



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.

The weekly analysis on 2 October will be published with information on China collected up to 30 September. Please click [here](#) for the ICIS publishing schedule.

OVERVIEW

- **Domestic China buoyancy lifts sentiment on China imports**
- **But transactions low amid holiday trade lull**
- **Wider Asian players hold back to wait and see**

Discussions for spot Asian imports of styrene-butadiene-rubber (SBR) imports are muted this week, as players in major outlets like China have mostly exited the arena for holidays.

China is shut for extended National Day holidays from 1-7 October, and there are several holiday market closures too in other areas, like South Korea and India.

Sentiment varies across the region too, with China visibly more bullish than other regional outlets.

Domestic China prices for SBR continued to scale new heights, with support from skyrocketing prices for natural rubber, as well as for polybutadiene (PBR) futures in the local exchange.

This in turn keeps up sellers' targets for China-bound import materials.

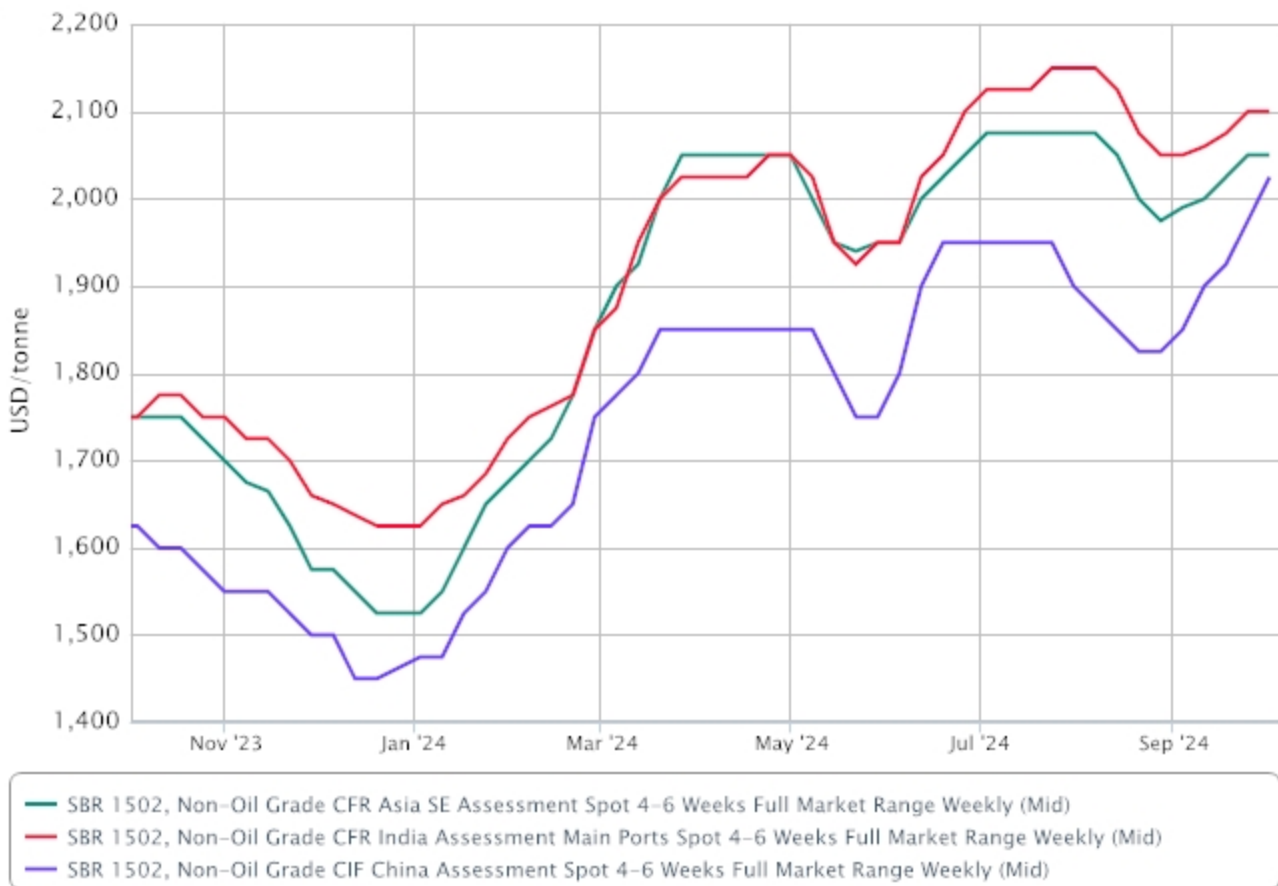
But outside of China, substantive discussions are limited on import shipments to other outlets like SE Asia and India.

