



Polybutadiene Rubber (Asia-Pacific)

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

OVERVIEW

- **High-cis materials see losses in NE Asia**
- **High-cis prices stable in SE Asia**
- **Low-cis prices rangebound across the region**

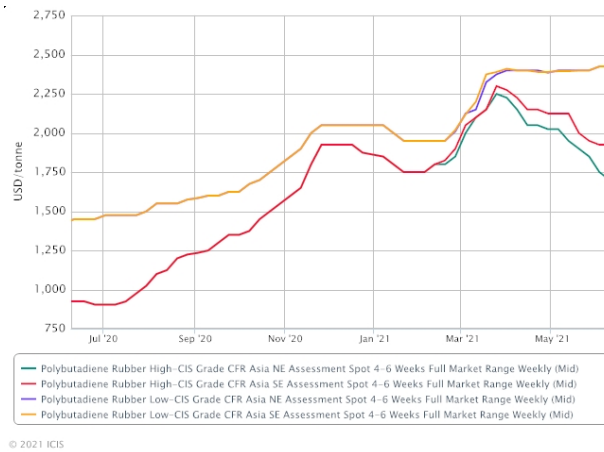
Asian spot prices for polybutadiene rubber (PBR) were largely stable, except for northeast Asia-bound shipment of high-cis materials, which fell on softer buy-sell discussions heard.

The low-cis market is well supported by healthy demand from the white goods sector, as well as limited spot availabilities.

Low-cis output is inherently smaller than high-cis and the bulk is already soaked up by contractual obligations, leaving little surplus for spot sales, market players said.

In contrast, the high-cis market is more amply supplied, with more plants in China set to resume from maintenance closures. Some cargoes of the Middle East and Europe origins were also heard indicated for spot sales. Offers were weighed down as such.

Demand for high-cis materials - the bulk of which typically goes into the production of tyres for heavy commercial vehicles - is also lacklustre, in part on a seasonal lull for auto-plant operations in [Q3](#).



OUTLOOK

- High-cis off-take may taper off in Q3 on seasonal factor
- Low-cis usage to hinge on demand for white goods
- Wide price gap between the two grades may persist

PRICES

SPOT PRICES

| | | | Price Range | | Four Weeks Ago | US CTS/lb |
|--------------------------------------------|-----------|-----|---------------------|-----|-----------------|---------------|
| Polybutadiene Rubber Low-CIS Grade | | | | | | |
| CFR Asia NE | USD/tonne | n/c | 2400.00- 2450.00 | n/c | 2350.00-2450.00 | 108.86-111.13 |
| CFR Asia SE | USD/tonne | n/c | 2400.00- 2450.00 | n/c | 2350.00-2440.00 | 108.86-111.13 |
| Polybutadiene Rubber High-CIS Grade | | | | | | |
| CFR Asia NE | USD/tonne | -50 | 1650.00- 1750.00 | -50 | 1900.00-2000.00 | 74.84-79.38 |
| CFR Asia SE | USD/tonne | n/c | 1850.00- 2000.00 | n/c | 2100.00-2150.00 | 83.91-90.72 |

Northeast Asia

High-cis

CFR northeast Asia prices for high-cis materials were assessed as lower, taking into account lower buy-sell pricing indications heard.

The lowest selling indication on China-bound cargoes formed the high-end of the assessment range, while the low-end reflected buying ideas in China.

Buying interest in China for US dollar-denominated PBR imports is weighed down by the ample availability of more competitively-priced cargoes in the domestic pool.

Domestic China prices were stable-to-firm, taking into account deals done and discussions heard in the week.

East China Domestic PBR Prices

| Price (CNY/tonne) | Current week | Previous week |
|----------------------|---------------|---------------|
| E China Ex-Warehouse | 11,700-11,900 | 11,700-11,800 |

Low-cis

CFR northeast Asian assessments for low-cis materials held steady on rangebound talks heard.

Southeast Asia

High-cis

CFR southeast Asian prices for high-cis materials were unchanged, taking into account discussions and deals done involving end-users from downstream applications.

For automobile-related applications, market players said that demand for PBR is sluggish, due to seasonally lower operations in Q3 for factories in this sector.

Discussions for PBR spot trades involving players from this industry were heard at the lower-end of the published range.

However, PBR demand is relatively healthy from applications related to manufacturing of household electrical appliances and shoe soles, and market players said that potential buyers from these sectors were more receptive to offers heard at the higher-end of the published range.

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

| June 2021 | (1-10) May 2021 | Apr 2021 | Mar 2021 | Feb 2021 | Jan 2021 |
|-----------|-----------------|----------|----------|----------|----------|
| 166.57 | 169.09 | 164.72 | 175.25 | 169.16 | 158.40 |

Low-cis

CFR SE Asian assessments for low-cis PBR materials also held steady, with some deals heard closed within the published range.

India

Import discussions are thin in India, with downstream operations in the country heard still subdued amid ongoing anti-coronavirus restrictions on mobility and manpower.

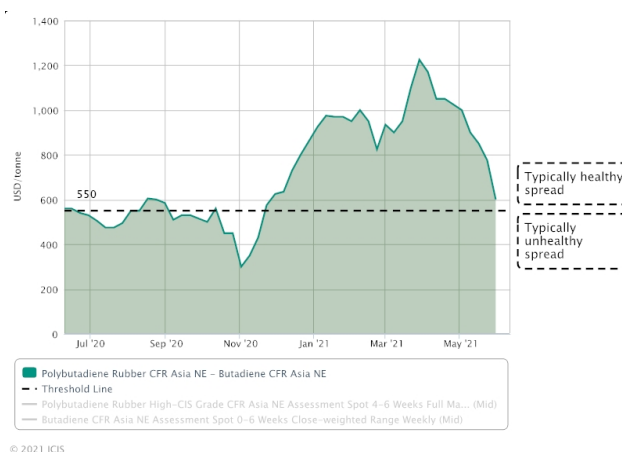
Supplies are also poised to grow, with more Middle East-origin cargoes heard potentially available for exports to India.

UPSTREAM

Asian butadiene (BD) import offers were [boosted](#) by demand pull from the US. But [uncertainties](#) still abound on how regional demand-supply balance may shift, once more new projects come on stream later in the year.

The chart below shows the spread between butadiene and PBR.

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



PRODUCTION

In China, average operating rates at its PBR plants climbed to 66% in the week ending 4 June, marginally higher than the 65% rate seen in the week prior, market sources said.

A 100,000 tonne/year unit in Jiangsu [restarted](#) in the week, but two other major 100,000 tonnes/year lines in Nanjing and Guangdong remain shut for repairs.

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