

A monthly publication of the Malaysian Rubber Board

Natural Rubber Market Review

August

August

The Kuala Lumpur rubber market trended mixed during the review period with SMR 20 showing an uptrend while latex showed little movement. The positive sentiment was supported by gains in regional rubber futures markets due to concerns over potential supply disruptions from El Niño as well as expectations of tighter seasonal supply as the peak production season in Southeast Asia draws to a close. Market sentiment was further underpinned by declining natural rubber inventories in China, firm global automotive demand, expectations of additional Chinese fiscal support, higher crude oil prices and encouraging market outlook projected by the Association of Natural Rubber Producing Countries (ANRPC). However, further gains were capped by mixed Chinese and U.S. economic indicators, persistent inflation concerns, a generally stronger ringgit against the U.S. dollar amid continued uncertainty over geopolitical conflicts globally especially developments in the Middle East. Compared with those on 31 July 2026, the price of SMR 20 rose by 71.5 sen/kg or 8.0% to close at 963.50

sen/kg on 28 August 2026. Meanwhile, latex concentrate closed at 688.00 sen/kg, a decrease of 7.5 sen/kg or 4.4 per cent.

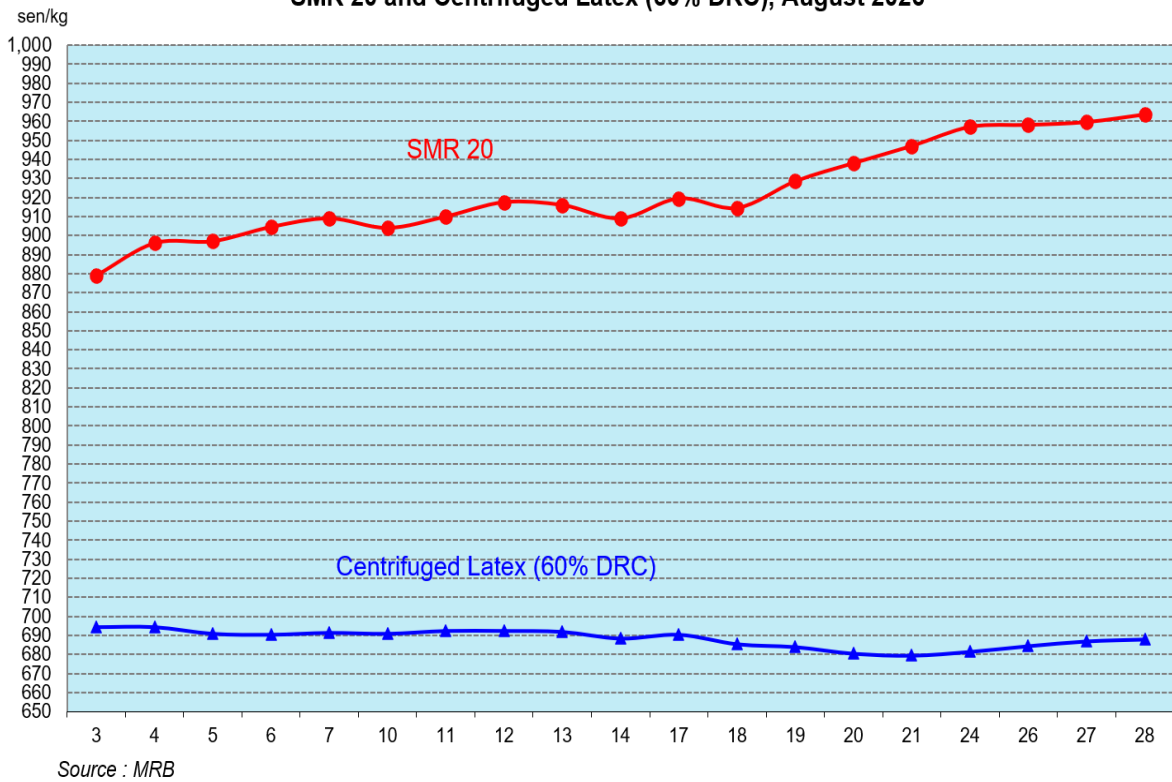
Gains during August was supported by favourable fundamental factors beginning with projections of the ANRPC. Global natural rubber supply is projected by the ANRPC at 15.279 million tonnes in 2026, below consumption of 15.356 million tonnes. Meanwhile, concerns of potential supply disruptions from a 69% probability of a strong El Niño in October–December 2026 and Indonesian growers shifting to oil palm added on to the positive sentiment. In China, the central bank pledged stronger financial support and the government signalled increased fiscal support in the second half of 2026 to boost domestic demand and economic growth, while July exports rose 23.9% year-on-year, exceeding the 22.2% forecast, and the official manufacturing PMI improved to 49.8 in August from 49.2 in July, raising expectations of economic stability and rubber demand. Demand remained supported by resilient U.S. services and vehicle activity, and global EV sales rising 9% year-on-year (YoY) to 1.85 million units in July. In addition, Vietnam's semi-steel tyre exports rose 31.9%, while natural and mixed rubber exports fell 8.3% to 815,000 tonnes, with shipments to China down 14%.

Table 1: Reference Prices for Physical Rubber (FOB) of SMR CV, SMR 20 and Centrifuged Latex (60% DRC), August 2026

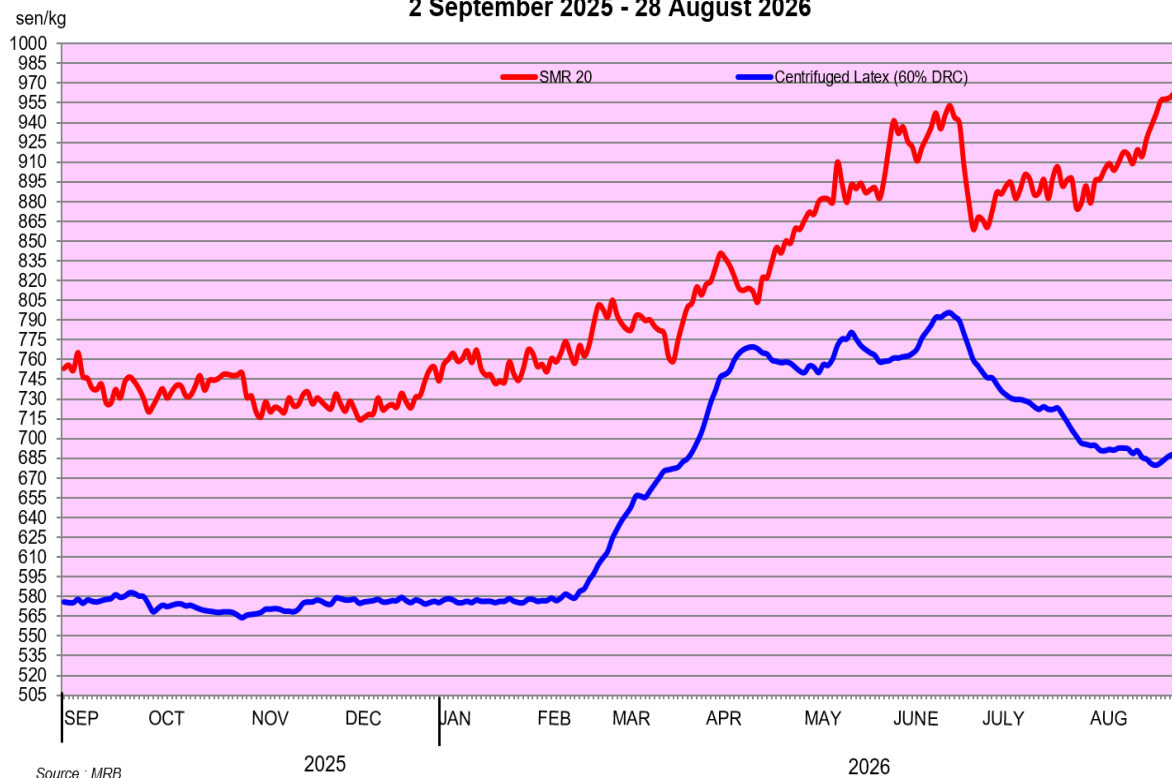
	SMR CV		SMR 20		Centrifuged Latex (60% DRC)	
	sen/kg	RM/tonne	sen/kg	RM/tonne	sen/kg	RM/tonne
Highest	1,177.50	11,775.00	963.50	9,635.00	694.50	6,945.00
Lowest	1,152.50	11,525.00	879.00	8,790.00	679.50	6,795.00
Average	1,167.32	11,673.20	922.50	9,225.00	688.39	6,883.90
Change from the last day of the previous month	-12.50	-125.00	71.50	715.00	-7.50	-75.00

