Natural Rubber Market Review

June

In June, the Kuala Lumpur rubber market fluctuated within a tight range as optimism about a demand recovery was offset by concerns over a second wave of COVID-19 pandemic that may derail an economic recovery. Compared with those on 29 May 2020, the price of SMR 20 increased marginally by 6.5 sen/kg or 1.4% to close at 481.00 sen/kg. Meanwhile, latex concentrate closed at 487.00 sen/kg, up by 37.0 sen/kg or 8.2% as strong global demand for gloves arising from COVID-19 pandemic continued to provide support for natural rubber (NR) latex prices. Price movements of selected grades of rubber in June are shown in Table 1.

Initially, price of SMR 20 rose to a two-month high at 494.50 sen/kg, boosted by optimism on demand recovery following further easing of COVID-19 lockdown restrictions in countries around the world. The market then recovered marginally throughout the month, supported by firmer oil prices with Brent surpassing USD40 per barrel for the first time since March as the Organization of the Petroleum Exporting Countries (OPEC) producers and allies, OPEC+ promised to meet their supply cut commitments. Market sentiment was lifted by the increase in China’s automobile sales coupled with the recovery of China’s manufacturing sector. According to the China Association of Automobile Manufacturers (CAAM), China’s auto sales in May rose 14.5% from the same month a year earlier, marking the second consecutive month of increase as the world’s biggest vehicle market that recovered from lows hit during COVID-19 lockdowns. Meanwhile, China’s official manufacturing Purchasing Manager’s Index (PMI) rose to a three-month high of 50.9 in June from 50.6 in May. Nevertheless, many manufacturers are still struggling due to weak global demand amid renewed worries about a second wave of COVID-19 pandemic.

However, the uptrend throughout the month was offset by weaker advices from regional rubber futures markets owing to lingering concerns about a fresh spike of COVID-19 cases in China and United States (U.S) that may derail economic recovery. Market reacted negatively to the unfavourable data on natural rubber (NR) in April 2020 as released by the Department of Statistics Malaysia (DOSM) on 15 June 2020. Malaysia’s NR production in April 2020 increased by 0.3% to

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<th>Table 1: Reference Prices (Noon) of SMR CV, SMR 20 and Centrifuged Latex (60% DRC), June</th>
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<td><strong>SMR CV</strong></td>
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Note: * Reference price of Centrifuged Latex, 60% DRC  
Source: Malaysian Rubber Board
Reference Prices (Noon) for SMR 20 and Centrifuged Latex (60% DRC), June 2020
34,616 tonnes as compared to the previous month (34,506 tonnes). Comparison year-on-year (y-o-y) also showed an increase of 2.0% as compared to the same month in the previous year. Exports of Malaysia’s NR in April amounted 40,596 tonnes, decreased by 10.2% as compared to the previous month. Stocks of NR continuously increased by 0.5% to 321,214 tonnes in April 2020. It was observed that market operators remained cautious after the International Monetary Fund (IMF) slashed its forecast for global economic growth to a contraction of 4.9% in 2020, lower than the -3% predicted in April. IMF estimated China’s economy will grow 1% in 2020, a downgrade of its April forecast, but better than other major economies like the U.S and the European Union that will contract by 8% and 10.2%, respectively. Furthermore, the ringgit strengthened against the U.S dollar in June to RM 4.2540 - 4.3230, as compared with May at RM 4.3055 – 4.3620.

Outlook

Prices are likely to be range bound in the near term as optimism about a demand recovery was offset by fears over the second wave of COVID-19 pandemic. The market remained uncertain due to a general lack of firm direction from supply-demand fundamentals. The Association of Natural Rubber Producing Countries (ANRPC) in its latest Natural Rubber Trends & Statistics released on 2 June 2020 reported that the world NR production is expected to fall by 4.7% to 13.130 million tonnes in 2020. The revised outlook is 303,000 tonnes lower than the outlook reported in April. The outlook on world NR consumption in 2020 is scaled down further and expected to fall 6.0% to 12.904 million tonnes.

