



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.

OVERVIEW

- **China prices fall with domestic losses**
- **Discussions mostly stable-to-soft elsewhere**
- **Trade liquidity low on year-end lull**

Asia's spot discussions for styrene-butadiene-rubber (SBR) fell in China, tracking weaker yuan-denominated values, but were stable-to-soft in other regional outlets.

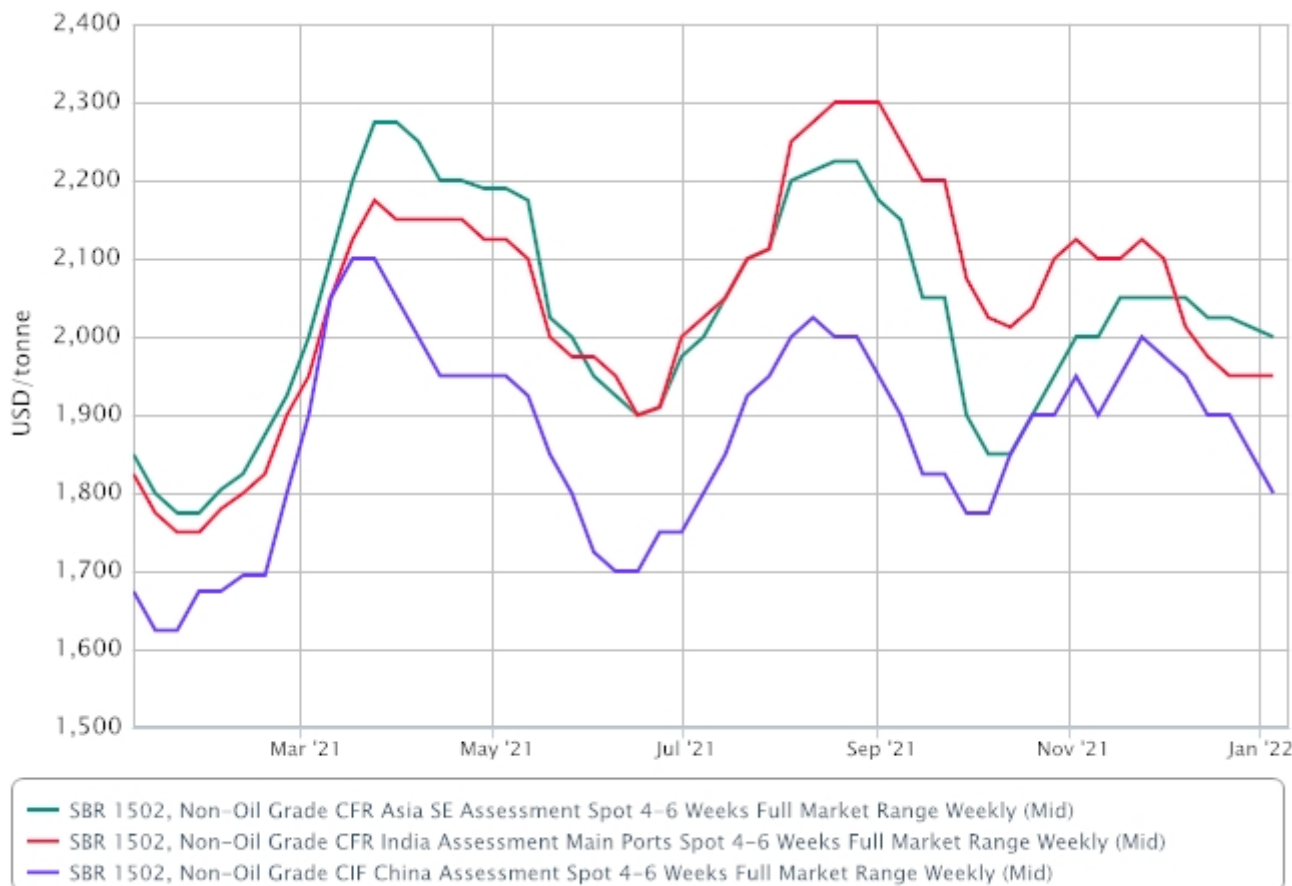
Trade liquidity was generally low across the region, with some players still not fully back to the trading arena from extended year-end holidays.

