



Polybutadiene Rubber (Asia-Pacific)

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Please click [here](#) for full details on the criteria ICIS uses in making these price assessments.

OVERVIEW

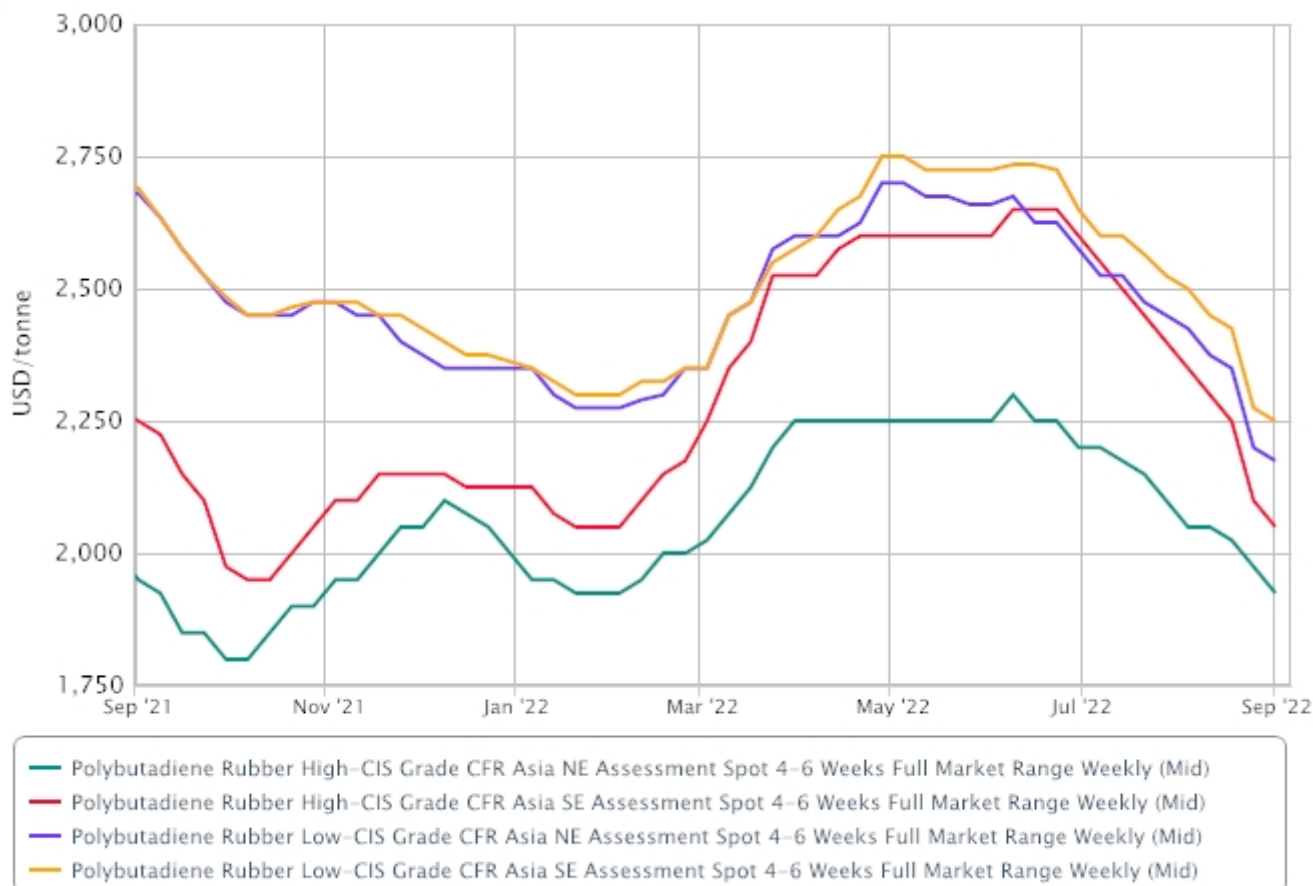
- **Demand stays soft**
- **Offers trend down**
- **Trade liquidity low**

Spot discussions in Asia's polybutadiene rubber (PBR) market remained weighed down by lacklustre demand.

Offers continued to trend down, but drew limited response, as buyers were heard reluctant to commit on fresh spot procurement until they have more clarity and confidence about when downstream demand conditions could pick up.

For now, buy-side sentiment is still more bearish in nature, accentuated by news this week that manufacturing activity in China remains in a [contraction](#) mode for August, two months in a row.

However, with spot availabilities poised to tighten once several regional maintenance shutdowns kick in later this month, some sell-side elements were hopeful that this will provide some pricing support in weeks to come.



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OUTLOOK

- Supply to tighten on upcoming turnarounds
- Global economic worries will continue to weigh on demand
- Outlook hazy

PRICES

SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
Polybutadiene Rubber Low-CIS Grade						
CFR Asia NE	USD/tonne	n/c	2050.00-2300.00	-50	2250.00-2600.00	92.99-104.33
CFR Asia SE	USD/tonne	n/c	2200.00-2300.00	-50	2400.00-2600.00	99.79-104.33
Polybutadiene Rubber High-CIS Grade						
CFR Asia NE	USD/tonne	-50	1850.00-2000.00	-50	2000.00-2100.00	83.91-90.72
CFR Asia SE	USD/tonne	-50	1950.00-2150.00	-50	2250.00-2450.00	88.45-97.52
CFR India	USD/tonne	n/a	1900.00-2200.00	n/a	n/a-n/a	86.18-99.79

Northeast Asia

High-cis

CFR NE Asian assessments were down with softer buy-sell indications heard.