News Briefs

U.S. manufacturing activity pulls off 11-year low

U.S. manufacturing activity eased off an 11-year low in May, the strongest sign yet that the worst of the economic downturn was behind as businesses reopen, though the recovery from the COVID-19 crisis could take years because of high unemployment. The Institute for Supply Management (ISM) said its index of national factory activity rose to a reading of 43.1 last month from 41.5 in April, which was the lowest level since April 2009. A reading below 50 indicates contraction in manufacturing, which accounts for 11% of the U.S. economy.

- cnbc.com, 1 June

Panel okays rubber price initiative

The National Rubber Policy Committee agreed in principle to the second phase of the rubber price guarantee scheme, but told the Agriculture and Cooperatives Ministry to lower its budget to 30 billion baht from 43 billion. Prapan Boonyakiat, Chairman of the Rubber Authority of Thailand (RAOT), said the committee chaired by Prime Minister Prayut Chan-o-cha also decided to lower its support to only 15 rai per family from 25 rai proposed by the Agriculture and Cooperatives Ministry, citing budget limitations. The ministry is scheduled to propose the second phase of the price guarantee scheme for the cabinet’s approval on June 9.

- bangkokpost.com, 2 June

ANRPC Releases Natural Rubber Trends & Statistics, May 2020

In the light of the most updated information gathered from the producing countries, ANRPC has further scaled down the outlook on world production of natural rubber (NR). As per the revised outlook, the world production is expected to fall by 4.7% to 13.130 million tonnes during 2020. The revised outlook is 303,000 tonnes lower than the outlook reported through the April issue of this publication. The outlook on world consumption is scaled down further, largely based on the revisions made by India and Indonesia. Based on the revised outlook, the world consumption in 2020 is expected to fall 6.0% to 12.904 million tonnes. These figures include estimates and forecasts for the non-ANRPC countries as well.

- anrpc.org, 3 June
Thailand tops list of U.S. tyre trading partners

Thailand, No. 5 on the list as recently as five years ago, is ensconced firmly on the top rung of the importers' ranking, with shipments valued at USD2.79 billion, up 25% over 2018 and nearly twice that of No. 2 Canada. Thailand solidified its claim to the No. 1 spots in terms of passenger and light truck tyres, with double-digit growth in both categories. It also took over the top slot in the truck/bus tyre category, where the effect of elevated import duties on commercial tyres from China ate into that country's numbers.

- rubbernews.com, 4 June

Rubber Production Incentive for May activated

The Rubber Production Incentive (IPG) for May has been activated for Peninsular Malaysia, Sabah and Sarawak, and smallholders may apply for the payments based on their May production from 1st - 30th June. The Malaysian Rubber Board (MRB) said the IPG was activated based on the average farmgate rubber price for cumpurps in May 2020, which stood at RM1.65 per kilogramme in Peninsular Malaysia, RM1.35 per kg in Sabah and RM1.50 per kg in Sarawak.

- theedgemarkets.com, 4 June

Rubber demand growth to turn positive in June

Global rubber demand growth is expected to return to positive territory in June 2020 with expectations of natural rubber consumption to grow 0.4%, after declining in April (-23.1%) and May (-10.1%). According to the Malaysian Rubber Board (MRB), demand from China — the world's largest consumer of natural rubber — is expected to rise to support its automotive sector growth. After experiencing a sharp fall in prices on April 2, the SMR20 rubber prices recorded positive movement, in the range of between RM4.60 and RM4.95 per kg from April 6 to May 29, 2020. "One of the main factors supporting the price movement was the recovery of the world's natural rubber demand with the easing movement restrictions by most countries, especially China, which has resumed operations in the manufacturing industry after imposing lockdowns since late January due to the COVID-19 pandemic.

