



Polybutadiene Rubber (Asia-Pacific)

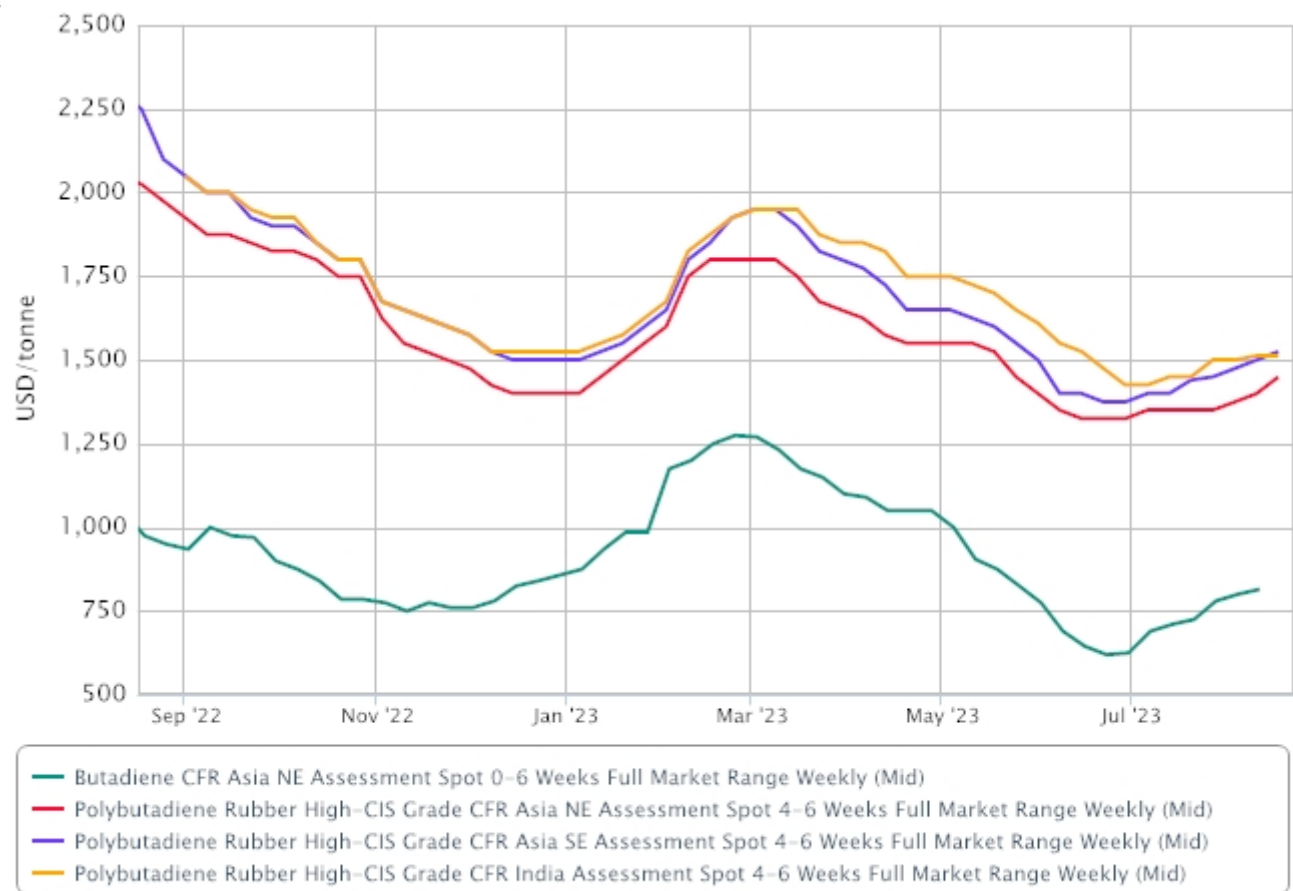
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Please click [here](#) for full details on the criteria ICIS uses in making these price assessments.

OVERVIEW

- **Firm upstream values prop up PBR offers**
- **Competitive NR prices weigh on higher-priced PBR acceptance**
- **Discussions for low-cis remain subdued**



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Asia high-cis polybutadiene rubber (PBR) import prices largely drew support from firm feedstock butadiene (BD) values. Producers across Asia targeted higher offers and selling indications on attempts to defray rising upstream costs and protect frail margins.

