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750,000 tonnes of rubber to be exported in 2010 by Vietnam

Vietnam is expected to export 750,000 tonnes of rubber this year to reach an export revenue of US\$1.5 billion, says the Vietnam Rubber Association.



This is a promising year for the rubber industry as the rubber export price is predicted to rise by 30 percent. According to the Ministry of Industry and Trade, the Vietnamese natural rubber price now stands at US\$2,900 per tonne, the highest level since the third quarter of 2008, pushing up the materials price for producing tyres for the automobile industry by more than 50 percent.

The International Rubber Study Group announced that demand for natural rubber will continue to grow until 2019. Rubber consumption this year is forecast to be nearly 10.34 million tonnes, a year-on-year increase of 8 percent.

The rubber export volume of Thailand, Indonesia and Malaysia, which accounts for 70 percent of the world's total rubber exports, will fall 6 percent due to a succession of floods and drought caused by El Nino this year.

The scarcity in supply will cause the rubber prices to increase sharply on the world market. Vietnam's rubber price will increase into the next quarter, especially since China has reduced its import tax on rubber.

Last year, Vietnam shipped more than 726,000 tonnes of rubber, earning US\$1.2 billion. Its principal markets are China, Malaysia and Taiwan.