## PRICES OF SMR 20 (MRB) AND RSS 3 (TRA), US CENTS/KG (JANUARY-JUNE 2025)

# Jan-Mar Encouraging NR demand outlook reported by ANRPC. Concerns over tight NR supply due to wet weather and wintering Optimism of more Chinese stimulus measures The U.S. Federal Reserve kept interest rates unchanged at 4.25% to 4.50%. Chinese Q4 2024 GDP at 5.4% year-on-year, bringing 2024 GDP to 5%. Chinese industrial production grew more than expected in December at 6.2% year-on-year. Jan-Mar China's official manufacturing PMI contracted to 49.1 in January before rising in February & March. Mixed regional rubber futures markets in tandem with the economic

Mixed regional rubber futures markets in tandem with the economic performance of the U.S. and China

Subdued trading due to the absence of market participants during the Chinese New Year holidays.

### Strengthening ringgit against the U.S. dollar

- Declining crude oil prices
- World Bank warns that US tariffs could reduce global growth outlook.
  - U.S. Q4 2024 GDP lower than expected at 2.3%, 2024 GDP recorded 2.8%.
  - Concerns on uncertainties surrounding U.S. trade tariffs & U.S.-China trade relation.
- Expanded global trade war. U.S. President Donald Trump's new 25% tariffs on imports from Mexico and Canada along with a doubling of duties on Chinese goods to 20% on 4 March.

Feb

### Apr-Jun

- Chinese Q1 2025 GDP at 5.4% year-on-year.
- Growing optimism over potential Chinese stimulus measures.
- Shortage of raw rubber amid encouraging NR demand outlook reported by ANRPC.
- U.S. pause reciprocal tariffs for 90 days for countries that did not retaliate.
- China automobile exports Q1 2025 was up 16% y-o-y to 1.54 million units
- China's rubber tyre exports grew 6.2% year-on-year in the first 4 months in 2025.
- President Trump extended the deadline for imposing 50% tariffs on European Union imports to July 9. Positive progress of U.S.-China trade negotiations.
- Thailand's rubber production in 2025 slightly decreased to 4.7 million tonnes.
- China's official manufacturing PMI improved slightly to 49.5 in May and 49.7 in June.

### Apr-Jun

- Heightened global economic uncertainties. The United Nation's agency cut its global employment forecast for job growth this year to 1.5%.
- Prolonged price war in Chinese automobile market.
- U.S. goods and services deficit widened in March.
- Declines in regional rubber futures markets due to uncertain U.S. trade policies.
- Escalating China-U.S. trade tensions in April & on-going Middle East conflict in June.

# Jun ~

- U.S. interest rates uncertainties.
- Bleak global economic outlook as the impact of U.S. tariffs kick-in. IMF further reduced global GDP forecast in 2025 to 2.8%.
- Stronger ringgit against the U.S. dollar.
- China's official manufacturing purchasing managers fell to 49.0 in April.
- Sharp decline in crude oil prices on concerns on demand, U.S. tariff concerns.

320

300

280

260

240

220

200

180

160

140

120

Mar

Apr