacy of its Covid-19 vaccine using a lower dosage, its chief executive was quoted as saying amid questions over the results of its late-stage study. Instead of adding the trial to an ongoing U.S. process, AstraZeneca might launch a fresh study to evaluate a lower dosage of its vaccine that performed better than a full dosage, Pascal Soriot told Bloomberg News.

- *reuters.com*, 27 Nov

***China's factory activity expands at fastest pace in over three years***

China's factory activity expanded at the fastest pace in more than three years in November, keeping it on track to be the first major economy to fully recover from the Covid-19 crisis. The official manufacturing Purchasing Manager's Index (PMI) rose to 52.1 in November from 51.4 in October, data from the National Bureau of Statistics showed. It was the highest PMI reading since September 2017 and remained above the 50-point mark that separates growth from contraction on a monthly basis.

- *reuters.com*, 30 Nov

***Japan factory output grows for fifth month, retail sales surge***

Japan's industrial output rose for the fifth straight month in October and retail sales in the same month grew the most in over a year, signaling the economy was recovering further from the damage caused by the Covid-19 crisis. The world's third-largest economy rebounded sharply in the third quarter from a pandemic-induced slump, thanks to surging consumption and exports, though some analysts worry about slowing growth ahead

due to a resurgence in Covid-19 infections.

- *reuters.com*, 30 Nov

### ***Natural rubber back in favour***

The Covid-19 pandemic has been largely responsible for the surge in world demand for rubber gloves. As public health issues continue to disrupt economies and health systems, business analysts predict the robust demand for rubber gloves will continue indefinitely. Natural rubber was for years the preferred material for making rubber gloves. This has been largely attributed to its unmatched strength. No synthetic material can match natural rubber's durability and dependability.

