



Styrene Butadiene Rubber (Asia-Pacific)

By Ai Teng Lim
06-Mar-2024

[Overview](#) | [Outlook](#) | [Prices](#) | [Upstream](#) | [Production](#) | [Other Regions](#)

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

OVERVIEW

- **Offers continue to climb with cost increases**
- **Spot supplies tighter too**
- **Buy-sell gap widens in some outlets**

Discussions in week's Asian spot market for styrene-butadiene-rubber (SBR) imports continue to see upside support from climbing offers, but buying appetite differs across outlets in the region.

Feedstock [butadiene](#) (BD) remains on a firm uptrend in a tightly supplied market, which invariably heightened cost pressures on SBR makers. To rescue their battered margins, SBR sellers are therefore separately pressing on with efforts to achieve higher targets for their own finished products.

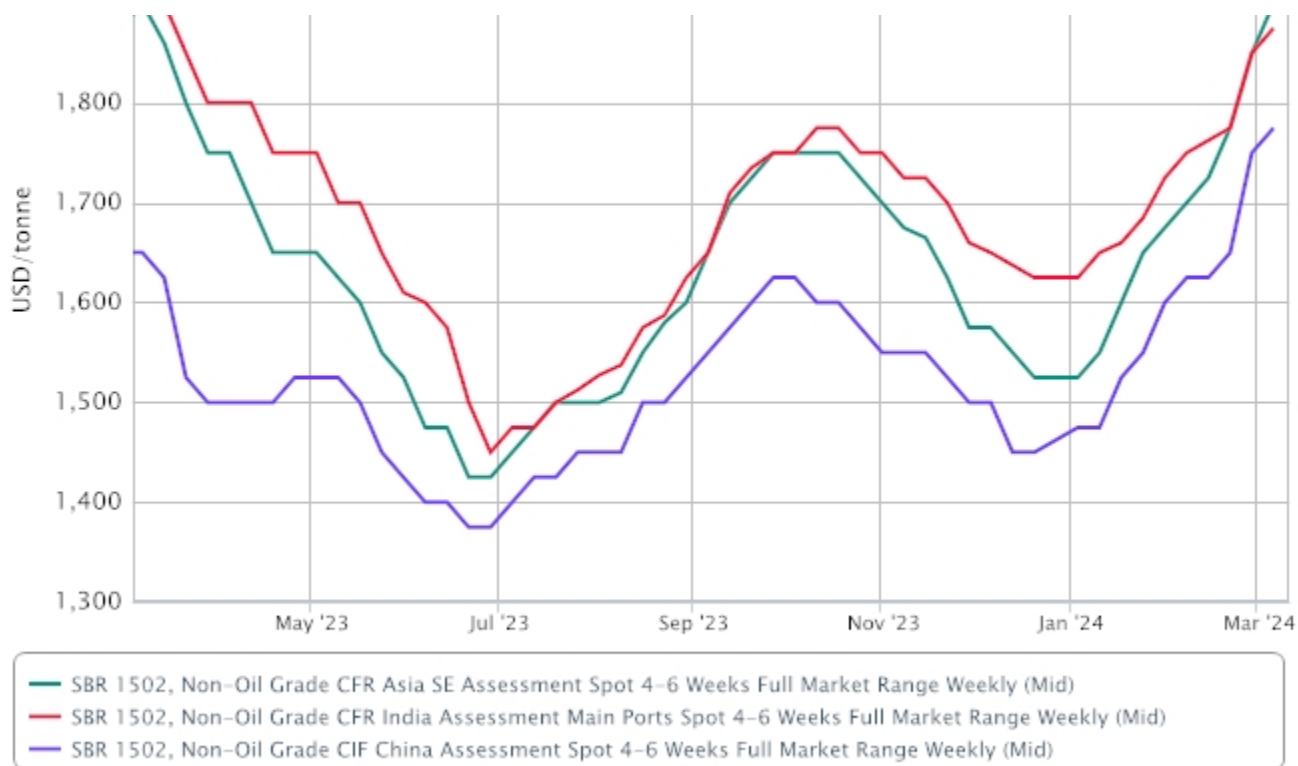
SBR sellers are also confident that as spot SBR supplies are also squeezed by factors like upcoming plant turnaround, they will wield the upper hand in negotiations with end-users who have concrete requirements.

Demand is also broadly deemed as positive, supported by a steady stream of need-based requirements. Many end-users do not hold much surplus SBR stocks at hand, and would need to keep up with some regular spot purchases to ensure that they are sufficiently covered for prevailing production needs.

But buying tempo for northeast Asia-origin SBR imports varies across the region. Those in import-reliant outlets like southeast Asia were more receptive towards prevailing SBR offers, compared to their counterparts in China and India, market sources said.

In China, some buyers turned to tapping more heavily on the domestic production pool. In India, besides domestic products, competitively-priced import materials were available too, from markets further afield like Europe and Middle East, market sources said.





