



Styrene Butadiene Rubber (Asia-Pacific)

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

All prices in the weekly analysis on 1 May are assessed based on information collated up to 30 April. Please click [here](#) for the ICIS publishing schedule.

OVERVIEW

- **Discussions muted on holiday trade lull**
- **Buyers more withdrawn**
- **But offers steady on cost factor**

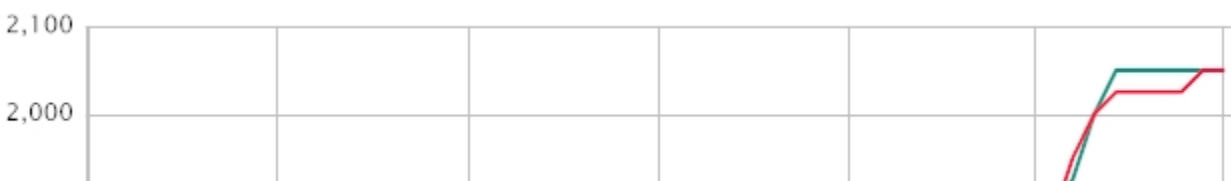
Discussions are muted this week in Asia's spot import market for styrene-butadiene-rubber (SBR), as players in various regional outlets wind down for the upcoming Labour Day holidays.

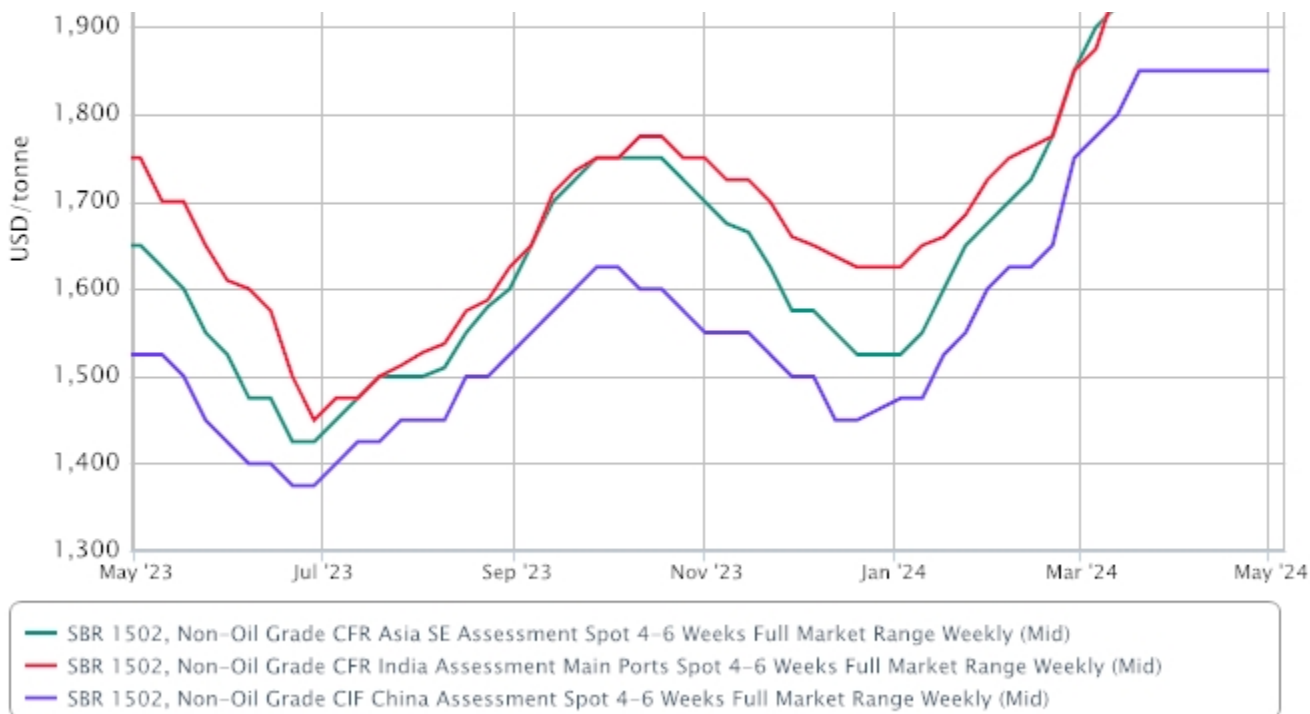
Sentiment is mixed downstream. Many end-users are wary not to hold excessive stocks lest prior anticipation of steady demand recovery, especially in the key Chinese economic hub, fails to materialise.

