



Styrene Butadiene Rubber (Asia-Pacific)

By Ai Teng Lim

04-Dec-2024

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

The weekly analysis on 25 December will be published with information collected up to 24 December. The weekly analysis on 1 January 2025 will not be published. Please click [here](#) for the ICIS publishing schedule.

OVERVIEW

- **Uneven sentiment across outlets**
- **China and SE Asia flat as players wait and see**
- **India down with influx of non-Asian availabilities**

Discussions for Asian styrene-butadiene-rubber (SBR) imports were uneven across the region - flat and quiet in China and SE Asia, but under pressure in India as competition from non-Asia origin materials heightened.

Import prices for feedstock [butadiene](#) (BD) held steady in the week prior, stemming in turn a near-two-month-long downtrend.

This lifted spirits among SBR sellers, with many expecting that downside pressures will ease now with upstream market stabilizing. Many held fast to their existing targets as such, even if these drew limited buy-side response.

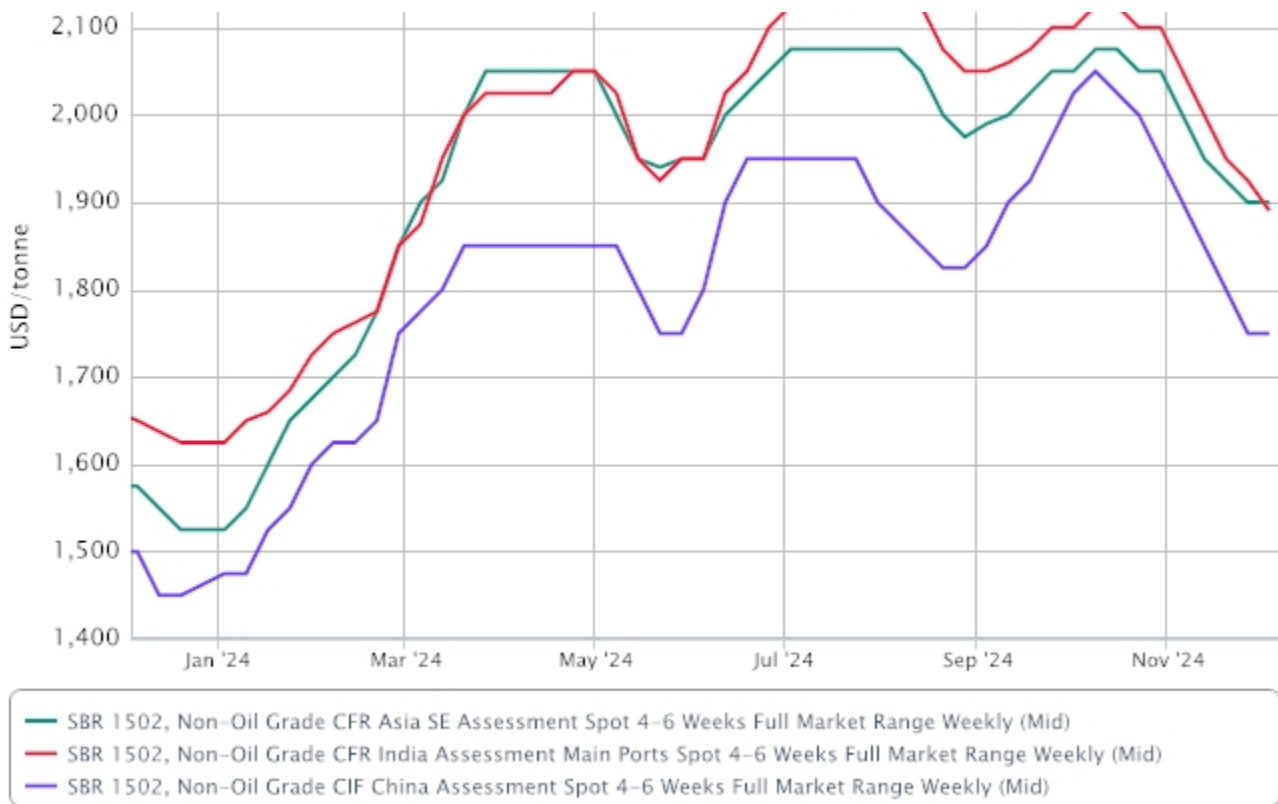
But uncertainties linger on demand conditions in downstream markets, and end-users across Asia were heard reluctant to procure more unless there is more clarity on several broader macro-level developments, including how the upcoming change in US presidency may impact on automotive sector growth and recovery.