© 2024 ICIS

OUTLOOK

- Cost pressures on SBR makers may escalate further
- Feedstock butadiene shortage may also weigh on SBR output
- Need-based downstream procurement to dominate 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	1700-1850	+50	1600-1650	77.11-83.91
CFR Asia SE	USD/tonne	+50	1850.00-1950.00	+50	1650.00-1750.00	83.91-88.45
CFR India Main Ports	USD/tonne	n/c	1800.00-1950.00	+50	1700.00-1800.00	81.65-88.45
SBR 1712, Oil-Extended						
CIF China	USD/tonne	n/c	1650-1800	+50	1550-1600	74.84-81.65
CFR Asia SE	USD/tonne	+50	1800.00-1900.00	+50	1600.00-1700.00	81.65-86.18
CFR India Main Ports	USD/tonne	n/c	1750.00-1900.00	+50	1650.00-1750.00	79.38-86.18

China

CIF China prices for the non-oil 1502 grade are assessed stable-to-firm, with the high-end lifted with firmer offers heard.

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

In China, domestic prices wavered after many local end-users retreated from the spot market, citing downstream affordability issues.

East China domestic SBR 1502 prices

Price (CNY/tonne)	This week's close	Previous week's close
E China Ex-Warehouse	12,700-13,000	12,900-13,200

Southeast Asia

CFR SE Asian assessments were up, tracking firmer buy-sell discussions.

Offers were heard at the higher end, against buying indications at the low-end.

Some cargoes changed hands within the published range, market sources said.

As natural rubber prices have surged of-late, SBR sellers were hopeful too that this could enhance demand support for SBR, as end-users may switch to using more of synthetic rubbers like SBR as cheaper substitution product to natural rubber.

CFR SE Asian assessments for the oil-extended 1712 grade are adjusted in line with changes for the 1502 grade.

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

Mar (1-6) 2024	Feb 2024	Jan 2024	Dec 2023	Nov 2023	Oct 2023	Sep 2023	Aug 2023
161.34	156.66	154.20	146.31	148.42	145.26	142.65	130.22

Source: Malaysian Rubber Board

India

CFR India assessments for the non-oil 1502 grade are stable-to firm, with high end up on firmer offers heard for northeast Asia origin materials.

But buyers were resistant, citing for instance the availability of cheaper materials from other suppliers. Low-end was kept unchanged as such.

CFR India assessments for the oil-extended 1712 grade are adjusted in line with changes for the 1502 grade.