Source: Malaysian Rubber Board (MRB)

**Reference Prices for Physical Rubber (FOB) -
SMR 20 and Centrifuged Latex (60% DRC), August 2026**



**Reference Prices for Physical Rubber (FOB) - SMR 20 and Centrifuged Latex (60% DRC),
2 September 2025 - 28 August 2026**



Nevertheless, further gains were capped by weakness in Chinese economy, specifically automotive and tyre demand. All-steel tyre utilisation fell to 63.8%, while passenger vehicle sales dropped 18% YoY. China's domestic car sales fell 21.1% in July, signalling continued weakness in domestic automotive demand. China's economic momentum also weakened, with CPI at 0.5%, PPI at -3.5%, industrial output growth slowing to 4.5% from 5.3%, retail sales to 0.6% from 1%, and industrial profit growth easing to 11.2%. Meanwhile, unchanged benchmark lending rates raised concerns over limited policy support. The U.S. economy also showed signs of weakness with June imports and exports declined 1.8% and 0.9%, respectively. Employment also fell 23,000 in July, followed by weakened industrial activity and consumer confidence amid the elevated inflation at 3.7% on top of the USD432 billion July budget deficit. The possible additional of 7.5% tariff on Chinese goods and fading prospects of a U.S.–Iran agreement to reopen the Strait of Hormuz further clouded global trade and economic activity as Malaysia's natural rubber production rose 31.5% MoM to 26,553 tonnes in June.

Outlook

Rubber prices are expected to remain influenced by movements in regional rubber futures, the ringgit against the U.S. dollar and benchmark crude oil prices. Market sentiment will also be shaped by developments in the Middle East, particularly U.S. measures against Iran, weather conditions in major rubber-producing countries, China's planned fiscal support and efforts to strengthen domestic consumption amid signs of slowing economic momentum, the U.S. monetary policy outlook along with key economic data from major rubber consuming economies which could drive volatility in energy markets.

News Briefs

ANRPC releases Monthly NR Statistical Report, June 2026

World natural rubber production is projected to reach 15.310 million tons in 2026, up 2.3% from 14.971 million tons in 2025, led by gains in Thailand, China, India, and Malaysia even as Indonesia and Viet Nam ease Global consumption is forecast to grow 0.7% to 15.411 million tons in 2026, led by China, India,

Malaysia, and Cambodia

- anrpc.org, 1 Aug

BYD's sales rise for third month, buoyed by exports

Chinese electric vehicle maker BYD's, global sales rose for a third straight month in July, with robust overseas demand continuing to help offset softer conditions in its home market. Total sales rose 21.8% from a year earlier to 419,211 vehicles last month, according to Reuters calculations based on BYD's official statements.

- reuters.com, 1 Aug

GIIB partners Zhisheng to triple rubber production capacity

GIIB Holdings Bhd has partnered with Zhisheng Rubber Technology Sdn Bhd for rubber processing services and the tenancy of its manufacturing facility in Nilai, Negri Sembilan, for up to 10 years. Under the agreement, Zhisheng will manufacture masterbatch and rubber compounds at GIIB Rubber Compound Sdn Bhd's (GRC) facility, supported by the installation of new high-technology, high-efficiency machinery at its own expense. The new machinery will increase GRC's annual production capacity to 30,000 tonnes from 10,000 tonnes, the company said in a filing with Bursa Malaysia. Both parties will leverage their combined production capacity to manufacture high-quality rubber compounds for international markets.

- nst.com.my, 1 Aug

China factory growth slows to 4-month low in July, survey shows

China's manufacturing sector expanded at its slowest pace in four months in July, as output and new orders rose more slowly, while export orders returned to growth after a contraction, a private-sector survey showed. The RatingDog China General Manufacturing Purchasing Managers' Index (PMI), compiled by S&P Global, fell to 50.9 in July from 51.7 in June, missing analysts' forecast of 51.5. The 50-mark separates growth from contraction.

- reuters.com, 2 Aug

China draws 'red lines' around its economic model ahead of EU, US trade talks

China is energetically defending its economic policy mix that favours advanced industries over consumption, adopting a posture analysts see as demonstrating increasing confidence ahead of looming trade talks with Europe and the United States. President Xi Jinping and U.S. counterpart Donald Trump plan more face-to-face meetings this year, while Brussels has set an October deadline for Beijing to settle disputes as worries grow over China's trillion-dollar-plus trade surplus.

- reuters.com, 2 Aug

India car sales grew 33% year-on-year in July 2026 in India, shows strong domestic demand for automobiles

India's automobile industry continued to deliver an impressive performance in July 2026, with passenger vehicle sales registering a remarkable 33% year-on-year growth. This shows that consumer demand remains strong in personal vehicles despite price hikes by auto majors across the industry. The strong sales numbers by these auto companies highlight growing consumer confidence, rising disposable income among Indians, easier financing options from banks, and sustained economic momentum that have propelled India's automobile industry. The 33% jump in passenger vehicle sales during July 2026 demonstrates the forward movement of India's automobile market. Despite higher vehicle prices, strong consumer demand, favourable financing conditions, growing preference for SUVs and electric vehicles, and an improving economic environment has enabled the industry to maintain strong growth.

- thepamphlet.in, 2 Aug

Japan's factory output surges to near 12-year high in July, PMI shows

Japan's manufacturing output expanded in July at its fastest pace in more than 12 years, with across-the-board improvements in sub-indexes, including a 4.5-year high surge in new orders buoyed by AI-related demand, a survey showed.

- reuters.com, 2 Aug

US manufacturing activity hits more than four-year high; input prices elevated

The ISM said its manufacturing PMI increased to 55.6 last month, the highest reading since May 2022, from 53.3 in June. Economists polled by Reuters had forecast the PMI would edge up to 54.0. The PMI this year has held above the 50 threshold, which indicates growth in the manufacturing sector.

- reuters.com, 3 Aug

How a Xinjiang weed could reduce China's reliance on Southeast Asian rubber

Chinese scientists have turned a dandelion-like weed into natural rubber, a step that could help cut China's heavy reliance on imported rubber. Growing on the salty, alkaline shores at the foot of the Tianshan Mountains in the Xinjiang Uygur autonomous region, the plant looks much like an ordinary weed, with small yellow flowers and fluffy seeds. The weed is known as the rubber dandelion, or *Taraxacum kok-saghyz*. Last month, researchers in Xinjiang harvested one tonne of dried roots from a 20-mu (about 1.3-hectare) test field and extracted 40kg (88lbs) of natural rubber.

- scmp.com, 3 Aug

Japan manufacturing output grows at fastest pace in 12.5 years in July

The strength of Japan's manufacturing data, with output growth at its fastest since February 2014 and new orders rising at the quickest pace since January 2022, points to a sector running well ahead of most global peers, driven substantially by semiconductor and AI-related demand from Asia and the US. That momentum, however, comes with a cost: capacity pressures are intensifying, with backlogs of work rising at their fastest pace in over a decade and input cost inflation, while easing slightly, remaining sharply elevated due to the Middle East conflict's impact on oil and raw material prices. For yen watchers, robust manufacturing strength adds another factor supporting the case for the Bank of Japan to proceed with the rate hike it has signalled, reinforcing the narrative of a currency-supportive policy shift running in parallel with recent joint intervention. Sustained cost pressures and rising output prices also keep upward pressure on Japanese inflation, a dynamic that continues to

feed into the broader currency and monetary policy story.