- thestar.com.my, 5 June

Planters seek moratorium on natural rubber imports

With natural rubber prices on a continuous decline over the last eight years, the United Planters' Association of Southern India (UPASI) has demanded an immediate moratorium of natural rubber imports for a minimum period of two years. The opening stock of natural rubber in the country was 3.4 lakh tonnes as on April 1, 2020, which roughly translates into six months of production, and reiterates the need to declare import moratorium, UPASI said in its letter to Piyush Goyal, the Union Minister for Commerce.

- factiva.com, 6 June

Import restrictions on Natural Rubber will turn tyre Industry uncompetitive, says ATMA

In a communication to the Executive Director, Rubber Board, Automotive Tyre Manufacturers Association (ATMA) has stated that existing restrictive provisions on import of natural rubber (NR) will adversely affect the tyre industry which is already passing through an unprecedented crisis. Domestic production of NR is woefully deficient and able to meet just 60% of the demand making its imports imperative to run the tyre plants, the industry body said.

- auto.economictimes.indiatimes.com, 8 June

China's passenger car sales expand amid stronger demand

The retail sales of passenger vehicles amounted to 1.61 million units last month, up 1.8%, according to the China Passenger Car Association (CPCA). Passenger car sales climbed 12.6% month on month (m-o-m), as demand continued to recover following work and production resumption, said the report.

- thestar.com.my, 9 June
It’s official: U.S. economy entered recession in February

The U.S. economy ended its longest expansion in history in February and entered recession as a result of the COVID-19 pandemic, The Business Cycle Dating Committee of the National Bureau of Economic Research said. The unemployment rate rose from a record low of 3.5% in February, hitting 14.7% in April and 13.3% last month.

- reuters.com, 9 June

China producer price deflation deepens on global demand slump

China’s May factory gate prices fell by the sharpest rate in more than four years, underscoring pressure on the manufacturing sector as the COVID-19 pandemic reduces trade flows and global demand. The pandemic has disrupted trade to China’s key export markets including the United States and Europe, heaping further pressure on the outlook for manufacturing investment and jobs in the world’s second-largest economy. The producer price index (PPI) in May fell 3.7% from a year earlier, the National Bureau of Statistics (NBS) said in a statement, the sharpest decline since March 2016. That compared with a 3.3% drop tipped by a Reuters poll of analysts and a 3.1% fall in April.

- reuters.com, 10 June

World economy to contract at least 6% in 2020: OECD

The global economy will contract at least 6% this year, with the unprecedented loss of income and “extraordinary uncertainty” caused by measures to contain the COVID-19 outbreak, the Organisation for Economic Co-operation and Development (OECD) said. In the case of a second wave of contagion later in the year, economic output could shrink by as much as 7.6%, it warned.

In both scenarios, recovery will be "slow and uncertain". GDP growth should resume in 2021, by 5.2% if the virus is contained, and 2.8% if there is another infection wave, OECD said in its latest outlook, entitled "World Economy on a Tightrope". It warned that by the end of next year, "the loss of income exceeds that of any previous recession over the last 100 years outside wartime, with dire and long-lasting consequences for people, firms and governments."

- bangkokpost.com, 11 June

U.S. import prices post largest gain in more than a year

U.S. import prices increased by the most in more than a year in May, driven by higher costs for petroleum products and food, which could further diminish fears of deflation as the economy battles a recession. The Labor Department said import prices rose 1.0% last month, the largest gain since February 2019, after falling 2.6% in April.

- cnbc.com, 12 June

Thailand to use natural rubber in all future road construction

Prime Minister Prayut Chan-o-cha chaired the signing ceremony of an agreement to use local Thai rubber in road construction, part of an effort to help the country's financially strapped rubber farmers. Gen. Prayut used the occasion to praise the Ministry of Transport and the Ministry of Agriculture and Cooperatives; Prince of Songkla University; the Thailand Institute of Scientific and Technological Research; the Rubber Plantation Cooperative Fund; and also the Engineering Institute of Thailand under Royal Patronage; as they jointly developed a rubber-based road paving method. The covering process is to take place between 2020 and 2022. Encompassing 12,282 kilometers of road, utilizing 1,063,651 rubber trees; or about 1 million tonnes of rubber sap; accounting for 71% of growers' income or just over 30 billion baht.