Concerns about the latter heightened in the wake of a slower growth for China's [April PMI](#), following a strong month-on-month improvement in March.

However, some end-users did step up this week to pick up limited volumes, although market players said that these were akin to pre-holiday restocking procurement and not reflective of actual downstream demand improvement, market players said.

On the sell-side, even though sellers acknowledge that buying tempo has slowed down, most were heard still determined not to dish out fresh discounts just to induce buying. Many said that upstream cost pressures are still formidable, notwithstanding a slight downward correction in feedstock butadiene ([BD](#)) prices last week.





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OUTLOOK

- Uncertainties linger over [China’s economic growth outlook](#)
- [Fiscal policy changes](#) may also weigh on broader buy-side sentiment
- Players may minimise buy-sell exposure for the near term

PRICES

SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
SBR 1502, Non-Oil Grade						
CIF China	USD/tonne	n/c	1800-1900	n/c	1800-1900	81.65-86.18
CFR Asia SE	USD/tonne	n/c	2000.00-2100.00	n/c	2000.00-2100.00	90.72-95.25
CFR India Main Ports	USD/tonne	n/c	2000.00-2100.00	n/c	1950.00-2100.00	90.72-95.25
SBR 1712, Oil-Extended						
CIF China	USD/tonne	n/c	1750-1850	n/c	1750-1850	79.38-83.91
CFR Asia SE	USD/tonne	n/c	1950.00-2050.00	n/c	1950.00-2050.00	88.45-92.99
CFR India Main Ports	USD/tonne	n/c	1950.00-2050.00	n/c	1900.00-2050.00	88.45-92.99

China

CIF China prices for both the non-oil 1502 and the oil-extended 1712 grades are kept unchanged on rangebound offers.

Buying interest remains tepid for imported materials, as there is no lack of more competitively priced products in the yuan-denominated domestic supply pool, market players said.

Substantive requirements in China were not that robust to begin with, with many downstream factories winding down operations for the upcoming holidays from 1-4 May.

Domestic prices in east China however rebounded slightly with some pre-holiday restocking procurement earlier in the trading week.

East China domestic SBR 1502 prices

Price (CNY/tonne)	This week's close*	Previous week's close
E China Ex-Warehouse	13,100-13,300	13,000-13,200

*As at 30 April as China is shut from 1-4 May.

Southeast Asia

CFR SE Asian prices for the non-oil 1502 grade were unchanged, taking into account rangebound offers from most regular suppliers, and in the absence of concrete fresh transactions heard.

Even though feedstock BD prices have corrected downward slightly, regional SBR producers said that cost pressures were still formidable and that there was as yet no room for fresh discounts if they wanted to preserve frail margins.

Buying interest is thin, with many end-users retreating to the sidelines, saying that they would wait and see until there is more clarity on how upstream markets may trend post-holiday.

CFR SE Asian assessments for the oil-extended 1712 grade were unchanged with flat 1502 grade assessments.

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

Apr 2024	Mar 2024	Feb 2024	Jan 2024	Dec 2023	Nov 2023
162.99	165.36	156.66	154.20	146.31	148.42

Source: Malaysian Rubber Board

India

CFR Indian prices for the non-oil 1502 grade are kept unchanged, in a thinly discussed week.

Offers for cargoes from regular NE Asian suppliers were heard at the high end, and small parcels were also heard sold at levels closer to the high end.

But most buyers held back, saying that they would monitor further first before they finalise any fresh procurement decision.

CFR India assessments for the oil-extended 1712 grades were stable with unchanged 1502 grade assessments.

UPSTREAM

Butadiene

- Anticipated influx of deep-sea cargoes
- Supply anxieties among buyers alleviated
- But no clear sign yet that regional availabilities will lengthen

The chart below shows the spread between butadiene and SBR, which remains in the unhealthy zone.