That said, the majority of market players acknowledged that spot availabilities were not abundant in Asia with many regional producers already sold out on contractual obligations.

But in India, competition for market share remained stiffer amid a steady inflow of cheaper non-Asia origin materials, and there are also local traders seeking to liquidate NE Asia-origin materials that they had imported earlier, market sources said.

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OUTLOOK

- Demand outlook still hazy
- Supply balance may shift with growing non-Asian availabilities
- Buyers likely to keep to a cautious procurement stance

PRICES

SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
SBR 1502, Non-Oil Grade						
CIF China	USD/tonne	n/c	1700-1800	n/c	1850-1950	77.11-81.65
CFR Asia SE	USD/tonne	n/c	1850.00-1950.00	n/c	1950.00-2050.00	83.91-88.45
CFR India Main Ports	USD/tonne	-50	1850.00-1930.00	-20	2000.00-2100.00	83.91-87.54
SBR 1712, Oil-Extended						
CIF China	USD/tonne	n/c	1650-1750	n/c	1800-1900	74.84-79.38
CFR Asia SE	USD/tonne	n/c	1800.00-1900.00	n/c	1900.00-2000.00	81.65-86.18
CFR India Main Ports	USD/tonne	-50	1800.00-1880.00	-20	1950.00-2050.00	81.65-85.28

China

CIF China assessments for both the non-oil 1502 grade and the oil-extended 1712 grade were rolled over, in the absence of concrete buy-sell indications.

Local players tapped more heavily on the domestic yuan-denominated market for cargoes, and domestic prices in east China edged up slightly as trade momentum picked up.

East China domestic SBR 1502 prices

Price (CNY/tonne)	This week's close	Previous week's close
E China Ex-Warehouse	14,400-14,700	14,400-14,600

Southeast Asia

CFR SE Asian assessments for the non-oil 1502 grade is rolled with stable offers heard at the high-end, against buying indications capped at low-end.

Recent spikes in natural rubber prices also keep SBR offers supported, as sellers expected buyers to turn more towards SBR as a cheaper alternative product to natural rubber.

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

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

Dec (1-4) 2024	Nov 2024	Oct 2024	Sep 2024	Aug 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
205.2	197.7	207.0	196.0	179.8	168.6	176.0	170.0	162.9	165.3	156.6	154.2
3	0	8	2	9	5	0	3	9	6	6	0

Source: Malaysian Rubber Board

India

CFR India prices for the non-oil 1502 grade are assessed down, with NE Asia-origin cargoes heard indicated this week at low-to-mid \$1,900s/tonne level.

Buying indications, tracked at the low-end, fell with end-users heard leaning more towards non-Asia origin alternatives which are available at substantially lower levels.