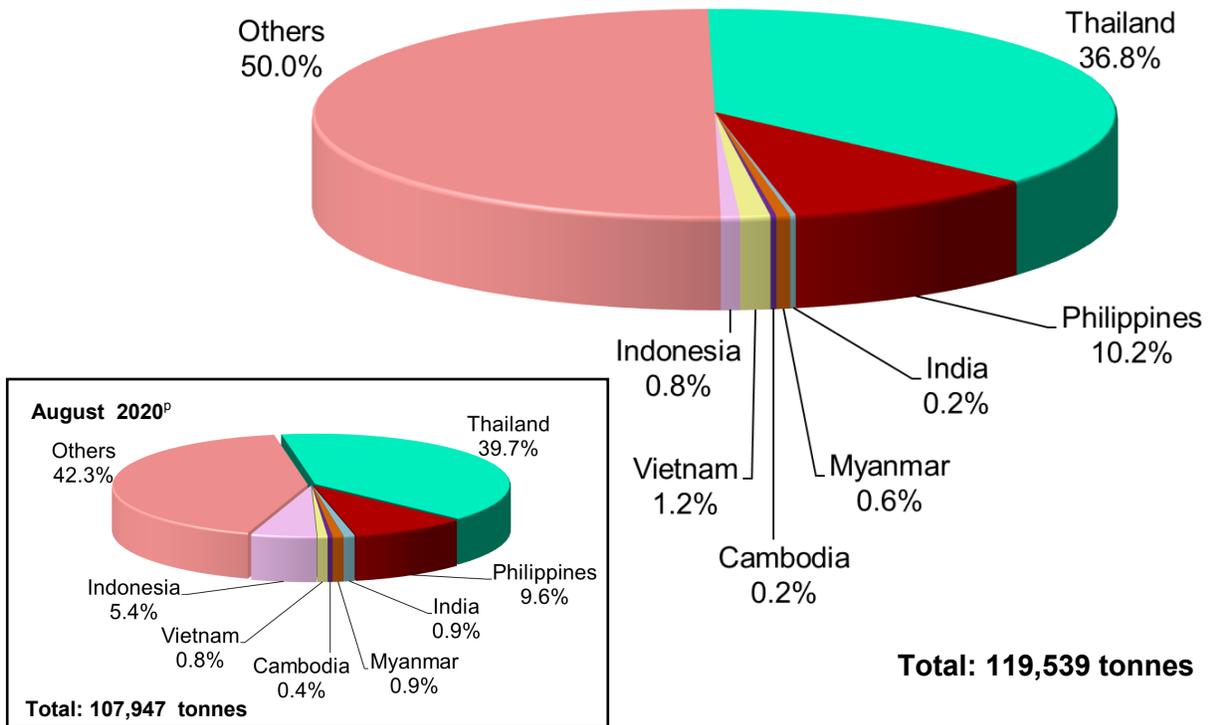
- *thestar.com.my*, 30 Nov

### ***OPEC+ yet to find compromise on oil policy for 2021, say sources***

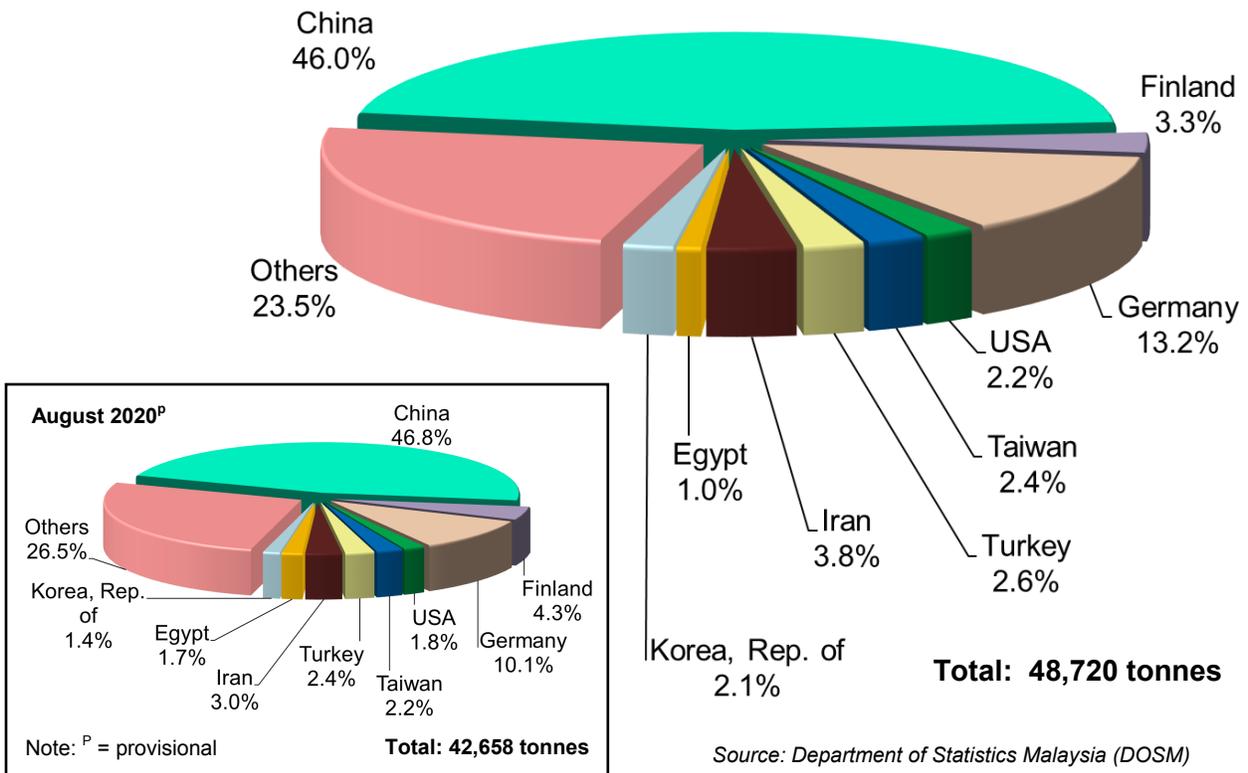
Organization of the Petroleum Exporting Countries (OPEC) and allies led by Russia, OPEC+ have yet to find a consensus on oil output policy for 2021, after an initial round of talks on 29 November and ahead of crucial meetings on 30 Nov and 1<sup>st</sup> Dec, four OPEC+ sources told Reuters. OPEC+ had been due to ease production cuts from January 2021, but a second Covid-19 wave has reduced demand for fuel around the world. OPEC+ is now considering rolling over existing cuts of 7.7 million barrels per day, or around 8% of global demand, into the first months of 2021, sources have said.