End-users there have mostly covered their prevailing requirements, and are unwilling to consider additional spot procurement until they get more clarity on how post-holiday downstream market conditions in China may trend.

Some are [skeptical](#) if the latest Chinese fiscal stimulus measures will be sufficiently effective in arresting the economic slowdown there.

But others are hopeful that the fiscal measures may boost consumption for discretionary goods like automobiles,

which could then uplift off-take for related raw materials including SBR.



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OUTLOOK

- Cost push on sellers may heighten with rising feedstock butadiene (BD) prices
- Q4 demand [sentiment](#) may stay muted in nature
- But spot supplies will be tight, providing support to offers

PRICES

SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
SBR 1502, Non-Oil Grade						
CIF China	USD/tonne	+50	2000-2050	+50	1800-1900	90.72-92.99
CFR Asia SE	USD/tonne	n/c	2000.00-2100.00	n/c	1950.00-2030.00	90.72-95.25
			0			
CFR India Main Ports	USD/tonne	n/c	2050.00-2150.00	n/c	2000.00-2100.00	92.99-97.52
			0			
SBR 1712, Oil-Extended						

CIF China	USD/tonne	+50	1950-2000	+50	1750-1850	88.45-90.72
CFR Asia SE	USD/tonne	n/c	1950.00-2050.0 0	n/c	1900.00-1980.00	88.45-92.99
CFR India Main Ports	USD/tonne	n/c	2000.00-2100.0 0	n/c	1950.00-2050.00	90.72-95.25

China

CIF China assessments for the non-oil 1502 grade extended gains, with firmer selling indications tracked at the high-end against buying indications capped at the low-end.

But substantive discussions were muted with many already exiting the market for the extended National Day holidays.

Domestic prices surged, alongside spikes in natural rubber and synthetic rubber futures.

CIF China prices for the oil-extended 1712 grade are adjusted in line with changes for the 1502 grade.

East China domestic SBR 1502 prices

Price (CNY/tonne)	This week's close *	Previous week's close
E China Ex-Warehouse	16,500-16,800	16,200-16,400

*As at 30 September as China is shut from 1-7 October.

Southeast Asia

CFR SE Asian assessments for the non-oil 1502 grade are kept unchanged, taking into consideration limited rangebound talks.

CFR SE Asian assessments for the oil-extended 1712 grade are also unchanged with a stable 1502 grade.

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

Oct (1-2) 2024	Sep 2024	Aug 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024
222.98	196.02	179.89	168.65	176.00	170.03	162.99	165.36

Source: Malaysian Rubber Board

India

CFR Indian assessments for the non-oil 1502 grade are also rolled over, as discussions were curtailed in a holiday-shortened trading week.

CFR Indian assessments for the oil-extended 1712 grade are adjusted with the changes for the 1502 grade.

