

F-12 Inter-relationships among natural rubber prices between Colombo and major overseas markets

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Sri Lanka earns about 5700 million (Mn) rupees by exporting around 69 Mn kg of Natural rubber (NR) annually. However, wide fluctuations in prices have adverse effects on NR producers. This demands investigation on behavioural patterns of prices between Colombo and other overseas markets, to identify the inter-relationships among the FOB prices of NR between Colombo and major markets.

Quarterly and monthly prices of NR in Colombo and 5 major overseas markets, covering the period 1980 to 1994 were used in this study. The relationships were examined using time series statistical tools; Cross Correlation Functions (CCF) and cyclical analysis.

The auction prices lead the FOB prices by a period of one month for all grades of NR in the Colombo market. The Colombo FOB prices lag behind the prices of overseas markets by a quarter. The relationships in terms of r_k values were: 0.649, 0.648, 0.596, 0.478 and 0.419 for Singapore, London, New York, Malaysia and Indonesia respectively. Sri Lanka's price cycle lag behind the cycle of other terminal markets, while such overseas markets, exhibit a coincident cycle behaviour. Yet, the cycles of Sri Lanka prices closely follow the pattern of major overseas markets.

The time lags reflect the imperfect market conditions prevailing in the local trading system possibly in the form of 'direct trading' where a substantial volume of rubber bypass the auction. The reference price appears to be based on the leading prices quoted in official overseas markets despite the fact that direct trading has no pricing mechanism of its own. The study therefore suggests the necessity to strengthen the Colombo rubber auction to reflect transparency in all transactions.

F-13 Status of women within the household as income earners

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Although, women have contributed to family and society through household production and market participation, the weight given to services rendered by them has not been very significant. This situation has led to these women being seen as marginal role players restricting their decision making capacities.

As more employment opportunities have opened up for women, this study aims to assess the impact of direct earnings of women on their status and position within the household. This study was carried out in the Hambantota district, where the sample was selected from a group which consists of 84 working females and 84 non-working females. Thus the total sample size was 168.

Two indicators, perception of self worth and decision making capabilities of women, were used to assess the status of women. Results indicate that, both decision making power and self worth of working wives are higher than non-working wives. Therefore, one can conclude that, the income earned by women gives the liberty for them making production and household decisions while increasing their perceptive of self worth.