- *tradingview.com*, 3 Aug

Euro zone factory output near 4 1/2-year high in July but demand still weak, PMI shows

Euro zone factory output surged at its fastest pace in nearly four-and-a-half years in July but growth was largely driven by firms clearing order backlogs rather than rising demand, pointing to a fragile recovery, a survey showed.

Conflict in the Middle East has disrupted supply chains and sent energy costs soaring, causing difficulties for manufacturers. Inflation in the common currency bloc rose to 2.9% in July from 2.8% a month earlier. The headline S&P Global Eurozone Manufacturing PMI Index (PMI), opens new tab rose to 51.9 in July from June's 51.4, its highest reading since April but just below a preliminary estimate of 52.0.

- *reuters.com*, 3 Aug

Tesla's July China-made EV sales rise 37.8% y/y

Tesla's China-made electric vehicle sales rose 37.8% in July from a year earlier, marking the ninth straight month of growth as the U.S. automaker reports a mixed performance across its markets. Sales of Model 3 and Model Y vehicles from its Shanghai plant, including exports to Europe and other markets, totalled 93,579 units last month, up 5.0% from June, data from the China Passenger Car Association showed.

- *reuters.com*, 4 Aug

BYD debuts first Brazilian-made plug-in hybrid flex car as sales surge

Chinese automaker BYD is launching its first Brazilian-made plug-in hybrid flex-fuel car after a two-year investment of 100 million reais (USD19.6 million), the company's top executive in the country told Reuters.

The Song Pro Super-Hibrido Flex Fuel, which hits dealerships across Brazil on Wednesday, features a powertrain that can run on electricity, gasoline or ethanol, Senior Vice President

Alexandre Baldy said in an interview.

- *chinaglobalsouth.com*, 4 Aug

Indonesia to launch stimulus to boost electric vehicle sales, minister says

Indonesia's government will launch measures in the coming weeks to boost the purchase of electric vehicles, including e-bikes, Finance Minister Purbaya Yudhi Sadewa said at an autoshow event. The stimulus package will involve the sale of 500,000 electric motorbikes and will be announced by Indonesia's President Prabowo Subianto in the next two or three weeks, Purbaya said. Purbaya has said previously that the government will provide a subsidy of 5 million rupiah (USD277.24) for each electric motorcycle purchase, but he did not repeat that in his remarks.

- *reuters.com*, 4 Aug

China services growth hits slowest since September 2024, private PMI shows

China's services sector in July expanded at its slowest pace since September 2024 as growth in activity and new business moderated, a private business survey showed. The RatingDog China General Services Purchasing Managers' Index, compiled by S&P Global, fell to 50.4 from 54.1 in June, staying above the 50-mark that separates expansion from contraction.

- *reuters.com*, 5 Aug

US service sector growth holds steady in July amid cost pressures

The US service sector maintained its expansion in July as new orders increased and business activity strengthened, according to data released by the Institute for Supply Management. The ISM services index edged up 0.1 point to 54.1 last month. Any reading above 50 signals expansion in the sector.

- *investing.com*, 5 Aug

Indonesian rubber growers bet the farm on oil palm

Indonesia, the world's second-largest rubber supplier, accounting for 14% of global output, is seeing a wave of farmers like Sumaryono abandon rubber for palm oil in a shift that could tighten the global supply of rubber, a commodity used from automobiles to health care. Agriculture ministry data shows the land area for rubber plantations in Indonesia declined 17% over the last five years, from 3.78 million hectares in 2021 to an estimated 3.13 million hectares in 2026. Production has dropped from more than 3 million metric tons in 2021 to a projected 2 million tons this year. Widyantoko Sumarlin from the Indonesian Rubber Association (Gapkindo) said the shift had accelerated over the past seven to 10 years, driven largely by a surge in palm fresh fruit bunch prices while rubber prices stagnated. "The government is seeking to boost the rubber sector's competitiveness, while urging farmers to consider the long-term economic and sustainability impacts of converting plantations," said Heru Tri Widarto, secretary general of the Directorate General of Estate Crops.

- *reuters.com*, 7 Aug

China's July exports beat expectations on robust high-tech demand

China's exports beat expectations in July, remaining a key pillar of economic growth for the manufacturing powerhouse, as the global AI infrastructure buildout continued to power demand for high-tech goods. The world's second-largest economy has been relying on external demand to sustain growth amid tepid domestic consumption and an investment downturn, but that reliance also exposes risks, as trading partners may step up protectionism in an uncertain global environment due to the Iran war. China's exports expanded 23.9% year-on-year in U.S. dollar value terms in July, customs data showed, slowing from a 27% surge the previous month and compared with a 22.2% rise forecast in a Reuters poll.

- *thestar.com.my*, 7 Aug

Thailand to cut excise tax for car production, minister says

Thailand plans to cut excise tax rates for automakers that establish production facilities in the country to encourage greater use of locally sourced parts and raw materials, the finance minister said. The ministry expects to submit the proposal to the cabinet by September, Ekniti Nitithanprapas told reporters. The new measure will offer direct tax reductions, he said, without giving further details. At a seminar, Ekniti said the government aimed to achieve potential growth of more than 3% over the next four years and to increase investment to 30% of gross domestic product over the period. Thailand is also working on a \$700 million EV plan to replace up to 80,000 vehicles.

- *reuters.com*, 7 Aug

Indian economy's supply-side strength has grown despite global shocks over the past few years

India's supply-side potential has improved in the past few years despite the pandemic, wars, energy shocks, tariffs and supply-chain disruptions. Chief Economic Advisor (CEA) to the Government of India V. Anantha Nageswaran, explained about the Indian economy's resilience and the challenges that still lie ahead in a recent address. The economy has become stronger on the supply side despite facing several serious global shocks over the past decade. Chief Economic Adviser V. Anantha Nageswaran said the country has managed to maintain economic growth while also reducing the pressure of public debt and the fiscal deficit. This combination is being seen as an important sign of improvement in India's economic strength.

- *thepamphlet.in*, 8 Aug

MSNR: Future-proofing the sustainability of Malaysia's rubber industry

Today, environmental, social and governance (ESG) considerations are transforming the global rubber trade a transformation Malaysia is not only preparing for but also anticipating. Global buyers, particularly in the European Union, are no longer satisfied with quality and price alone. They want proof, such as geolocation data, deforestation-free sourcing

and fair labour practices evidence that the rubber used was produced responsibly. LGM, however, is not going to just wait for these ESG demands to come to Malaysia's doorstep. Its answer to this shift to ESG is the Malaysian Sustainable Natural Rubber (MSNR) framework, a regulatory system built by LGM and enforced since 2025.

- *theedgemalaysia.com*, 9 Aug

Sarawak leads nationwide rubber replanting under RISDA programme

Sarawak accounts for the largest share of new rubber replanting areas under the RISDA Replanting Programme this year, covering 1,116.78 hectares or 28% of the total implementation nationwide, said Rural and Regional Development Deputy Minister Datuk Rubiah Wang. Rubiah said the achievement reflected the commitment of Sarawak's smallholders to optimise their agricultural land, increase productivity and ensure the rubber industry remained viable. "I hope this momentum can be maintained so that more rural communities can benefit from it.

- *theborneopost.com*, 9 Aug

China CPI eases, PPI deflation moderates in July

The consumer price index (CPI) rose 0.5% year-on-year in July, slowing from a 1.0% increase in June and below economists' forecast for a 0.8% rise, official data from the National Bureau of Statistics of China showed. On a monthly basis, CPI fell 0.1%, compared with expectations for a 0.2% increase and a 0.3% decline in June. The producer price index (PPI), which measures prices at the factory gate, fell 3.5% year-on-year, narrowing from a 4.1% decline in June but missing expectations for a 3.8% drop.

