



Styrene Butadiene Rubber (Asia-Pacific)

By Ai Teng Lim
07-Aug-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

- **Downside pressures persist in China**
- **Discussions steadier in wider Asia**
- **Demand outlook dull but spot supplies limited**

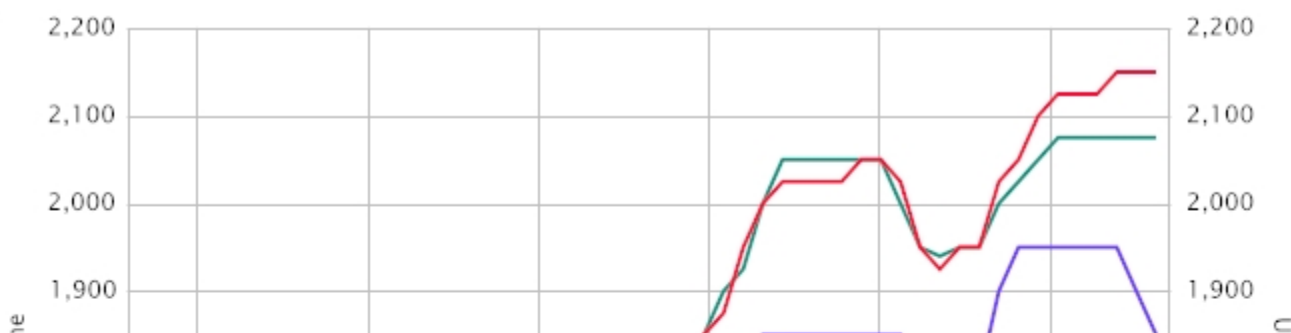
Assessments for spot styrene butadiene rubber (SBR) imports into China edged down with a weak domestic market, but assessments in the wider Asian outlets held steady on broadly rangebound, albeit thin, discussions.

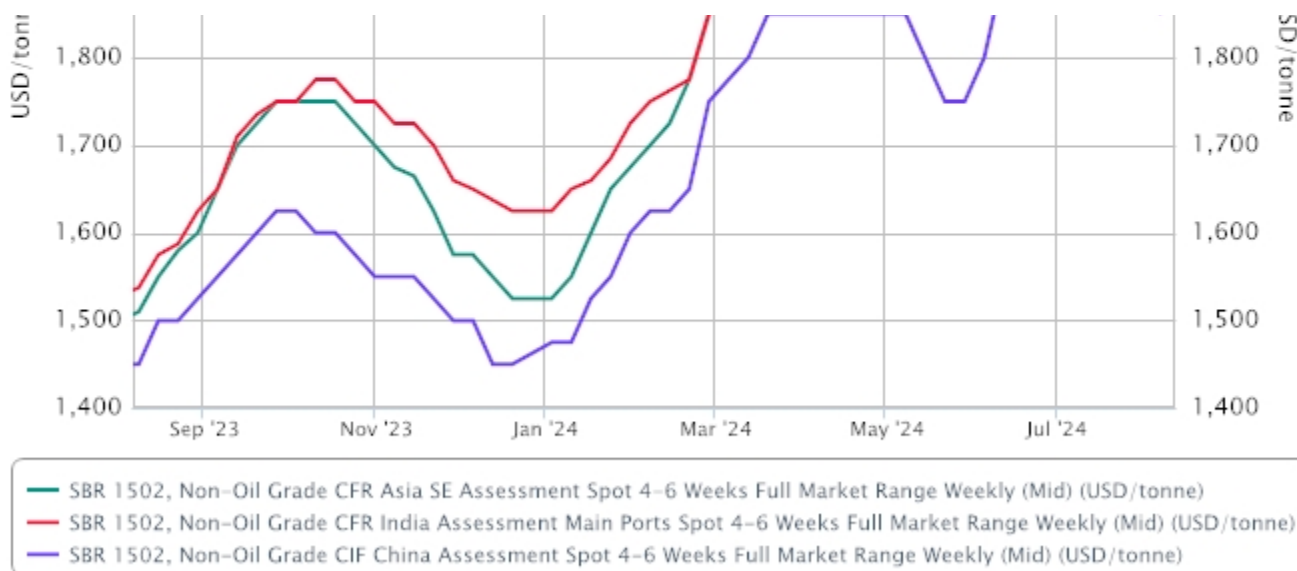
For regional SBR makers, many held fast to existing selling targets, saying that they would need to recoup high production costs.