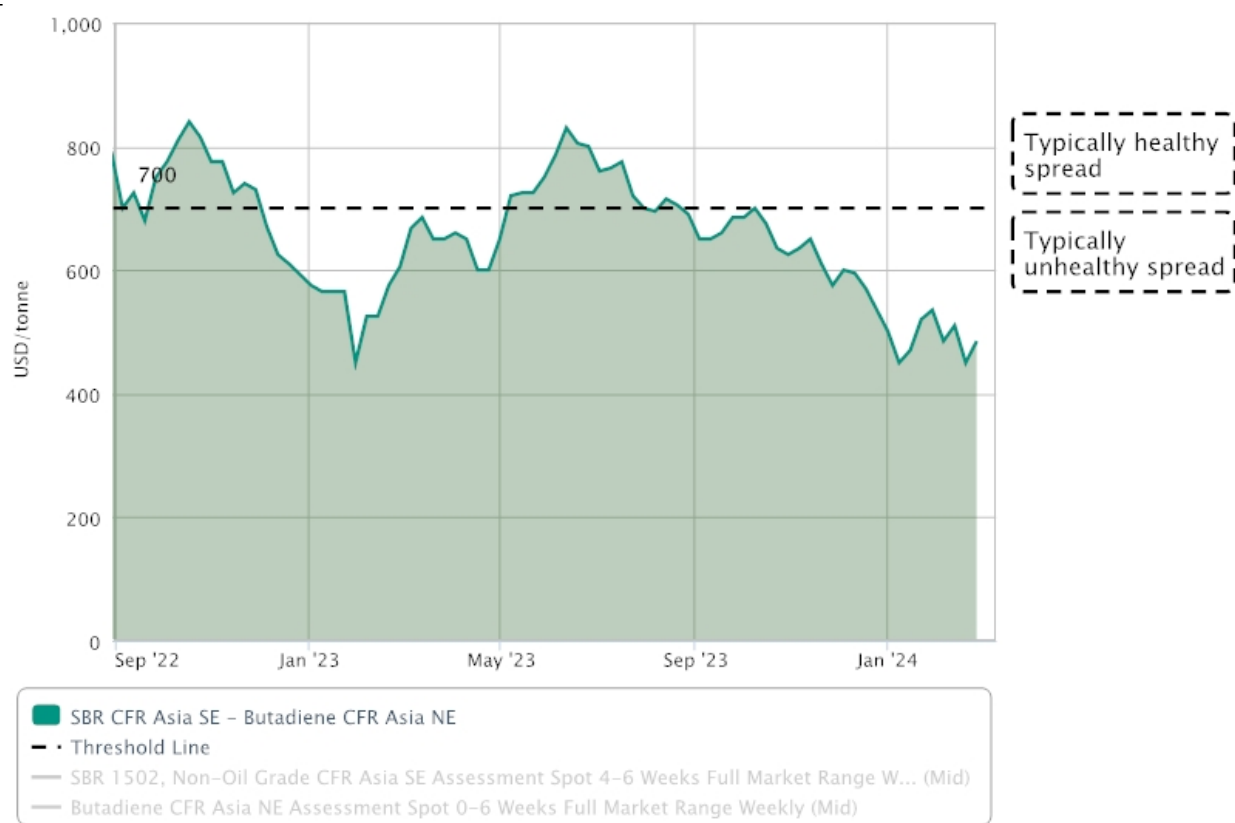
UPSTREAM

Butadiene

- Domestic China stays buoyant generally
- Import offers well supported as such
- But buyers retreating on margin worries

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

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

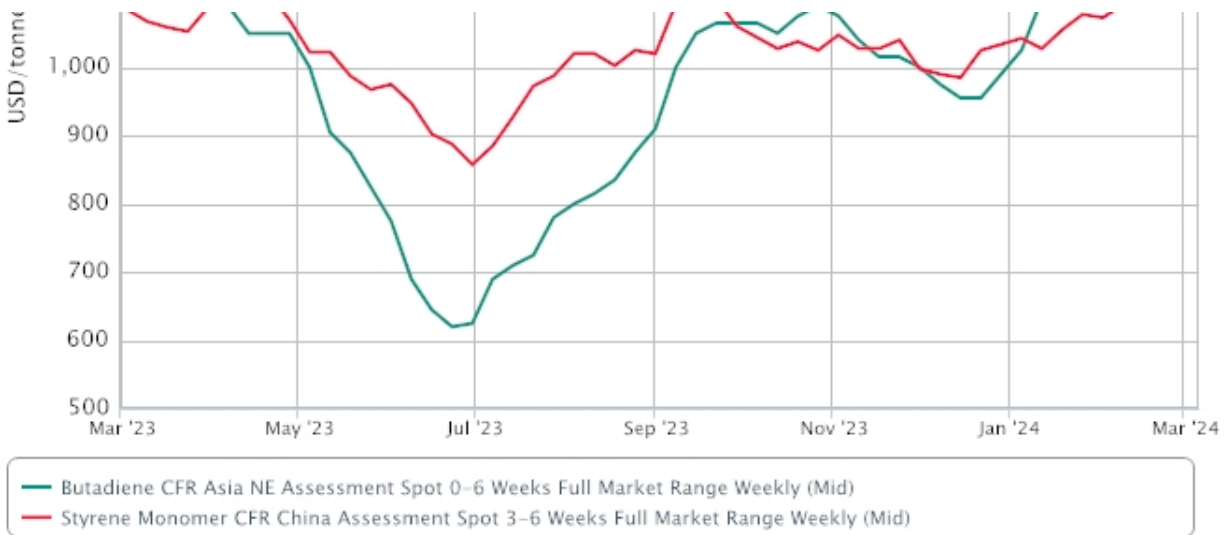


© 2024 ICIS

Styrene

- Regional market weakened following feedstock market losses
- China shore-tank inventory continued piling, adding pressure to market sentiment
- China export market decelerated as buyers mostly completed March procurements





© 2024 ICIS

PRODUCTION

In wider Asia, spot supplies are poised to tighten further with a 100,000 tonnes/year unit in [Taiwan](#) due to shut for maintenance in May.

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

OTHER REGIONS

Europe

- Spot prices assessed stable-to-firm
- 1502 supply tightness prevails
- Demand stable-to-improved

US

- February SBR contract prices rise, tracking BD gains
- Spot prices up, tracking contract prices
- Availability improved following January freeze, but BD tightened

Styrene Butadiene Rubber (Asia-Pacific) | 06-Mar-2024. ICIS accepts no liability for commercial decisions based on the content of this report. Unauthorised reproduction, onward transmission or copying of the Styrene Butadiene Rubber (Asia-Pacific) Report in either its electronic or hard copy format is illegal. Should you require a licence or an additional copy of the Styrene Butadiene Rubber (Asia-Pacific) Report, please contact ICIS at sales.uk@icis.com

ICIS, Quadrant House, The Quadrant, Sutton, Surrey, SM2 5AS. United Kingdom. ICIS accept no liability for commercial decisions based on the content of this report. Copyright violation is a serious offence. Any distribution or forwarding of information that is not expressly permitted by your subscription agreement is a copyright violation. ICIS uses software to monitor unauthorised electronic redistribution of reports.