- *investing.com*, 10 Aug

China's central bank vows to expand yuan's international use in five-year plan

China's central bank pledged in its five-year plan to keep the yuan exchange rate basically stable and expand the use of the Chinese currency in international trade and investment, it said in a statement. The People's Bank of China also vowed to resolve risks in key areas, strengthen

financial support for expanding consumption and "steadily advance high-level opening up of the financial sector".

- *reuters.com*, 10 Aug

Malaysia's rubber industry in need of reset, says MARDEC

"Malaysia's 1.08 million hectares of rubber land should be capable of producing between one million and 1.2 million tonnes of natural rubber annually. Instead, we are producing less than 400,000 tonnes, and the key reason is that rubber is not worth tapping," MARDEC Bhd chairman Datuk Wira Azhar Abdul Hamid tells The Edge in an interview in Kuala Lumpur. About 600,000ha of smallholder land is believed to be untapped, he says. According to MARDEC, rubber cultivation's contribution to gross domestic product (GDP) has been declining over the past decade, contributing RM3.35 billion to the national total in 2015 but only RM1.85 billion in 2024 as per preliminary data. The rubber-product manufacturing sector, however, contributed more than RM12 billion to GDP.

Azhar explains that natural rubber prices are influenced by global futures markets, synthetic rubber substitution, inventories held by tyre and glove manufacturers, currency movements and global industrial demand with the price paid at farm level further reduced by transport, processing and marketing costs. Hence the smallholders' dilemma: While global consumption may exceed new production, the price reaching Malaysian tappers remains too low to justify rubber planting and harvesting. This in turn affects the supply of raw materials for the midstream and downstream rubber manufacturers.

- *theedgemalaysia.com*, 10 Aug

China's car sales extend slide as shift accelerates to overseas markets

China's car sales fell for a 10th straight month in July, though the pace of decline eased, contrasting with strong export growth as automakers step up overseas expansion to offset cut-throat competition in the world's largest auto market. Sales at home slid 21.1% last month from a year earlier to 1.47 million vehicles, while exports rose 88.2% to 923,000, data from the China Passenger Car Association

(CPCA) showed.

- *reuters.com*, 11 Aug

Guizhou Tyre secures Chinese approvals for Morocco factory

Guizhou Tyre has completed all Chinese approval and registration procedures required for its planned tyre factory in Morocco. Wholly owned subsidiary Guizhou Qianjin Tyre Investment received an Overseas Investment Certificate for Enterprises from the Guizhou Provincial Department of Commerce on 11 August, following earlier approvals from the provincial state-owned assets regulator and Development and Reform Commission.

- *tyrepress.com*, 11 Aug

China's NEV sales rise 23.7% in July, with exports surging 1.5 times, CAAM data shows

China's new energy vehicles (NEVs) accounted for more than 60% of new vehicle sales for the first time in July, as strong export growth offset weak domestic demand. NEV sales, including domestic deliveries and exports, were 1,561,000 units in July, up 23.7% year-on-year while down 5% from June, according to data released by the China Association of Automobile Manufacturers (CAAM).

- *cnevpost.com*, 12 Aug

VinFast car sales in Vietnam rise 21% in July

VinFast announced on August 11 that it delivered 21,781 electric vehicles to customers in Vietnam in July, up 21% from the previous month. The company sold a total of 137,697 vehicles in the first seven months of the year, maintaining its leading position in Vietnam's electric vehicle market.

- *en.vietnamplus.vn*, 12 Aug

Malaysia Q2 growth likely accelerated to 5.8% on exports, resilient demand

Malaysia's economic growth likely accelerated in the second quarter, supported by strong exports and resilient domestic demand, according to a Reuters poll. Gross domestic product was expected to have grown 5.8% year-on-year in

the April-June quarter, up from 5.4% in the first quarter, according to the poll of 21 economists conducted from August 6 to 12. The forecast was in line with a preliminary estimate, opens new tab released in July. Forecasts ranged from 5.7% to 6.0%. Official gross domestic product (GDP) data is due on 14 Aug. Malaysia's exports rose 45.4% in June, their fastest growth since August 2022, while the country recorded a trade surplus of 14.9 billion ringgit (USD3.65 billion). The economy has emerged as Southeast Asia's fastest-growing data centre market.

- *reuters.com*, 12 Aug

US consumer inflation mild in July, economy still not out of the woods

U.S. consumer prices barely increased in July as the cost of gasoline declined for a second straight month, while underlying inflation was benign, further reducing the odds of an interest rate hike from the Federal Reserve next month. The small rebound in the monthly Consumer Price Index reported by the Labor Department, which was in line with economists' expectations, also reflected marginal gains in the prices of food and apparel as well as decreases in the costs of hotels and motel rooms, and prescription medication. The Consumer Price Index edged up 0.1% last month after dropping 0.4% in June, which was the first decline in six years, the Labor Department's Bureau of Labor Statistics said.

- *reuters.com*, 12 Aug

OPEC further lowers 2026 global oil demand growth forecast

OPEC lowered its forecast for world oil demand growth in 2026 to 580,000 barrels per day, a copy of its monthly report showed, marking the fourth straight downward revision. The producer group continues to see a smaller impact on consumption since the Iran war started than other forecasters such as the International Energy Agency, which expects demand to decline in 2026. The Organization of the Petroleum Exporting Countries also raised its forecast for 2027 oil demand growth, according to the report on OPEC's website.

- *reuters.com*, 12 Aug

Global 2026 oil supply shortfall to deepen as Hormuz reopening remains elusive, IEA says

Global oil supply will fall by 4.3 million barrels per day, or around 4%, this year, the International Energy Agency said, as renewed hostilities in the Middle East disrupt supplies and plunge the world deeper into an oil-market deficit. The U.S.-Iran ceasefire broke down last month around a month after the parties signed a memorandum of understanding to end the war. Since then, tanker attacks in the Strait of Hormuz have resumed and the conflict spread as Yemen's Iran-aligned Houthi rebels launched attacks in the Red Sea. "Global oil supply has fallen well below demand due to the Strait of Hormuz shutdown, the U.S. blockade of Iranian exports, attacks within the Bab el-Mandeb Strait and reduced Kazakh CPC Blend exports," the IEA, which advises industrialised countries, said in a monthly report, referring also to drone attacks in the Black Sea affecting exports.

- reuters.com, 12 Aug

China's central bank pledges timely new policy rollout

China's central bank said it would maintain an appropriately loose monetary stance and roll out practical, effective measures as needed but stopped short of signaling explicit cuts to policy rates or banks' reserve-requirement ratio. The People's Bank of China will make full use of existing policies, promptly plan and roll out additional measures, step up counter-cyclical adjustment, and intensify efforts to expand domestic demand, the central bank said in its quarterly monetary policy implementation report.

- reuters.com, 12 Aug

Yokohama plans to expand tyre production to 6.3 million units

Japanese tyre major Yokohama said it was targeting double-digit growth in passenger car radial tyres on the back of growing demand for SUVs in the Indian market. It is also planning to increase production from 4.5 million units to 6.3 million units in two to three years, a top executive said.

- thehindu.com, 12 Aug

Japan's wholesale inflation stays hot, bolstering odds of September BOJ hike

Japan's annual wholesale inflation remained elevated in July, data showed, highlighting broadening price pressures and reinforcing market expectations of an interest rate hike in September. The data came in the wake of growing hawkish communication from the Bank of Japan including a summary of opinions at its July meeting that showed some policymakers arguing for a faster pace of rate hikes to counter inflation risks. The producer price index rose 7.2% in July, slower than market forecasts for a 7.4% increase but staying near a 7.3% spike marked in June, BOJ data showed. On a month-on-month basis, the index edged up 0.1% in July, after a revised 0.5% increase in June, the data showed.

- reuters.com, 13 Aug

Monthly Rubber Statistics, June 2026

Natural Rubber (NR) production increased by 31.5% in June 2026 (26,553 tonnes) as compared to May 2026 (20,198 tonnes). Year-on-year comparison showed that the production of NR increased by 1.2 per cent (June 2025: 26,249 tonnes). Natural Rubber (NR) production increased by 31.5 per cent in June 2026 (26,553 tonnes) as compared to May 2026 (20,198 tonnes). Production of NR in June 2026 for Malaysia was mainly contributed by smallholders (88.7%) as compared to estates (11.3%).