In China, import prices fell substantially, not just dragged down by weakening domestic yuan values for both upstream feedstock butadiene (BD) and various synthetic rubber grades, but also because overall downstream requirements slowed down with tighter anti-virus controls in various cities.

In southeast Asia and India, discussions were muted, with many heard still unwilling to enter into fresh negotiations until they have more clarity about how post-holiday market situation will shape up in various key outlets including China.

Meanwhile, buyers remained generally more bearish in their pricing outlook, in anticipation that current offers may moderate in due course, in tandem with for instance the reduction seen in China.

But sellers mostly held firm to existing expectations, as they deemed prevailing spot availabilities as broadly balanced with off-take, and that there is therefore no need for them to consider any discounts, market sources said.



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OUTLOOK

- Supply to stay broadly balanced with demand in wider Asia
- But [upstream weakness](#) will continue to weigh on SBR in China
- Outlook [uncertain](#)

PRICES

SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
SBR 1502, Non-Oil Grade						
CIF China	USD/tonne	-100	1750-1850	-100	1900-2000	79.38-83.91
CFR Asia SE	USD/tonne	-50	1950.00-2050.00	n/c	2000.00-2100.00	88.45-92.99
CFR India Main Ports	USD/tonne	n/c	1900.00-2000.00	n/c	1950.00-2075.00	86.18-90.72
SBR 1712, Oil-Extended						
CIF China	USD/tonne	-100	1650-1750	-100	1800-1900	74.84-79.38
CFR Asia SE	USD/tonne	-50	1850.00-1950.00	n/c	1900.00-2000.00	83.91-88.45
CFR India Main Ports	USD/tonne	n/c	1800.00-1900.00	n/c	1850.00-1975.00	81.65-86.18

China

CIF China assessments for the non-oil 1502 grade fell with lower buy-sell indications heard.

CIF China assessments for the oil-extended 1712 grade were also adjusted down, in tandem with change for the 1502 grade, in the absence of any concrete 1712 business or discussions.

Pricing sentiment for US dollar denominated imports was weighed down by softer yuan-denominated prices.

Domestic prices for the 1502 grade softened further, tracking lower upstream butadiene prices.

East China domestic SBR 1502 prices

Price (CNY/tonne)	05 January	22 December
E China Ex-Warehouse	12,000-12,100	12,100-12,200

Southeast Asia

CFR southeast (SE) Asian prices for the non-oil 1502 grade were assessed in a wider range, with the low-end dropped with buy-side indications heard.

Offers mostly held steady, and the high-end was rolled over as such.

CFR SE Asian prices for the oil-extended 1712 grade were also adjusted down at the low-end, in tandem with the changes seen for 1502, in the absence of any concrete 1712 discussions.

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

Jan (1-5) 2022	Dec 2021	Nov 2021	Oct 2021	Sep 2021	Aug 2021	July 2021
176.47	172.08	175.65	174.39	163.23	172.67	164.32

India

CFR Indian prices for the non-oil 1502 grade were rolled over, tracking range-bound buy-sell talks heard.

Some deals were heard closed within the range for January shipment.

CFR Indian prices for the oil-extended 1712 grade are also kept unchanged, alongside stable 1502 assessments.

UPSTREAM

Sentiment for Asian **butadiene (BD)** spot discussions remained weighed down by lacklustre buying interest.