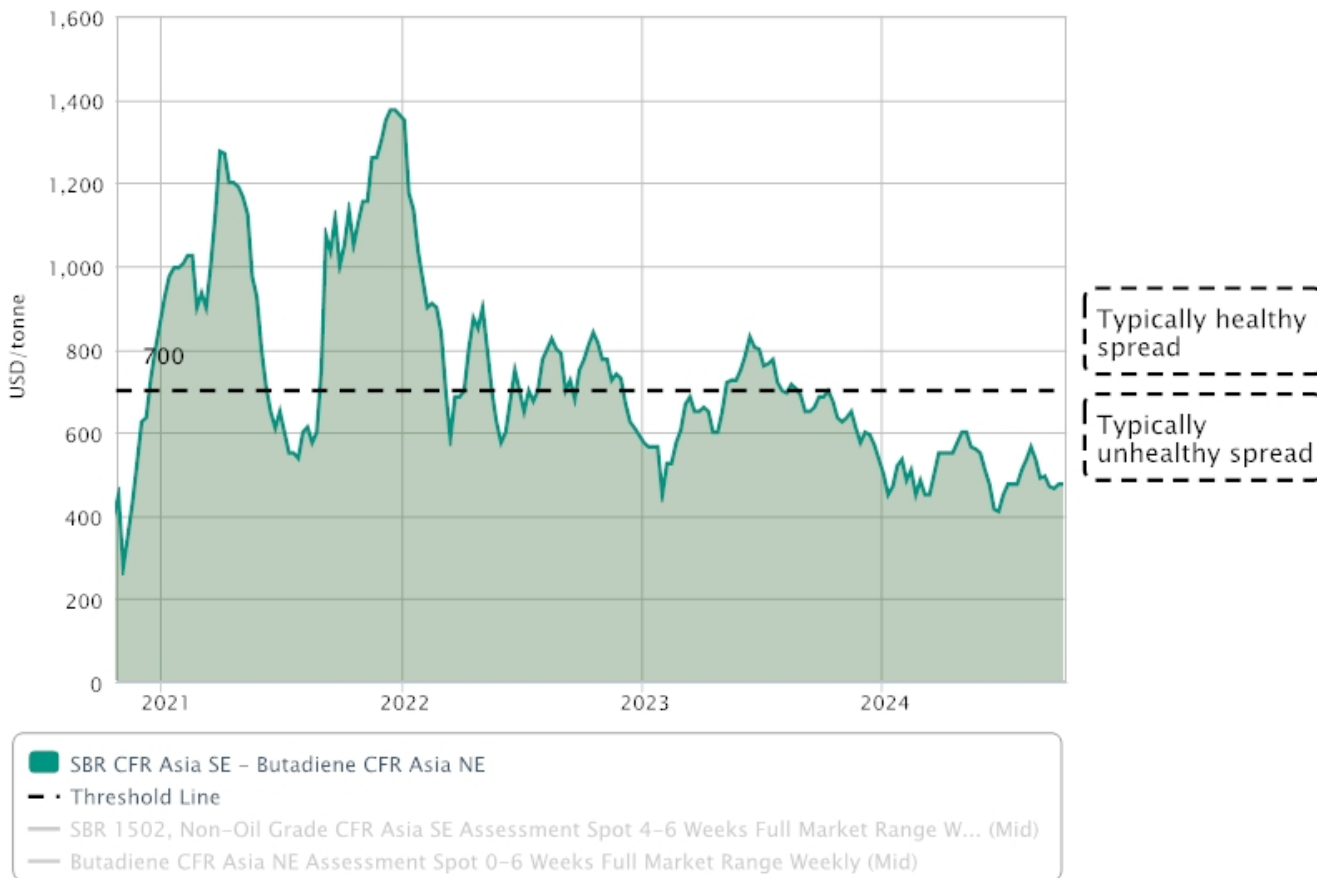
UPSTREAM

Butadiene

- China keeps up buying spree for imports
- But pricing appetite contained amid domestic China volatility
- Players also starting to wind down for upcoming China holidays