Total stocks of NR in June 2026 increased by 5.2 per cent to 129,524 tonnes as compared to 123,149 tonnes in May 2026. Rubber processors factory contributed 77.8 per cent of the stocks followed by rubber consumers factory (22.1%) and rubber estates (0.1%). Exports of Malaysia's NR amounted to 38,862 tonnes in June 2026, increased by 35.2 per cent as against May 2026 (28,742 tonnes). P.R. China remained as the main destination for NR exports which accounted 55.8 per cent of total exports in June 2026 followed by Germany (11.5%), the United States of America (6.7%), Turkiye (3.1%) and India (3.1%).

The performance of the second quarter of 2026 showed natural rubber production decreased by 8.1 per cent to 65,266 tonnes as compared to 71,013 tonnes in the first quarter of 2025. The annual performance of Malaysia's natural rubber production in the second quarter of 2026

recorded a decrease of 4.7 per cent as compared to the second quarter 2025 (68,513 tonnes).

- dosm.gov.my, 13 Aug

Global EV sales rise in July as Europe offsets weakness in China and North America

Global demand for electric vehicles rose for a fifth consecutive month in July, driven by robust growth in Europe while sales weakened in China and North America, data from consultancy Benchmark Mineral Intelligence showed. Sales of battery-electric and plug-in hybrid vehicles rose 9% from a year ago to 1.85 million units in July, bringing year-to-date volumes to 11.5 million vehicles.

- reuters.com, 13 Aug

Jobless claims rise to 209k, surpassing forecasts

In a development closely watched by market analysts and policymakers, the latest data on initial jobless claims has been released, revealing a significant increase. The number of individuals filing for unemployment insurance for the first time reached 209,000. This figure is notably higher than the forecasted 202,000, indicating a potential shift in the labor market dynamics.

Comparing the latest figure to the previous week, where initial claims stood at 200,000, the increase to 209,000 marks a noticeable jump. This rise could be interpreted as a bearish signal for the U.S. dollar, as higher-than-expected jobless claims often suggest a cooling labor market, which can, in turn, affect consumer spending and economic growth.

- investing.com, 13 Aug

US producer prices unchanged in July, further dimming rate hike odds

U.S. producer prices were unchanged in July as goods prices fell and the cost of services increased marginally, bolstering financial market expectations that the Federal Reserve could keep interest rates unchanged next month. The report from the Labor Department followed news of mild consumer inflation last month. The U.S.

central bank tracks the PCE inflation measures for its 2% target. The flat reading in the Producer Price Index for final demand last month followed a revised 0.1% drop in June, the Labor Department's Bureau of Labor Statistics said. Economists polled by Reuters had forecast the PPI rebounding 0.2% following a previously reported 0.3% decline in June.

- reuters.com, 13 Aug

Fitch affirms U.S. credit rating at AA+ with stable outlook

Fitch Ratings affirmed the United States' long-term foreign and local currency issuer default ratings at AA+ with a stable outlook. Fitch projects U.S. economic growth at 1.9% for 2026-2027, down from 2.8% in 2025. The slowdown reflects higher tariffs, government spending cuts, tighter border controls, and increased policy uncertainties. Labor demand has weakened and job creation has dropped significantly in 2026.

- investing.com, 13 Aug

Chinese car sales are booming almost everywhere - just not at home

China's car industry is on a tear overseas, storming markets from Europe to Southeast Asia and heaping pressure on long-established automakers like Toyota Motor and Volkswagen. But it is a different story at home, where car sales have been in steady decline since late last year, as weak consumer demand and years of intense price competition have left the world's biggest auto market glutted with excess capacity.

- reuters.com, 14 Aug

Japan's July core inflation seen at 1.8% on higher energy costs

The nationwide core consumer price index (CPI), which includes energy items but excludes fresh food prices, was expected to rise 1.8% in July from a year earlier, a poll of 17 economists showed, accelerating for a second straight month from 1.6% in June but remaining below the BOJ's 2% target.

- reuters.com, 14 Aug

US retail sales post first decline in nine months in July

U.S. retail sales fell in July for the first time in nine months as the boost from big tax refunds faded, suggesting that consumer spending was slowing down and prompting economists to slash their economic growth estimates for the third quarter. Retail sales dropped 0.6% last month after an unrevised 0.2% gain in June, the Commerce Department's Census Bureau said. The decline was the first since last October and was the largest in 14 months.

- reuters.com, 14 Aug

China's July industrial output grew 4.5% y/y, retail sales up 0.6%

China's industrial output in July grew 4.5% from a year earlier, slowing from 5.3% growth in June, data released by the National Bureau of Statistics showed on Monday. The output data missed expectations for a 4.8% rise in a Reuters poll of 26 analysts. Retail sales, a gauge of consumption, grew 0.6%, compared with a 1% rise in June.

- reuters.com, 17 Aug

Japan Q2 growth misses forecasts on weaker spending, investment

Japan's economy grew at a slower-than-expected pace in April-June, due to lacklustre household spending and business investment that analysts say mainly reflected one-off factors although the Iran war continued to cloud confidence. Gross domestic product rose 1.1% in annualised terms, government data showed, missing a median market estimate of 2.0% in a Reuters poll and below an upwardly revised 1.9% expansion in the previous quarter.

- reuters.com, 17 Aug

China's premier calls for stabilising external demand as growth sputters

China's Premier Li Qiang called for efforts to stabilise external demand and expand international trade cooperation, as weak domestic demand weighs on growth and external risks loom. "Currently, the problem of insufficient domestic demand remains prominent, some industries and enterprises are

facing increasing difficulties, and uncertainties in external environment are rising," Li said at a meeting of the state council, China's cabinet, according to state media Xinhua.

- reuters.com, 17 Aug

China's recovery sputters as consumption, output lose steam

China's economy lost momentum at the start of the second half, with industrial output and retail sales slowing as extreme weather disruptions and persistently weak domestic demand renew pressure on policymakers to step up stimulus. The disappointing data, following second-quarter growth that cooled to a three-and-a-half-year low, highlights China's continued dependence on exports to offset sluggish consumption and investment even as it confronts headwinds from U.S. tariffs and the conflict in the Middle East.

- reuters.com, 17 Aug

US, Canada try to bridge gaps over potential autos tariff cuts, sources say

U.S. and Canadian trade negotiators were haggling over a potential reduction in President Donald Trump's tariffs on Canadian vehicles to 15% after some value content deductions, three sources familiar with the talks said on Monday. The countries face a Wednesday deadline for steep new U.S. duties on USD20 billion worth of other Canadian goods.

- reuters.com, 18 Aug

China forecasts strongest El Nino event as sea temperatures rise

China's National Climate Centre has forecast the formation of a super El Nino that could be the strongest ever recorded, state broadcaster CCTV said. Sea surface temperatures in the central and eastern equatorial Pacific Ocean are expected to rise steadily and peak around November to December, forming potentially the strongest El Nino in history, CCTV reported citing the climate centre. Since the start of the summer, China has already seen the effects of an El Nino, including torrential rain in various regions.

- reuters.com, 18 Aug

U.S. industrial production growth slows, misses expectations

Industrial production in the United States has shown a deceleration, according to the latest data released by the Federal Reserve. The report indicates that the actual growth in industrial production was recorded at 0.2%. This figure falls short of the anticipated forecast of 0.3%, signaling a slight underperformance in the sector.

- *investing.com*, 18 Aug

Malaysian vehicle sales up 8% in July, aggressive promotion expected to last into August

Malaysia's new vehicle registration rose in July amid a jump in sales of diesel-powered pickup trucks. Total industry volume was 73,615 units in July, an increase of 5% year-on-year and 8% month-on-month, according to the Malaysian Automotive Association. The trade body, also known as the MAA, noted that production volume was also the highest since January 2024 thanks to national marques.