Demand for high-cis PBR, however, emerged mixed across markets. Some markets in southeast Asia saw an uptick in buying interest and enquiries leading to some acceptance of higher-priced material. Meanwhile, a buy-sell gap continued to persist in some markets in northeast Asia, amid sluggish demand from the tyre manufacturing sector in the region. Furthermore, the persistent weakness in natural rubber (NR) prices additionally weighed on imports' interest for PBR at higher prices.

Asia low-cis PBR offers were also propped up by rising upstream values, although activities both in northeast and southeast Asian markets stayed limited amid the ongoing summer holidays.

OUTLOOK

- **Downstream high-cis demand may remain restricted**
- **Low-cis demand may pick up from September onwards**
- **Weak BD-PBR spreads may continue to prop selling sentiments**

PRICES

SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
Polybutadiene Rubber Low-CIS Grade						
CFR Asia NE	USD/tonne	+50	1800.00-2000.00	+50	1750.00-1900.00	81.65-90.72
CFR Asia SE	USD/tonne	n/c	1850.00-2000.00	n/c	1850.00-1950.00	83.91-90.72
Polybutadiene Rubber High-CIS Grade						
CFR Asia NE	USD/tonne	+50	1400.00-1500.00	+50	1300.00-1400.00	63.50-68.04
CFR Asia SE	USD/tonne	n/c	1450.00-1600.00	+50	1380.00-1500.00	65.77-72.57
CFR India	USD/tonne	n/c	1450.00-1575.00	n/c	1400.00-1500.00	65.77-71.44

Northeast Asia

High-cis

Offers and selling indications have drawn support from higher BD costs. Demand from export-oriented tyre manufacturers held stable, propping uptake.

CFR NE Asia prices reflect selling indications and some offers at the high end, with the low end assessed firmer in tandem, to reflect limited availability at lower prices.

Domestic prices in east China have edged up from the previous week, bolstered by the recent gains in upstream markets.

Price (CNY/tonne)	This week's close	Previous week's close
E China Ex-Warehouse	11,100-11,400	11,100-11,300

Low-cis

The market in northeast Asia stayed quiet with few discussions. Selling indications from producers have edged up on higher feedstock costs, reflected at the high end of the range. The low end is assessed firmer in tandem, in the absence of concrete deals and discussions as prices below assessed levels are largely unavailable from producers.

Southeast Asia

High-cis

Offers have edged up sharply on feedstock costs, with buying interest, enquiries and attempts to restock emerging this week.

The high end reflects offers and selling indications for Asian cargoes that range at \$1,500-1,600/tonne CFR SE Asia. Acceptable buying indications range at \$1,400-1,500/tonne CFR SE Asia. The low end is however kept flat as prices lower than assessed levels are less representative of that seen in the wider market.

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

Aug (1-17) 2023	Jul 2023	Jun 2023	May 2023	Apr 2023	Mar 2023	Feb 2023	Jan 2023
128.98	131.31	133.48	136.34	136.27	135.03	140.11	140.11

Low-cis

CFR SE Asia prices remain range-bound with the high end reflecting offers for Asian material that are supported by high BD costs. Discussions were limited amid a quiet market and ongoing summer holidays in parts of the region. The low end was unchanged amid limited deals and discussions. A deal for a 125 tonne northeast Asian cargo was undertaken at \$1,975/tonne CFR SE Asia.

India

CFR India prices were stable this week, tracking the range in the bulk of deals and discussions for Asian and European cargoes. Although offers for northeast Asian material emerged as high as \$1,600/tonne CFR India, deals at these prices were pending broader market confirmation.

Prices for domestic cargoes were also raised this week by an equivalent of around \$60/tonne, following higher upstream values that have resulted in the recent increase in import prices.

UPSTREAM

Butadiene

- Domestic China eases on weak economic data
- Buoyant crude and upstream markets bolster selling indications in Asia
- Buyers still largely cautious although some were heard willing to consider higher values

The chart below shows the spread between butadiene and PBR.

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



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The price spread between butadiene in northeast Asia and PBR prices in southeast Asia has edged into the unhealthy territory. This means selling sentiments among major producers would remain firm, propped up by high feedstock costs.

PRODUCTION

A 60,000 tonne/year unit in Taiwan is [shut](#) for maintenance and expected to restart in H2 August.

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