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

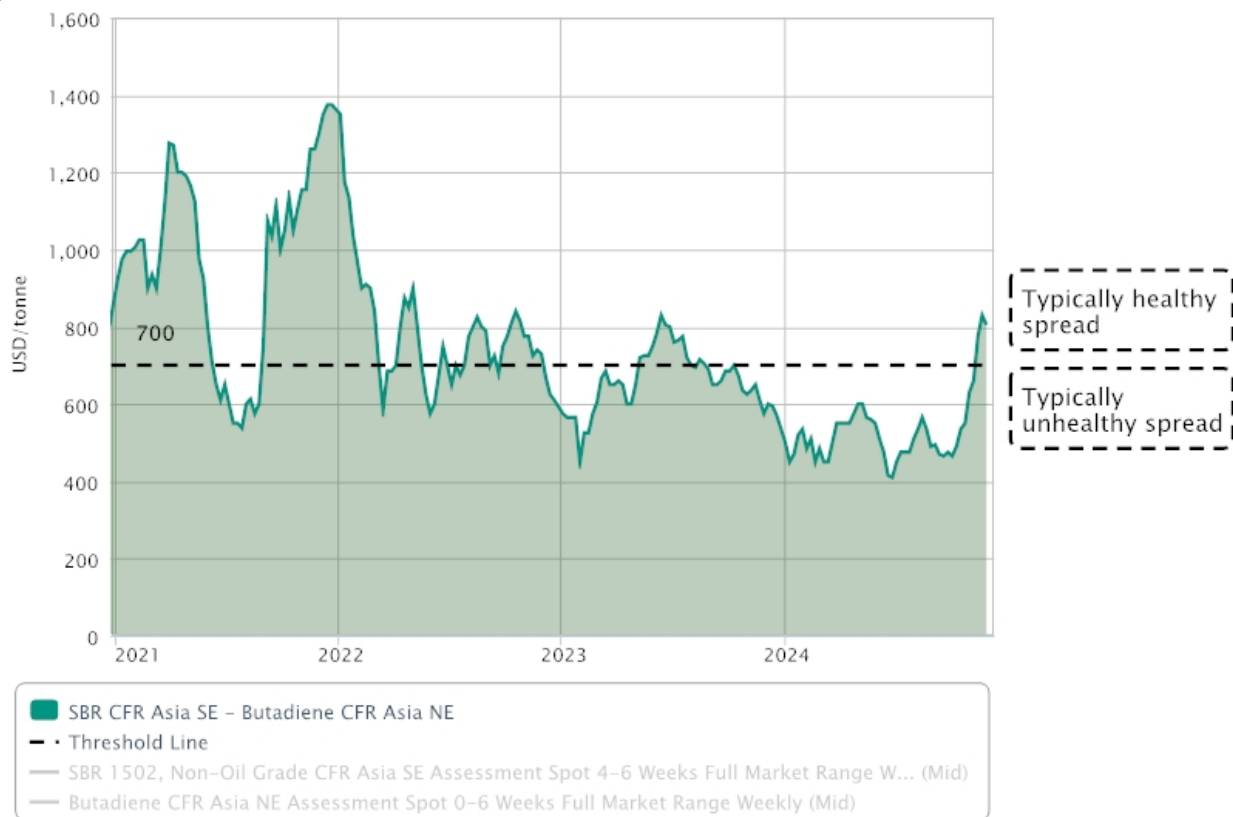
UPSTREAM

Butadiene

- There was remnant December talk but drew limited interest
- Players wary of committing as long as domestic China volatility persists
- Some cautious optimism in outlook for January trade

The chart below shows the spread between butadiene and SBR, which has moved back into the healthy zone after languishing for over an year in the unhealthy zone.