- *theedgemalaysia.com*, 18 Aug

Fed research finds productivity gains limited tariff inflation

Productivity improvements helped reduce the inflationary impact of tariffs imposed by President Donald Trump, according to research released by the Federal Reserve Bank of Boston. Industries that faced higher costs from tariffs in 2025 also saw greater labor productivity growth, which helped them offset those increased expenses, bank researchers wrote in the paper.

- *investing.com*, 18 Aug

China NEV retail sales fall 15% in first 16 days of August, outperforming broader market

China's new energy vehicle (NEV) retail sales continued to decline in the first half of August but outperformed the broader auto market as conventional gasoline vehicle demand continued to collapse. Retail sales of passenger NEVs in China totaled 399,000 units from 1st -16th August, down 15% year-on-year but up 1% from

the same period last month, according to data released by the China Passenger Car Association (CPCA).

- *cnevpost.com*, 19 Aug

Eurozone consumer prices grow by 2.9% year-on-year in July – Eurostat

Eurozone consumer prices grew by 2.9% in the twelve months to July, slightly faster than 2.8% in the preceding month, according to data from Eurostat confirming a preliminary estimate. Month-on-month, the headline consumer price index rose by 0.2% last month. An EU-harmonized underlying reading stripping out volatile items like food and fuel stood at 2.2% year-on-year and 0.0% on a monthly basis.

- *investing.com*, 19 Aug

Olam Agri acquires 'Asia Africa Rubber Industry' to grow its rubber processing capabilities and global customer offering

Olam Agri has completed the acquisition of Asia Africa Rubber Industry S.A., growing its rubber processing capabilities in Côte d'Ivoire. ASAF adds 176,000 metric tonnes (MT) to Olam Agri's annual rubber processing capacity in Côte d'Ivoire, giving the company greater scale in the country and geographic density that improves operational efficiency and supply reliability. The acquisition is expected to unlock synergies across the company's global logistics, supply chain, trading and marketing network, strengthening the supply of responsibly sourced rubber to key export markets. It also increases access to international rubber customers through ASAF's existing strategic partnerships.

- *asiafoodjournal.com*, 19 Aug

China drove global electric truck, bus sales above half a million in 2025

Sales of electric trucks and buses nearly doubled globally in 2025, data from research organization the International Council on Clean Transportation showed in a report published. China drove most of the growth and other markets such as the European Union and India saw a double-digit increase, the organization said. Make sense of global markets with the Trading Day newsletter. Electric trucks and

buses crossed the half-million-units mark globally in 2025, with sales up 86% year-on-year.

China accounted for nearly 90% of global electric truck and bus sales, with sales in medium and heavy truck segments more than quintupling over two years. Excluding China and the United States, battery electric buses accounted for 56% of zero-emission medium- and heavy-duty vehicle sales, with the European Union and India leading in volume at around 9,800 and 5,000 units, respectively. Battery electric truck sales remained relatively low, reaching about 41,000 units sold outside of China. In the EU, electric truck sales increased by 71% in 2025, reaching a 4.5% market share.

- reuters.com, 20 Aug

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- reuters.com, 20 Aug

China leaves loan rates steady for 15th consecutive month in August

China kept benchmark lending rates unchanged for the 15th straight month in August, in line with market expectations. The one-year loan prime rate (LPR) was kept at 3.00%, while the five-year LPR was unchanged at 3.50%.

- reuters.com, 20 Aug

Japan exports rise 23.2% year/year in July

Japanese exports rose 23.2% year-on-year in July, up for an 11th straight month, data from the Ministry of Finance showed. The result compared with a 19.9% increase expected by economists in a Reuters poll. Imports grew 27.8% in July from a year earlier, versus a 26.5% increase expected by economists.

- investing.com, 20 Aug

Malaysia's rubber industry shifts focus to verified sustainability to access premium markets

Malaysia's rubber industry is really trying to reinvent itself, focusing on a narrower but potentially more profitable angle: verified sustainability. Once a major global player in natural rubber, the country now faces shrinking farms, weak incentives for smallholders, and a growing reliance on imports. But, interestingly enough, the same pressures that have whittled down the scale are also pushing Malaysian producers toward better traceability, compliance, and entry into premium niche markets.

- klsescreener.com, 20 Aug

China pledges timely fiscal support to bolster growth

China will roll out additional fiscal policy measures in a timely manner in response to economic developments, Vice Finance Minister Liao Min said, as the economy loses momentum. China will maintain the continuity and stability of macroeconomic policies and plan and allocate fiscal resources over a longer time horizon, Liao told a press conference.

- reuters.com, 20 Aug

Japan manufacturing expands as orders rise fastest since 2018, PMI shows

Japan's manufacturing sector expanded in August as new orders rose at their fastest pace since January 2018, a business survey showed. The S&P Global Flash Japan Manufacturing Purchasing Managers' Index (PMI) rose to 55.1 in August from 54.5 in July, a preliminary estimate by S&P Global showed. The 50-mark separates growth from contraction.

- reuters.com, 20 Aug

Malaysia must drive innovation, develop higher-value rubber products

Malaysia should drive innovation by developing more specialised and higher-value rubber products, said Minister of Plantation and Commodities Datuk Seri Dr Noraini Ahmad. She said the rubber industry must accelerate the adoption of digital technologies and invest in developing the necessary talent to advance the industry in the future. To remain competitive, Malaysia must continue to adapt and improve. Our goal is clear — to strengthen Malaysia's position as a trusted global supplier of innovative, sustainable and high-quality rubber products, said Noraini in her keynote address at the Malaysian Rubber Council (MRC) Industry Leadership and Networking Dinner.

- theedgemalaysia.com, 20 Aug

US service sector fuels acceleration in business activity, S&P Global says

S&P Global said its flash services Purchasing Managers' Index rose to 56.8, the highest since December 2024, from 54.6 in July and drove its Composite Output Index up to 56.0, the highest since April 2022, from 54.5 last month. The strength in services more than offset an easing in S&P's manufacturing PMI to a five-month low of 53.2 from 53.9 in July.

- reuters.com, 21 Aug

Euro zone consumer confidence rises to -15.5 in August

Euro zone consumer confidence rose by 0.4 points in August from the July number, figures released showed. The European Commission

said a flash estimate showed euro zone consumer morale improved to -15.5 this month from -15.9 in July.

- reuters.com, 23 Aug

Europe EV market share tops 25% in July as France, Germany drive growth

Battery electric vehicle registrations in Europe continued to rise in July, with electric cars accounting for more than one in four new vehicles sold as strong growth in France and Germany offset weaker demand in some other markets. Battery electric vehicle, or BEV, registrations across 16 key European markets rose 13.6% year-on-year to 224,266 vehicles in July, giving fully electric cars a 25.7% market share, data from E-Mobility Europe, New Automotive and Fier Automotive showed.

- reuters.com, 24 Aug

Hormuz disruption threatens NBR supply, could lift glove prices

Disruptions to naphtha supply flows from the Middle East could reduce global nitrile butadiene rubber (NBR) availability by as much as 24%, according to Hong Leong Investment Bank Bhd (HLIB). Analyst Chee Kok Siang said the disruption could potentially provide a temporary boost to glove makers by easing the industry's structural oversupply.

"The continuous closure of Strait of Hormuz could once again provide a tailwind for average selling price adjustments. "This could, in turn, overshadow structural oversupply concerns in the near term," he said in a note.

- nst.com.my, 24 Aug

US consumer confidence falls in August, Conference Board says

U.S. consumer confidence fell in August to its lowest in seven months as households' outlooks for the labor market and inflation worsened, a survey showed.

The Conference Board said its consumer confidence index dropped to 89.4 this month - the lowest since January - from an downwardly revised 90.2 in July. Economists polled by

Reuters had forecast the index at 90.2 versus an originally reported 90.8 in July.