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

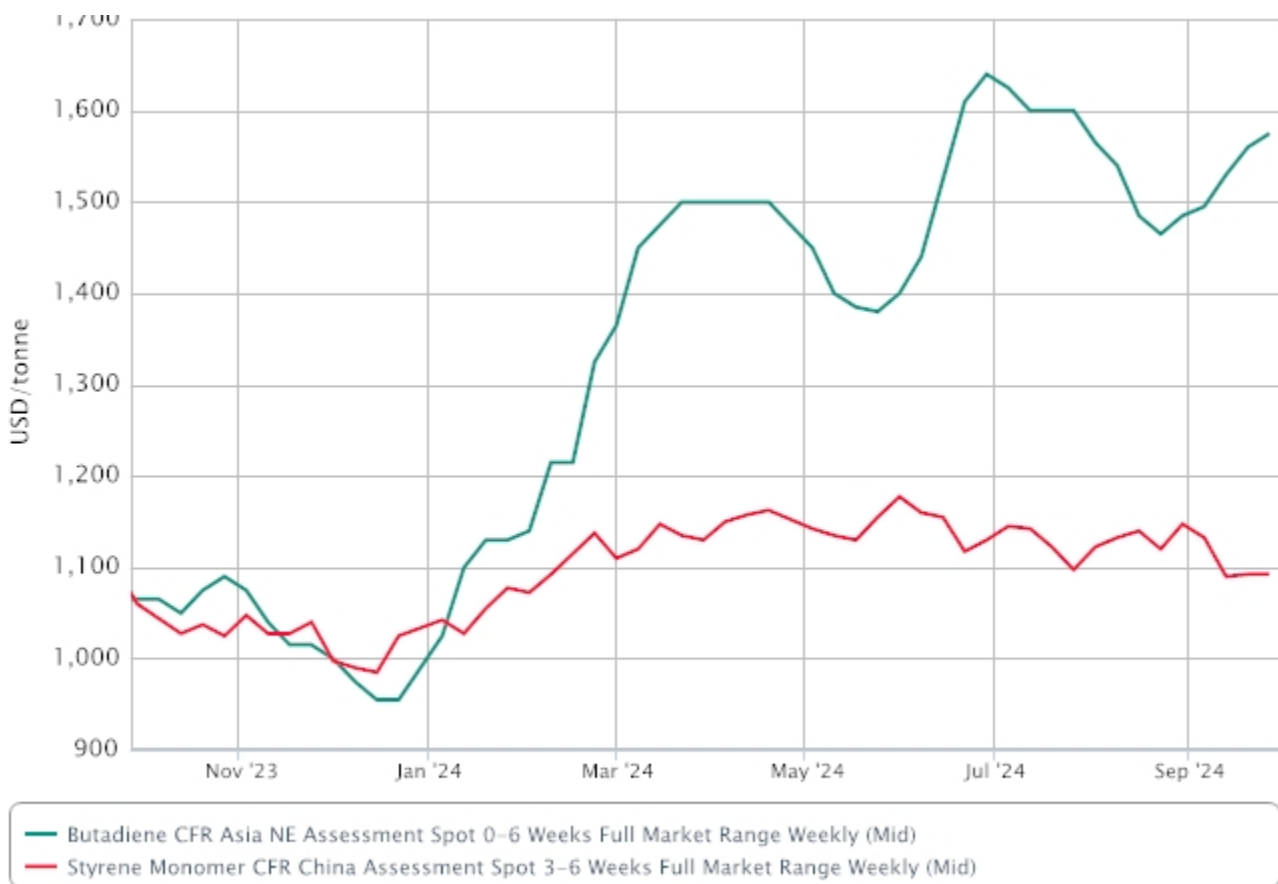
[Downstream spread – butadiene NE Asia and SBR SE Asia](#)



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Styrene

- China's SM market remained volatile amid fluctuating market sentiment
- Market players weighing the impact of improving macro environment versus uncertain fundamental outlooks
- China's import appetite remained active, stimulated by forward supply gap and strong yuan



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PRODUCTION

There are several Q4 maintenance closures in northeast Asia.

Company	Location	Status	Capacity (MT/ year)	Start	End
Zeon	Tokuyama, Japan	Maintenance	135,000 (two lines)	20 Sep	Late Nov
Kumho	Ulsan, South Korea	Maintenance	283,000 (three lines)	End Sep	Late Oct
Petrochina Jilin	Jinlin, China	Maintenance	150,000	23 Aug	Mid-Oct

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

OTHER REGIONS

Europe

- Spot prices hold steady
- Upstream [BD](#) October contract rolls over
- Supply OK despite isolated tightness mentioned

US (25 Sep 24)

- September SBR contract prices rise on elevated feedstock costs
- [US SBR spot prices rise on surging prices in Asia](#)
- [Asia container freight rates drop on looming dock worker strike deadline on 1 October](#)

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