- *reuters.com*, 30 Nov

### Malaysia's NR Imports by Countries, September 2020<sup>P</sup>

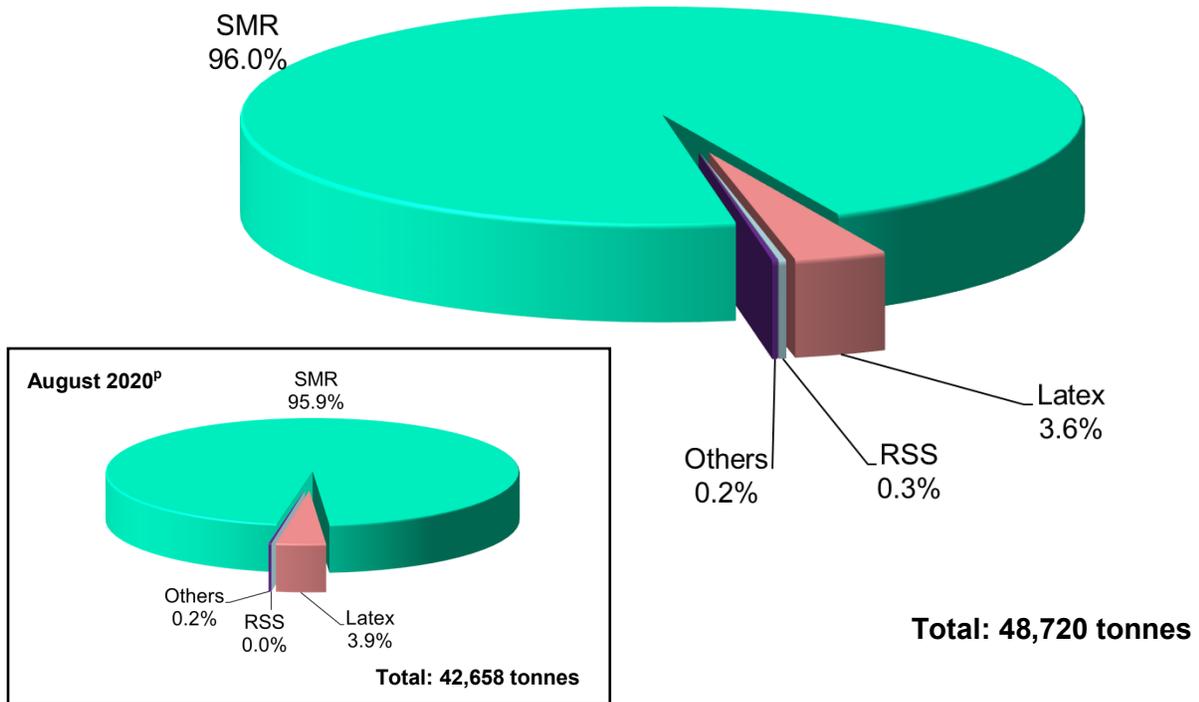


### Malaysia's NR Exports by Countries, September 2020<sup>P</sup>

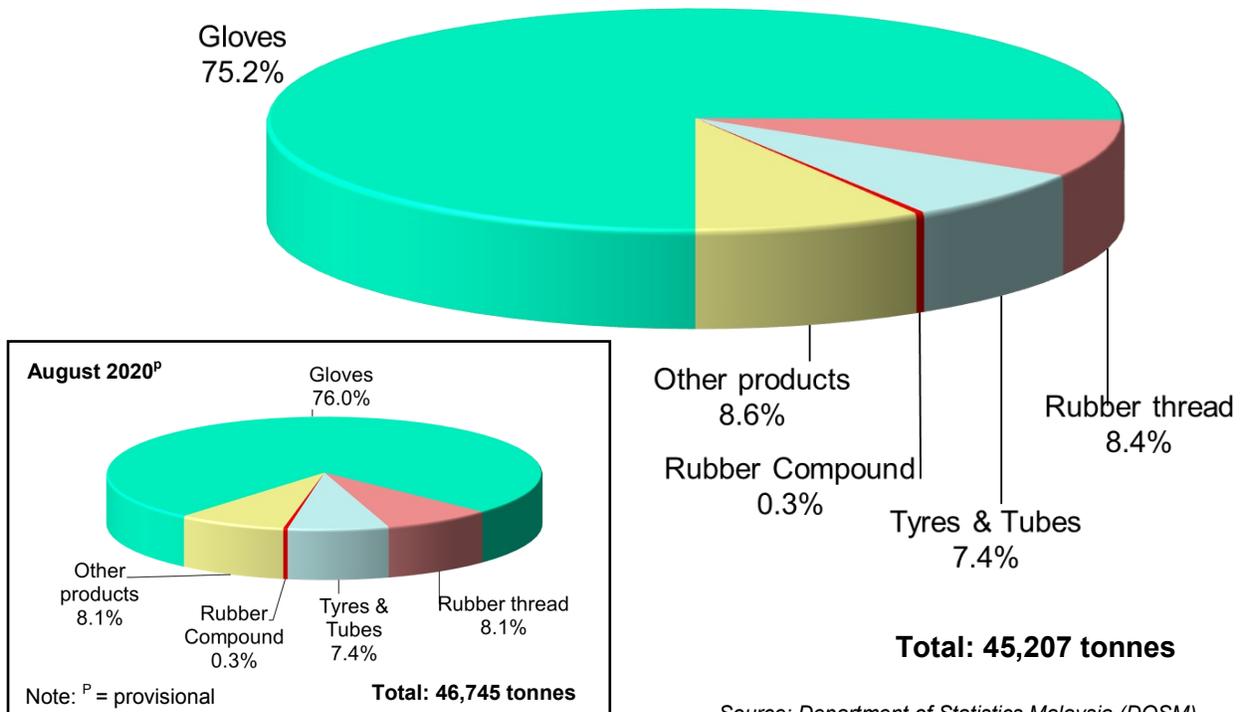


Source: Department of Statistics Malaysia (DOSM)

### Malaysia's NR Exports by Types, September 2020<sup>P</sup>



### Malaysia's NR Consumption by Sectors, September 2020<sup>P</sup>



Source: Department of Statistics Malaysia (DOSM)