- chiangraitimes.com, 15 June

Production of natural rubber increased 0.3% on April 2020

According to thr Monthly Rubber Census for April 2020, production of natural rubber increased 0.3% in April 2020 to 34,616 tonnes as compared to the previous month (34,506 tonnes). Comparison year-on-year also showed an increase of 2.0% as compared to the same month in the previous year.
Exports of Malaysia's NR amounted 40,596 tonnes, decreased by 10.2% against 45,198 tonnes in March 2020. Stocks of NR continuously increased by 0.5% from 319,486 tonnes in March 2020 to 321,214 tonnes in April 2020.

- dosm.gov.my, 15 June

**China May industrial output rises 4.4%, lags forecast, retail sales down 2.8%**

It was reported that Chinese economic data for May released missed expectations. Industrial production (IP) in the country for that month rose 4.4% year-on-year (y-o-y), less than expectations of a 5% increase by analysts in a Reuters poll. Retail sales declined 2.8% y-o-y in May, worse than expectations of a 2% decrease per a Reuters poll.

- reuters.com, 15 June

**The Fed says it is going to start buying individual corporate bonds**

The Federal Reserve is expanding its foray into corporate credit to now buy individual corporate bonds, on top of the exchange-traded funds it already is purchasing, the central bank announced. As part of a continuing effort to support market functioning and ease credit conditions, the Fed added functions to its Secondary Market Corporate Credit Facility. The program has the ability to buy up to USD750 billion worth of corporate credit. Its March 23 initial announcement is largely considered a watershed moment for the financial markets, reeling from the COVID-19 threat spread.

- cnbc.com, 15 June

**Synthetic rubber market 2020 with COVID-19 impact analysis, business opportunities and future outlook 2023**

The synthetic rubber (SR) market is expected to register a Compound annual growth rate (CAGR) of 5.6% between 2018 and 2023 (the forecast period). The market is expected to be augmented by the growing demand for SR products in the automotive Industry. Additionally, increasing consumption of styrene in athletic footwear is anticipated to fuel the demand during the forecast period. About 75% of the world rubber production (both natural and synthetic) is involved in the production of tyres. In other words, the automotive end-user segment dominates the global SR market.

- 3wnews.org, 15 June

**The path to recovery is fragile for world’s top rubber producers**

The world's top rubber producers are starting to emerge from their worst quarter in over a decade, but the path to recovery looks fragile. In the futures market, rubber prices, which tumbled 27% in the first quarter for their worst performance since 2008, have since gained about 12%. However, physical prices have not changed much as there's not enough demand from tyre factories, according to Gu Jiong, an analyst at Yutaka Shoji, a broker in Tokyo.

- theedgemarkets.com, 16 June

**India launches antidumping investigations into NBR imports**

The government of India has launched antidumping investigations into the import of acrylonitrile butadiene rubber originating in or exported from China, the European Union, Japan and Russia. The investigations were initiated upon an application by local manufacturer Apcotex Industries Ltd., according to a statement by the commerce ministry's Directorate General of Trade Remedies.

- rubbernews.com, 17 June

**China central bank cuts 14-day reverse repo rate, injects net 40 billion yuan**

The People's Bank of China (PBoC) lowered the borrowing cost on its 14-day reverse repo to 2.35% from 2.55% previously. PBoC injected CNY 70 billion (USD 9.88 billion) into the country's money market on 18 June, after resuming operations on the liquidity tool for first time since February. The bank also injected CNY 50 billion through seven-day reverse repos at 2.2 percent. The bank said the additional funds were
intended to safeguard stable liquidity conditions as the end of the first half of the year. With CNY 80 billion worth of reverse repos maturing on 18 June, the PBoC injected CNY 40 billion on a net basis.