- reuters.com, 25 Aug

U.S. August new-vehicle sales pace expected to top 16 million for sixth straight month

According to Cox Automotive's forecast released, new-vehicle sales volume is expected to fall to 1.35 million, down 8.5% from last year. However, the SAAR is expected to remain mostly unchanged, reflecting calendar-related adjustments. The seasonally adjusted annual rate of sales, or SAAR, is expected to finish near 16.3 million. This is the same pace as last month and is down slightly from last year's 16.5 million level.

- coxautoinc.com, 25 Aug

Glove makers face prolonged recovery amid intense Chinese competition

Efforts by Malaysian glove makers to regain market share in the global market, especially in the US, have yet to bear fruit despite hefty tariffs slapped on medical and surgical rubber gloves from China. This is a result of Chinese players relocating their production to Indonesia and Vietnam. Since January 2026, US tariffs on medical-grade gloves from China have doubled from 50% to 100%, giving non-Chinese glove makers a competitive advantage — but only to a certain extent.

- theedgemalaysia.com, 25 Aug

IMF's Georgieva says global economy weathering energy shock, sees fiscal concerns

The global economy has weathered the Iran war energy shock better than feared, International Monetary Fund Managing Director Kristalina Georgieva said, but she raised concerns about deteriorating fiscal conditions in some countries shown by rising bond yields and a stalled disinflation process. Georgieva told reporters in a briefing ahead of next week's Group of 20 finance leaders meeting in Asheville, North Carolina, that there was a "tug of war" between the negative Gulf energy supply shock and growth tailwinds from the artificial intelligence investment boom that was starting to spread

beyond U.S. borders.

- reuters.com, 26 Aug

US said to eye China overcapacity tariffs of 7.5% before Xi visits

The US is set to impose a 7.5% tariff on Chinese goods over allegations of excess manufacturing capacity before a planned summit between Presidents Xi Jinping and Donald Trump next month, according to people familiar with the matter. The move would restore Trump's second-term duties on China to around 20%, a level Beijing has previously said is consistent with its trade truce with Washington.

- theedgemalaysia.com, 26 Aug

US inflation remains sticky in July; 2Q GDP unrevised at 1.5%

Annual US inflation unexpectedly held steady in July well above the Federal Reserve's 2% target for the 65th straight month and the pause in the decline from a recent Iran-war induced peak is likely to add to the central bank's tense debate over whether interest rates should be lifted or held steady. On a month-over-month basis, PCE rose 0.2% in July, also above economists' forecasts after falling 0.1% in June.

- theedgemalaysia.com, 26 Aug

Thai vehicle sales rise 20% in July

New vehicle sales in Thailand increased by over 20% to 59,196 units in July 2026, up from 49,102 units a year earlier, according to the latest data released by the Federation of Thai Industries (FTI). The market was driven higher by continued strong demand for battery electric vehicles (BEVs), sales of which surged by 122% year-on-year to 20,990 units last month. GlobalData is forecasting light vehicle sales to rise by 6% to 657,000 units this year.

- yahoo.com, 26 Aug

China NEV retail sales fall 12% in first 23 days of August as decline narrows

China's retail sales of passenger new energy vehicles (NEVs) fell at a slower pace in the first 23 days of August, continuing to outperform the

broader auto market and signaling a modest improvement in demand early in the second half of the month. China's passenger NEV retail sales totaled 614,000 in August 1-23, down 12% from a year earlier and 2% from the same period last month, according to data released by the China Passenger Car Association (CPCA).

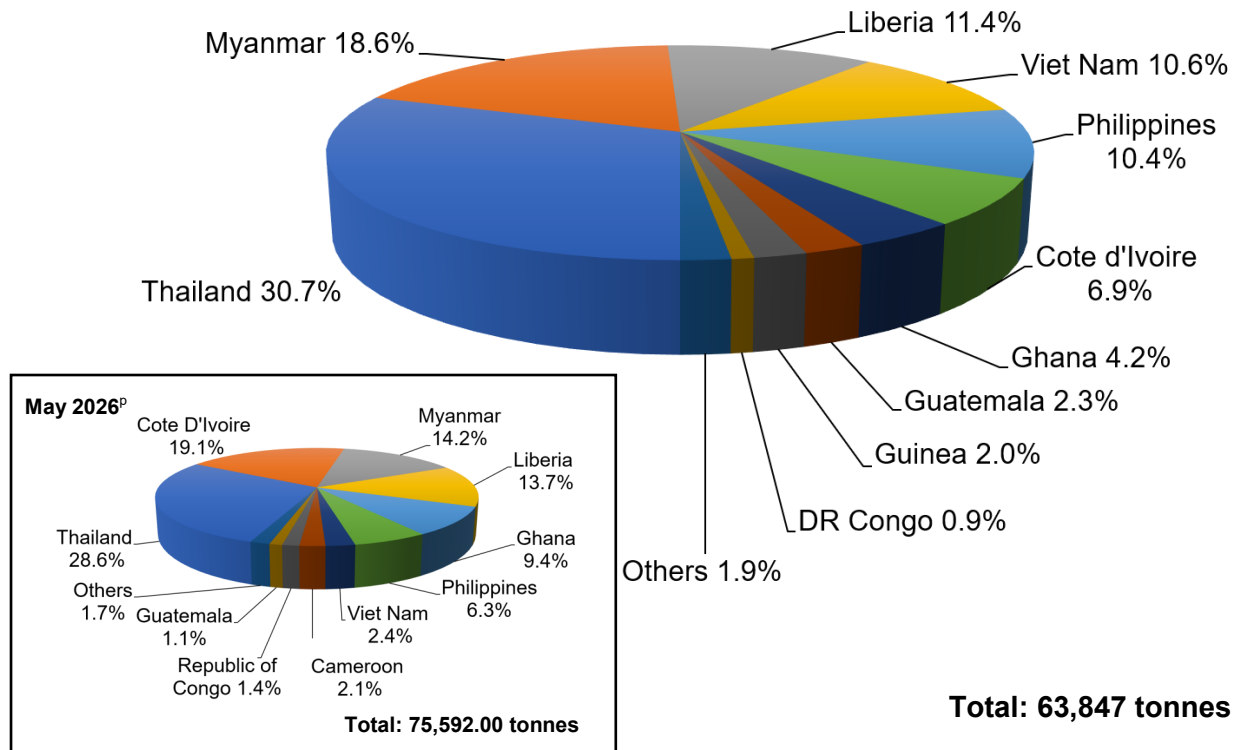
- *cnevpost.com*, 26 Aug

China's industrial profit growth cools as AI-linked sectors outpace

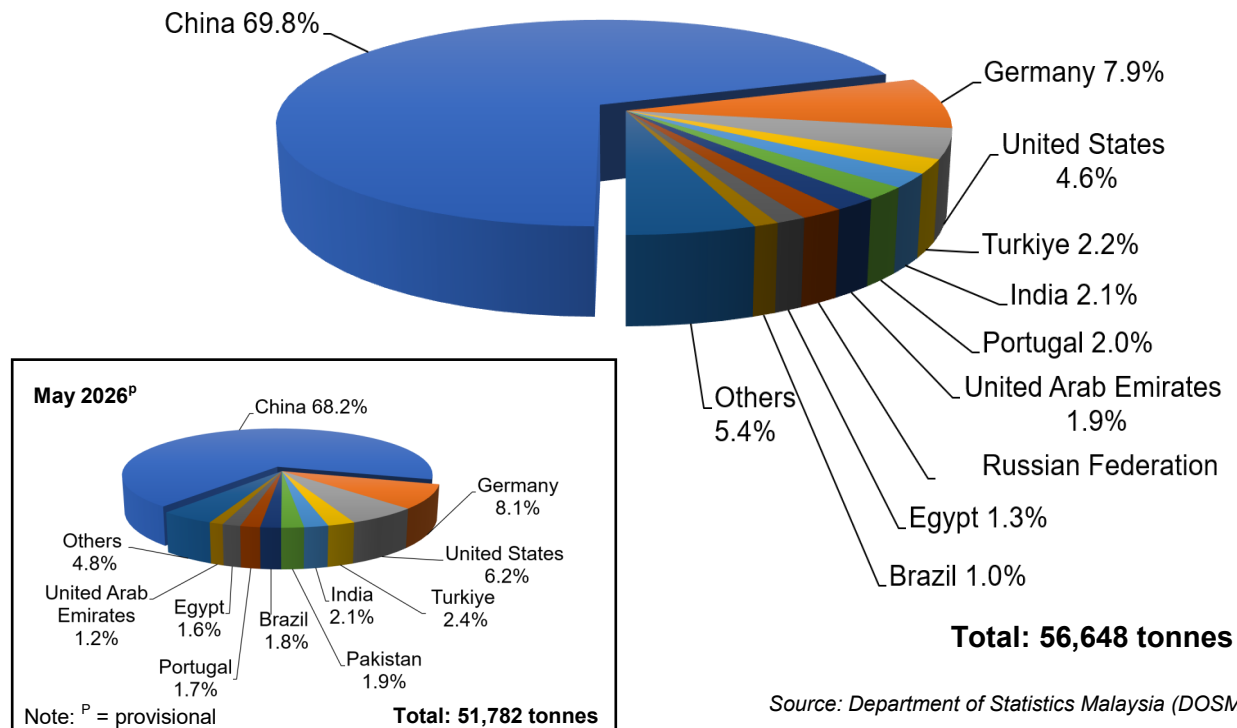
China's industrial firms reported slower profit growth in July, with export-focused sectors riding the global AI boom, while industries reliant on domestic demand remained under pressure. Weakening demand at home has strained a broader recovery in the US\$20 trillion economy, and external uncertainties including trade tensions and geopolitical risks continue to cloud the outlook, pressuring margins and profitability.