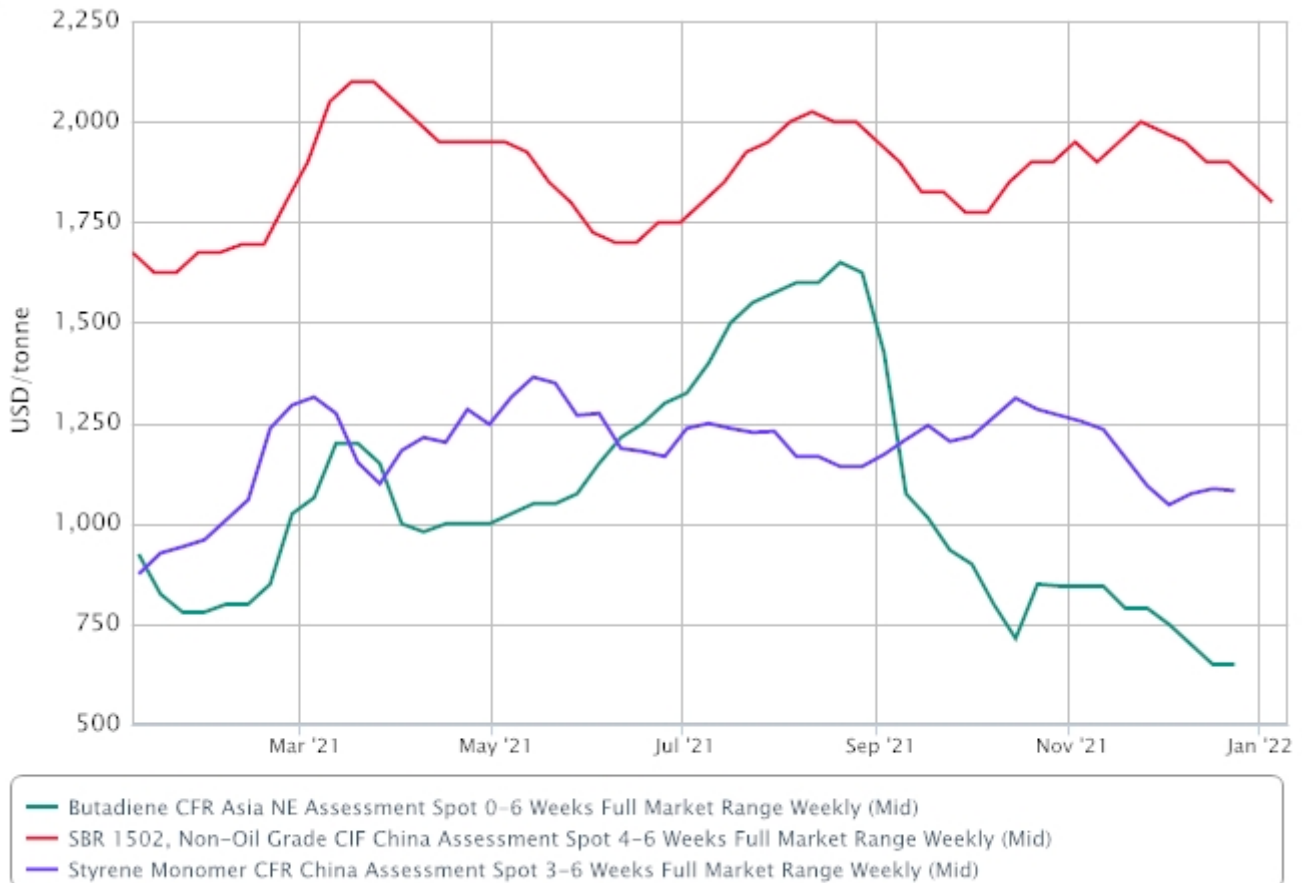
The chart below shows the spread between butadiene and SBR.

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



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Asian **styrene** prices weakened at the close of 2021, on the back of bearish demand-supply outlooks from China, with trial runs ongoing in north China for new start-ups. Decreases were mitigated by strong market sentiment outside of China amid firm performance in the upstream energy and benzene sectors.



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PRODUCTION

In China, average operating rates of local SBR plants held steady at 92% for the week ended 31 December, unchanged from the week prior, market sources said.

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

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