China extends anti-dumping investigation into synthetic rubber products

China’s Commerce Ministry said it is extending an anti-dumping investigation into imports of a synthetic rubber (SR) product from the United States, South Korea and the European Union (EU). The investigation into ethylene propylene diene monomer rubber (EPDM), launched in June, 2019, has been extended by six months till 19 December, 2020, given “the complexity of the case,” the ministry said in a statement on its website.

U.S. House Democrats unveil USD1.5 trillion infrastructure plan

US House of Representatives Democrats Jun 18 unveiled a USD1.5 trillion infrastructure bill that they will seek to pass in coming weeks, arguing it has been made more urgent by the COVID-19 pandemic.

The legislation would spur construction or improvements of roads, bridges, ports, clean energy, schools and other projects that experts say have long been neglected. It comes at a time when the United States is in desperate need of new jobs amid an economic downturn sparked by the COVID-19.

Rubber authority working on 'hats' to prevent latex damage during rains

The Rubber Authority of Thailand (RAOT) and partners are developing rubber "hats" to help increase rubber production and promote the industry.

Nakorn Takkawipat, Deputy Director General of the rubber authority, on 19 June presided over the MoU (memorandum of understanding) signing ceremony between the RAOT, Chitratala Technology Institute and PTT Plc for the joint development and production of rubber hats, an innovative apparatus to wrap around a rubber tree so as to prevent damage from rains and moisture and increase the volume of latex that can be gathered per harvesting season.

COVID-19: IMF deploys USD25billion emergency financing for 70 countries

The International Monetary Fund (IMF) has said it is expected to deploy emergency financing for 70 countries as the COVID-19 pandemic continues to ripple across the globe. IMF spokesperson Gerry Rice said at a virtual press briefing that "We expect that number to be 70, so 70 countries supported by the IMF with emergency financing roughly about USD25 billion."

UK car sector calls for more government help to handle virus hit

Britain’s car industry called on the government to introduce additional measures such as a sales tax cut to boost the sector as a third of
automotive workers remain furloughed due to the COVID-19 outbreak. Car and van volumes are expected to fall by a third to 920,000 units this year and up to one in six jobs are at risk, the Society of Motor Manufacturers and Traders (SMMT) industry body said.

- uk.reuters.com, 23 June

**China’s auto sales to fall 10%-20% this year**

China’s auto sales are expected to fall between 10% and 20% this year, from over 25 million units sold in 2019, an industry body said, signalling improved expectations as the world’s biggest auto market starts to recover from the COVID-19 pandemic. Previously the China Association of Automobile Manufacturers (CAAM) had expected sales to fall 15% to 25% from last year’s performance. It revised its estimate after seeing sales grow in April and May, it said.

- reuters.com, 23 June

**Pandemic keeps Japan’s June manufacturing activity pinned at 11-year low: PMI**

Japan’s factory activity remained stuck at an 11-year low in June, in a sign the COVID-19 pandemic is taking a toll on manufacturers even as services-sector sentiment picks up. The au Jibun Bank Flash Japan Manufacturing Purchasing Managers’ Index (PMI) edged down to a seasonally adjusted 37.8 from a final 38.4 in May.

- reuters.com, 23 June

**Commerce votes to investigate imports from South Korea, Taiwan, Thailand, Vietnam**

The U.S. Department of Commerce has voted to initiate antidumping and countervailing duty investigations to determine whether passenger vehicle and light truck tyres from South Korea, Taiwan, Thailand and Vietnam are being dumped in the U.S.

Commerce’s decision is in response to petitions filed in early May by the United Steeworkers union, which claims tyre producers from these regions are dumping their products in the U.S. at margins ranging from as low as 5.48% (Vietnam) to as high as 217.5% (Thailand).