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

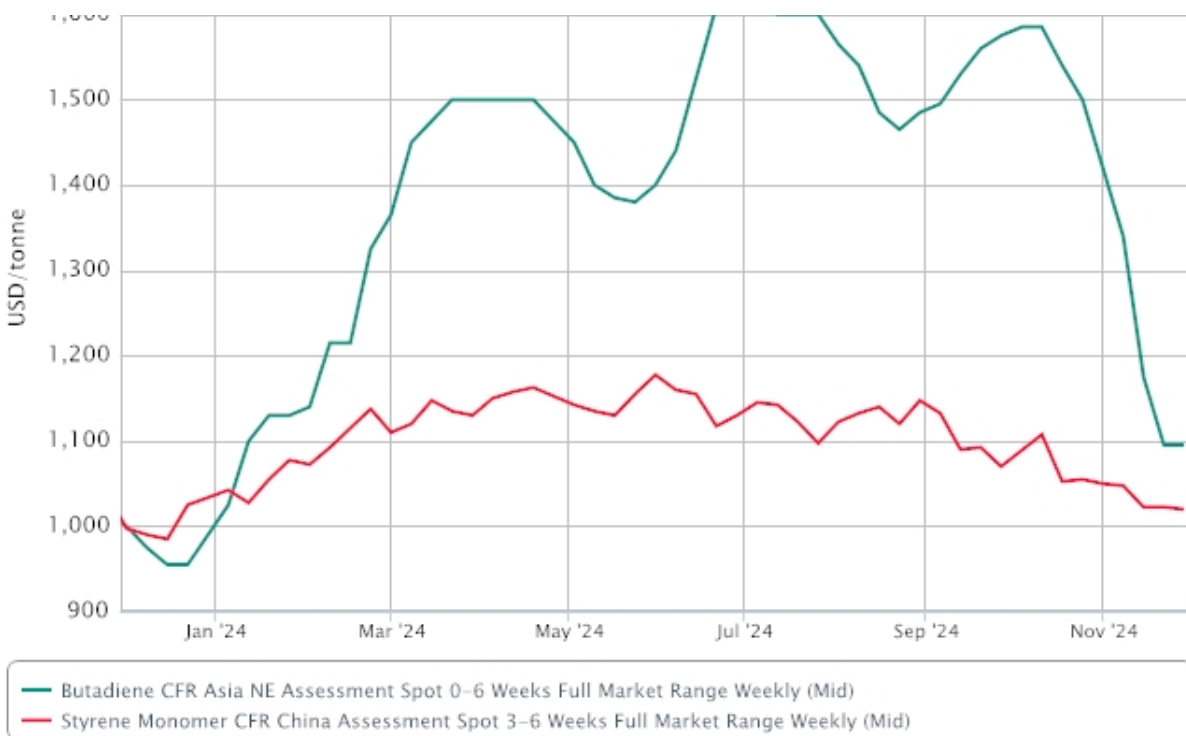


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Styrene

- China's supply outlooks ease as major producer ZPC restarts 3 SM lines
- Market players continue monitoring CFR China arbitrage opportunities in Dec and Jan
- 2025 yearly contract talks ongoing, buyers and sellers settling disputes on price and volumes





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PRODUCTION

135,000 tonnes/year worth of SBR production capacity in Tokuyama, Japan has [restarted](#) in end November after a two-month-long servicing.

A 120,000 tonnes/year solution SBR unit in Thailand is [shut](#) for repair, possibly until end December.

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

OTHER REGIONS

Europe

- Spot prices steady
- BD December drops €50/tonne
- Demand remains stable

US

- US SBR November contract prices are down on [softening feedstock costs](#)
- US SBR spot prices also fall on improved feedstocks
- New fears surrounding Trump's latest proposed [trade tariffs for Canada and Mexico](#)

ANALYTICS

ICIS outlook on butadiene

There may be some interest from Asian buyers in European prompt volumes over the next couple of months. At the time of writing, at least three cargoes have been booked from Europe to Asia from the end of October onward.

On the prompt market, ICIS forecasts that European spot prices are moving closer to those in the US, at least until the end of the year. This scenario will reduce trade opportunities for European producers to the US. Scheduled plant maintenance should be completed by the end of October and H1 November.

According to the [ICIS Live Disruptions Tracker](#), unplanned issues are still present in the market but with SABIC's facility at Geleen in the Netherlands expected to resume service soon, these should ease. Additionally, many of the scheduled plant turnarounds that have been taking place have either been completed or are expected to finish shortly.

The European economy continues to grow, but at a slower pace than expected. Based on the European Central Bank's macroeconomic outlook published in September, annual average GDP growth in the euro area is forecast to hit 0.8% in 2024. Overall GDP is expected to grow by 0.2% in the third and fourth quarters, in both cases below its June projections. This could point to a more protracted recovery in 2025.

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