However, domestic PBR prices in China rose, in part with support from a spike seen this week in upstream butadiene prices.

Price (CNY/tonne)	01 Sep	25 Aug
E China Ex-Warehouse	12,500-13,000	12,300-12,800

Low-cis

The high end of the low-cis CFR NE Asian assessments is dropped with lower offers heard, and the low end is rolled over in the absence of any fresh buy-side indications.

Southeast Asia

High-cis

CFR southeast Asian prices were assessed lower on softer buy-sell indications heard, amid muted discussions.

SMR 20 Natural Rubber Reference Price (US cents/kg) FOB Malaysia

1 2022	Sep 2022	Aug 2022	Jul 2022	Jun 2022	May 2022	Apr 2022	Mar 2022	Feb 2022	Jan 2022
136.50	149.74	158.83	164.15	162.81	171.15	175.18	179.84	178.12	

Low-cis

The high end of the low-cis CFR SE Asian assessments is dropped with lower offers heard, while the low end is kept unchanged in the absence of any fresh buy-side indications.

India

Discussions for CFR India trades of high-cis PBR materials were wide-ranging, reflecting the disparity in indications heard for cargoes from diverse Asian origins.

The high end tracks discussions for cargoes from regular northeast Asian suppliers, while discussions for China-origin materials were reflected at the low end.

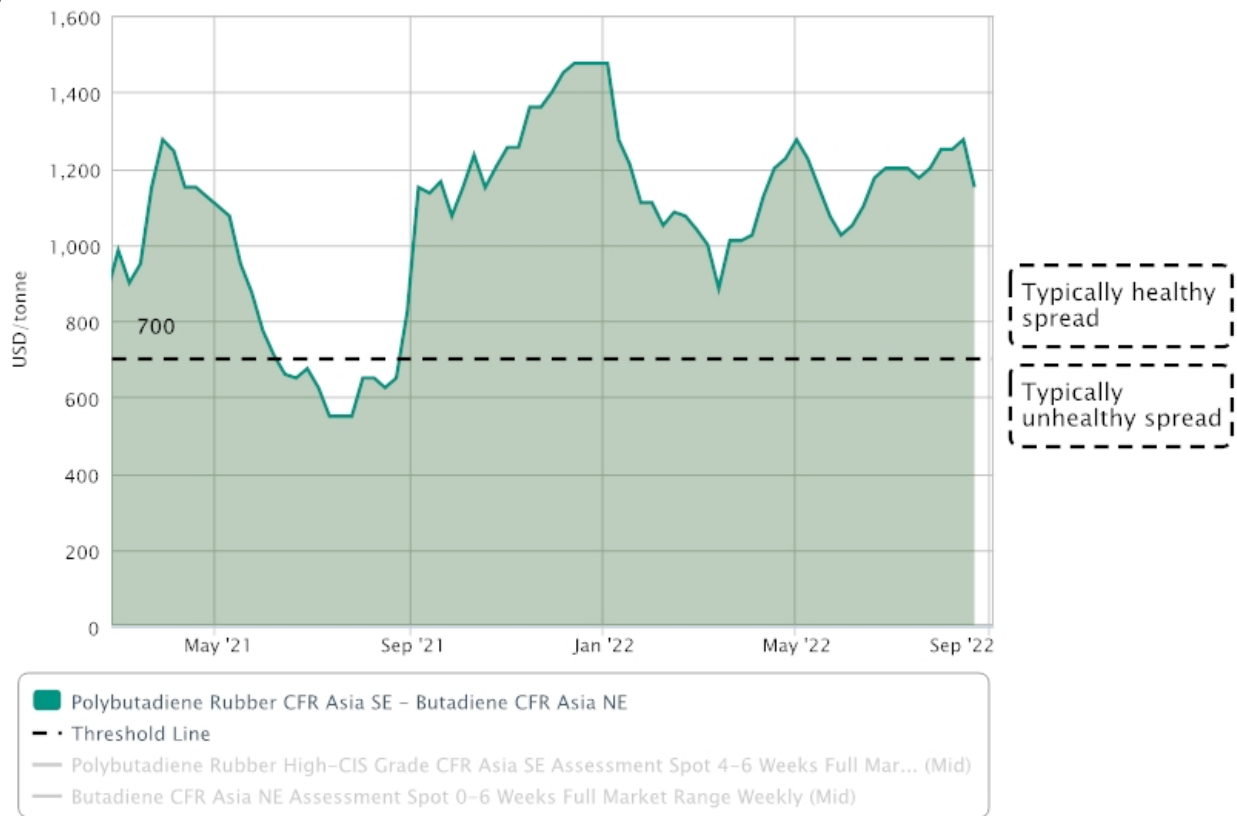
UPSTREAM

Butadiene (BD)

- Demand still generally bearish in wider Asia
- Wide buy-sell gap crimps spot trade
- Some uptick in domestic China lifted sentiment for China-bound imports

The chart below shows the price spread between butadiene and PBR.

[Downstream spread – butadiene NE Asia and PBR SE Asia](#)



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PRODUCTION

In China, average operating rates for PBR rose to 74% for the week ended 26 August, compared to 73% in the week prior, market sources said.

However, in wider Asia, spot availabilities remained tight in nature, not just due to an ongoing [outage](#), but also because there are a few [upcoming](#) maintenance closures in September.

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