- rubbernews.com, 24 June

**IMF slashes its forecasts for the global economy and warns of soaring debt levels**

International Monetary Fund (IMF) slashed its forecast for global economic growth to a contraction of 4.9% in 2020, lower than the -3% it predicted in April. IMF in its “World Economic Outlook Update” released on 24th June 2020 reported that the COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecast. In 2021 global growth is projected to rebound by 5.4 percent.

- cnbc.com, 25 June

**The outlook for the rubber economy in the face of COVID-19**

According to International Rubber Study Group (IRSG), rubber consumption will took a decline of 11.9% in 2020Q1 and, on top of that, an estimated decline of 13.6% in 2020Q2. This represents a decline in consumption from 7.1 million tonnes in 2019Q4 to 5.4 million tonnes in 2020Q2. Moving back, consumption in 2020Q3 is projected to reach 6.8 million tonnes, an increase of 25.4%. This results for 2020 in a decline in total rubber consumption of 11.2% and in NR consumption of 10.6%.

- rubberstudy.com, 25 June

**China to buck global economic downturn with 1% growth in 2020: IMF**

China is expected to post positive growth this year even as the global economy contracts 4.9% in a COVID-19-driven plunge in output, the International Monetary Fund (IMF) said on Wednesday.

The IMF’s World Economic Outlook Update estimated China’s economy will grow 1% in 2020, a downgrade of its April forecast, but better than other major economies like the United States and
the European Union (EU) that will contract by 8% and 10.2%, respectively.

- scmp.com, 25 June

**U.S. GDP fell at a 5% rate in the first quarter, and the worse is likely on the way**

The U.S. economy shrank at a 5.0% rate in the first quarter with a much worse decline expected in the current three-month economic period because of the COVID-19 pandemic. The Commerce Department reported that the decline in the gross domestic product, the total output of goods and services, in the January-March quarter was unchanged from the estimate made a month ago. That was the sharpest quarterly decline since an 8.4% fall in the fourth quarter of 2008 during the depths of the financial crisis.

- abcnews.go.com, 25 June

**Global tyre, rubber machinery sales trend down**

Comparing figures for rubber machinery companies that supplied sales figures for the European Rubber Journal (ERJ) Machinery Survey both this year and in 2019 shows a decline of 3.6% to USD3.08 billion, compared with USD3.19 billion last year. Sales for European Union (EU) based tyre and rubber machinery makers marginally increased, to just above USD1.57 billion this year, after being just under that figure a year ago.

- rubbernews.com, 26 June

**COVID-19 legacy will be weak global inflation: economists**

The COVID-19 pandemic is more likely to leave a legacy of weak or falling prices for goods and services than to trigger higher global inflation, according to a majority of over 160 economists polled by Reuters. The finding underlines how early fears disruption to supply chains would lead to price hikes have since been overtaken by a consensus that the real problem is a deep slump in demand as the crisis hits millions of livelihoods.

- reuters.com, 26 June

**COVID-19 gave Malaysian rubber products a lift, government data shows**

“The Malaysian Rubber Glove Manufacturers Association (MARGMA) highlighted that exports of Malaysian rubber gloves are expected to increase 20% to 230 billion pairs by 2020, an increase of 192 billion pairs from previous year,” Department of Statistics Malaysia (DOSM) said in the second volume of the Malaysia Economic Statistics Review for 2020. It said global demand for rubber gloves is expected to increase by 15 to 20% compared to the usual demand growth of 8 to 10%.

- malaymail.com, 26 June

**Youth should get involved in rubber industry, says minister**

Youths have been urged to get involved in rubber cultivation sector to produce quality latex as the source of income and at the same time reducing the country’s dependence on the import of the material. Plantation Industries and Commodities Minister Datuk Dr Mohd Khairuddin Aman Razali said that currently the average of those involved in rubber cultivation were in their 50s, with most of them were collecting their tapped rubber as cup lumps.