Even though prices for feedstock butadiene (BD) has [softened](#), the savings could not cover the increases incurred in spending on freight arrangements, some SBR sellers said.

From the buy-side, buying appetite for SBR imports is further suppressed this week, however, especially after the [global equity rout](#) earlier this week dented consumers' confidence about near-term growth prospects for related downstream industries such as the auto sector.

End-users turned even more cautious in their approach to procurement for raw materials, including SBR, even though there has yet to be any concrete sign of operations in related downstream factories being adjusted, market players said.





© 2024 ICIS

OUTLOOK

- Buy-sell stalemate may stretch longer
- Cost pressures on sellers, such as for [freight](#), may not ease soon
- Macroeconomic worries to weigh on buying appetite

PRICES

SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
SBR 1502, Non-Oil Grade						
CIF China	USD/tonne	n/c	1850-1900	-50	1900-2000	83.91-86.18
CFR Asia SE	USD/tonne	n/c	2050.00-2100.00	n/c	2050.00-2100.00	92.99-95.25
			0			
CFR India Main Ports	USD/tonne	n/c	2100.00-2200.00	n/c	2050.00-2200.00	95.25-99.79
			0			
SBR 1712, Oil-Extended						
CIF China	USD/tonne	n/c	1800-1850	-50	1850-1950	81.65-83.91
CFR Asia SE	USD/tonne	n/c	2000.00-2050.00	n/c	2000.00-2050.00	90.72-92.99
			0			
CFR India Main Ports	USD/tonne	n/c	2050.00-2150.00	n/c	2000.00-2150.00	92.99-97.52
			0			

China

CIF China prices for the non-oil 1502 grade were stable to soft, with the high end adjusted down on moderated selling indications heard.

The low end was kept unchanged in the absence of any concrete buy-side response for imports.

Local end-users continued to tap more actively from the domestic supply pool rather than imports as the former was priced more competitively.

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

Domestic China prices remained under pressure amid lackluster downstream off-take and weak sentiment in the upstream BD market.

East China domestic SBR 1502 prices

Price (CNY/tonne)	This week's close	Previous week's close
E China Ex-Warehouse	14,700-14,900	14,700-15,000

Southeast Asia

CFR SE Asia assessments for the non-oil 1502 grade held steady, supported by broadly rangebound buy-sell indications.

Substantive transactions were limited, but sellers faced no inventory pressures and were not inclined to adjust offers just to induce sales, market sources said.

Furthermore, as natural rubber prices rebounded this week, some sell-side elements said that this could help shore up demand for cheaper substitution products like SBR.

CFR SE Asia prices for the oil-extended 1712 grade were kept unchanged with stable 1502 grade assessments.

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

Aug (1-7) 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
173.67	168.65	176.00	170.03	162.99	165.36	156.66	154.20

Source: Malaysian Rubber Board

India

CFR India assessments for the non-oil 1502 grade also held steady, supported by broadly rangebound buy-sell indications for NE Asia-origin materials.

Some offers were heard at levels above the range, but drew limited buy-side interest, market sources said.

Substantive transactions were limited too, with many India-based buyers still undecided on the merit of purchasing cheaper alternatives but from non-conventional, non-Asia origins.

In the meantime, the bulk of domestic requirements have been covered by domestic production, market players said.

CFR India assessments for the oil-extended 1712 grade were left unchanged alongside stable 1502 grade.