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

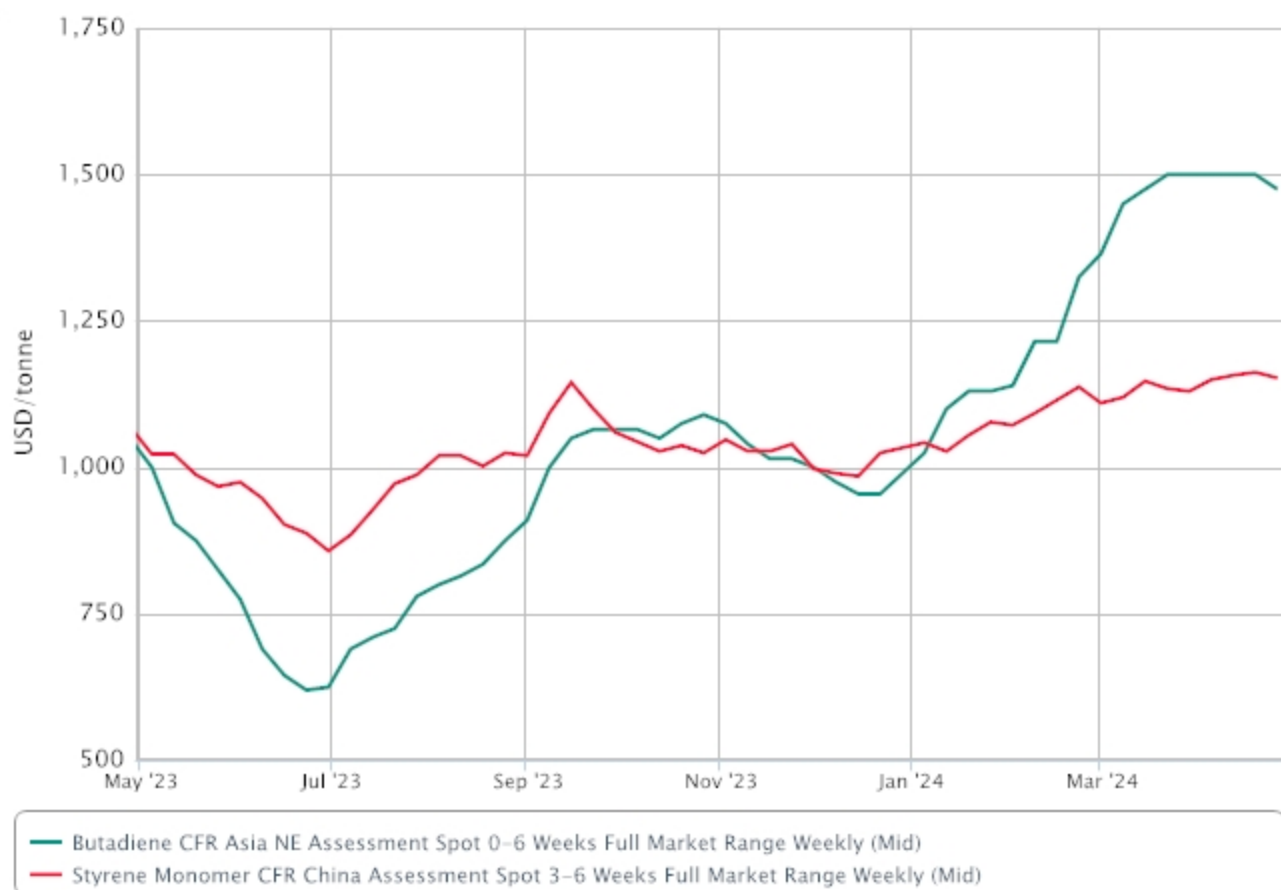


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Styrene

- Stable China SM fundamentals amid feedstock market changes, wait-and-see attitude

- Export talks slow as buyers keep to sidelines
- China shore-tank inventory fall continues; stock level close to 100,000 tonnes



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PRODUCTION

A 100,000 tonnes/year [unit](#) in Taiwan will shut for maintenance in May.

A plant in east China, with a total nameplate capacity of 170,000 tonnes/year, [undertook](#) a month-long maintenance at one of its three SBR lines in April. It plans to shut its two other lines, in turns, for respective month-long servicing between June and August 2024, market sources said.

Click [here](#) for the Asian SBR Live Disruption Tracker.

OTHER REGIONS

Europe

- Upstream BD May contract increases
- SBR spot prices roll over
- Market conditions appear unchanged

US

- April contract prices rise on higher feedstock costs
- Spot prices firm alongside contract prices, imports face additional cost pressure
- Feedstocks BD and styrene remain tight, but demand levels have offset

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