- *reuters.com*, 27 Aug

Malaysia's Imports of NR by Countries of Origin, June 2026^P

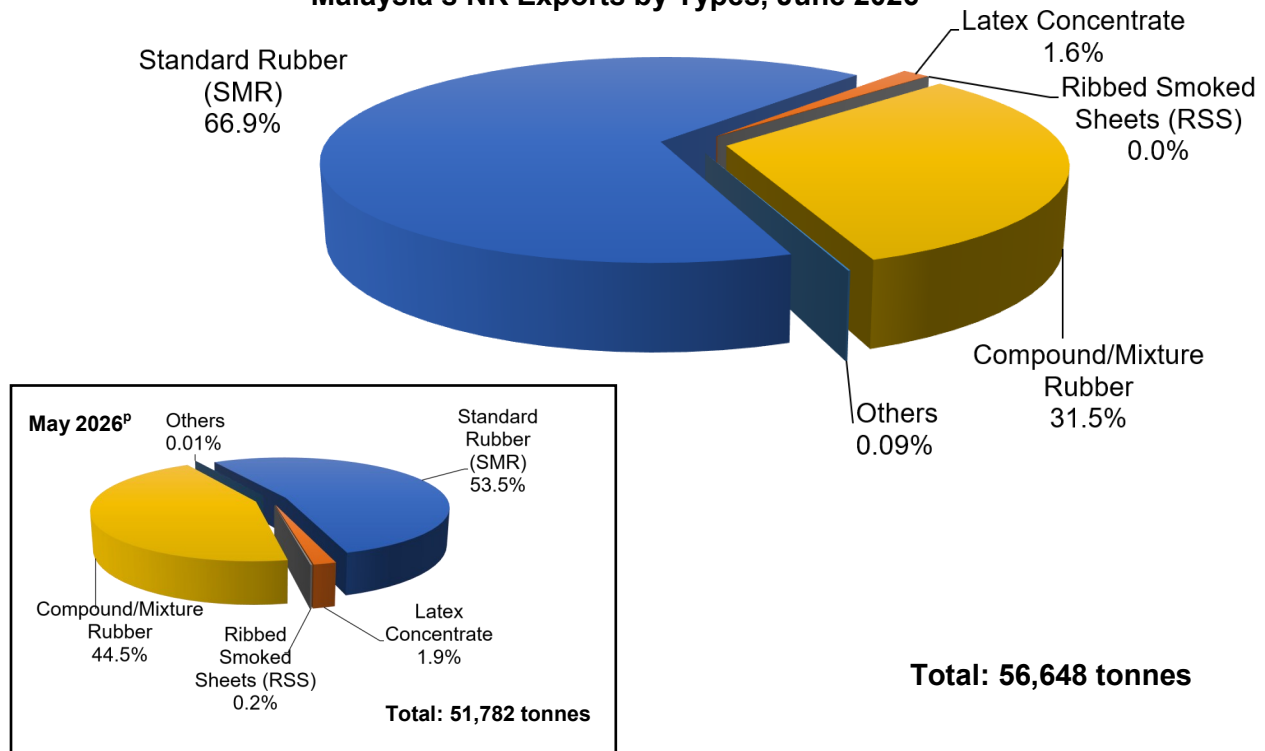


Malaysia's NR Exports by Countries, June 2026^P

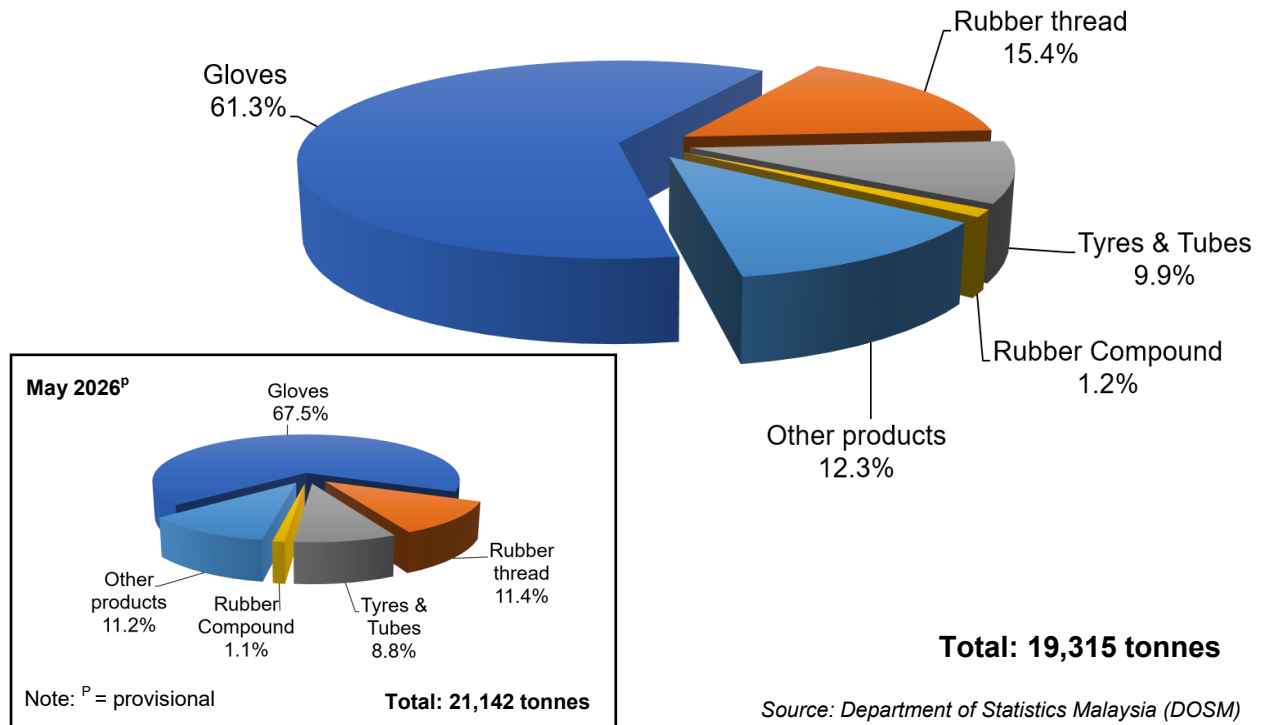


Source: Department of Statistics Malaysia (DOSM)

Malaysia's NR Exports by Types, June 2026^P



Malaysia's NR Consumption by Product Sectors, June 2026^P



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