

Pricing Supplement No. 3 Dated December 8, 1998
(To Prospectus dated October 13, 1998 and
Prospectus Supplement dated October 13, 1998)
Filed pursuant to Rule 424(b)(3)
File No. 333-64787

CABOT CORPORATION
Series B Medium-Term Notes - Fixed Rate

Principal Amount: \$30,000,000 Interest Rate: 6.56% Issue Price: 100%

Agent's Discount Commission: 0.60%
Original Issue Date: December 11, 1998
Stated Maturity Date: December 12, 2005

Net Proceeds to Issuer: 99.40%

Interest Payment Dates: June 15 and December 15
Initial Interest Payment Date: June 15, 1999

Redemption:

/X/ The Notes cannot be redeemed prior to the Stated Maturity Date.
/ / The Notes may be redeemed prior to the Stated Maturity Date.
Initial Redemption Date:
Initial Redemption Percentage:
Annual Redemption Percentage Reduction: ___% until Redemption
percentage is 100% of the principal amount.

Optional Repayment:

/X/ The Notes cannot be repaid prior to the Stated Maturity Date.
/ / The Notes can be repaid prior to the Stated Maturity Date at the
option of the Holder of the Notes.
Optional Repayment Dates:
Repayment Price: ___%

Currency:

Specified Currency: U.S. Dollars
(If other than U.S. Dollars, see attached)
Minimum Denominations:
(Applicable only if Specified Currency is other than U.S. Dollars)

Original Issue Discount ("OID"): Yes / / No /X/
Total Amount of OID:
Yield to Maturity:
Initial Accrual Period:

Form: /X/ Book-Entry / / Certificated

Agent: /X/ Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith
Incorporated
/X/ Goldman, Sachs & Co.
/X/ J.P. Morgan Securities Inc.
/ / Other:

Agent(s) acting in the capacity as indicated below:

/X/ Agent / / Principal

If as principal:

/ / The Notes are being offered at varying prices related to
prevailing market prices at the time of resale.
/ / The Notes are being offered at a fixed initial public offering
price of 100% of Principal Amount.

If as Agent(s):

/X/ The Notes are being offered at a fixed initial public offering
price of 100% of Principal Amount.

Exchange Rate Agent: N/A

Other Provisions: None.