- malaymail.com, 27 June

**China industrial firms’ May profits post first monthly rise in six months**

Profits at China’s industrial firms rose for the first time in six months in May, suggesting the country’s economic recovery is gaining traction and brightening the outlook for manufacturing investment and jobs. China’s National Bureau of Statistics said profits at China’s industrial firms in May rose 6% year-on-year to 582.3 billion yuan (RM353.2 billion), according to a statement. The rebound followed a 4.3% fall in April, and is its sharpest monthly gain since March 2019.

- malaymail.com, 28 June
China’s Jinyu Tire starts 2 million TBR tyre project in southeast Vietnam

China-based tyre manufacturer Jinyu Tire Co., Ltd. (Jinyu Tire) recently held the groundbreaking ceremony for its Vietnamese factory in Phuoc Dong Industrial Park, Tay Ninh Province, Vietnam. There are high expectations for Jinyu Tire’s project investment in Tay Ninh – Chen Yuren, Senior Consultant of Vietnam SVI Company pointed out the positive impact the development will bring to the local economy, technical progress and employment opportunities once completed.

- rubberjournalasia.com, 29 June

Fed’s Powell stresses uncertainty, challenges facing U.S. economy

U.S. Federal Reserve Chair Jerome Powell said the outlook for the world’s biggest economy is “extraordinarily uncertain” and will depend both on containing the COVID-19 and on government efforts to support the recovery. Economic activity has picked up in recent weeks after what in some places had been months of shutdowns to slow the spread of the novel COVID-19, Powell said in remarks prepared for a Congressional hearing.

- reuters.com, 30 June

China service sector grows at fastest pace in seven months in June: official PMI

Activity in China’s services sector expanded at its fastest pace in 7 months in June, official data showed, suggesting consumer confidence is rapidly recovering even as Beijing ramps up COVID-19 curbs after a resurgence in infections in the capital. The official non-manufacturing Purchasing Managers’ Index (PMI) rose to 54.4, from 53.6 in May, marking the fastest growth since November 2019, data from the National Bureau of Statistics (NBS) showed. The 50-point mark separates growth from contraction on a monthly basis.

- reuters.com, 30 June

India: Board expects to start online trading in rubber soon

The Rubber Board is all set to launch online trading for natural rubber (NR) as an alternative marketing for the physical transaction of the commodity. The board will call for expressions of interest (EoIs) soon to finalise partners for setting up an electronic platform and trading is expected to start in a couple of months, said KN Raghavan, Executive Director, Rubber Board.

- factiva.com, 30 June

China says its factory activity expanded in June

China said manufacturing activity expanded in June with the official Purchasing Manager’s Index coming in at 50.9. Economists polled by Reuters had expected the official manufacturing PMI number to come in at 50.4. PMI readings above 50 indicate expansion, while those below that level signal contraction. In May, official manufacturing PMI came in at 50.6, according to the National Bureau of Statistics. PMI readings are sequential.

- cnbc.com, 30 June
Malaysia’s NR Imports by Countries, April 2020

- Thailand: 42.6%
- Philippines: 11.6%
- Myanmar: 8.4%
- Vietnam: 0.6%
- Indonesia: 0.4%
- Others: 46.4%

Total: 76,383 tonnes

Source: Department of Statistics Malaysia (DOSM)

Malaysia’s NR Exports by Countries, April 2020

- China: 48.9%
- Germany: 12.1%
- USA: 6.2%
- France: 1.2%
- Turkey: 2.4%
- Iran: 0.5%
- Finland: 5.3%
- Brazil: 0.8%
- Taiwan: 0.8%

Total: 45,198 tonnes

Note: p = provisional

Source: Department of Statistics Malaysia (DOSM)
Malaysia’s NR Exports by Types, April 2020

Total: 40,596 tonnes

Malaysia’s NR Consumption by Sectors, April 2020

Total: 39,208 tonnes

Source: Department of Statistics Malaysia (DOSM)