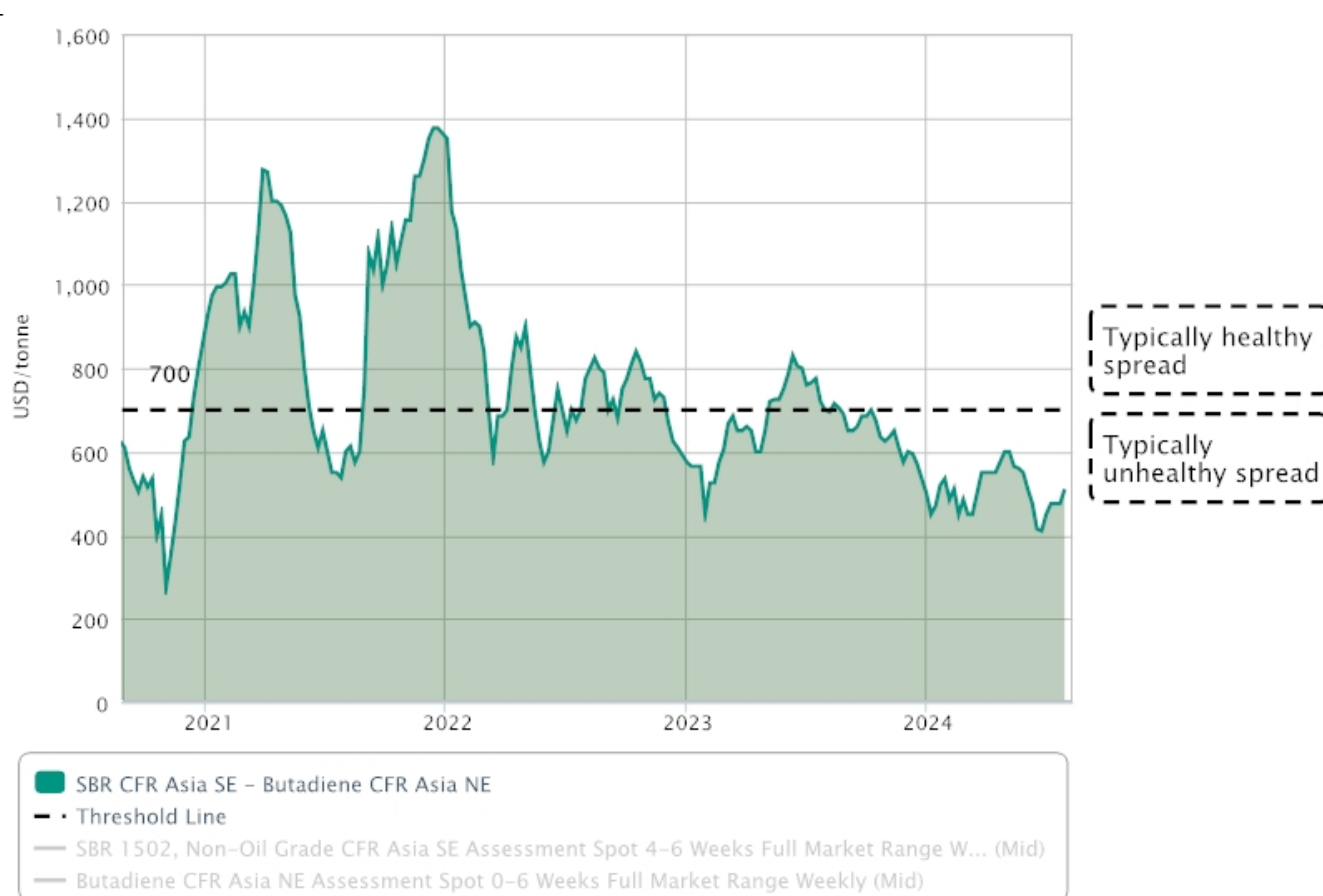
UPSTREAM

Butadiene

- Domestic China market weaker, dampening import sentiment
- Fresh deep-sea availabilities also relieved some supply concerns
- Regional BD production picture still patchy

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](#)



© 2024 ICIS

Styrene

- CFR China up on tight fundamental balance, bullish macro sentiment
- China market players expect demand improvement by late Aug
- Asia suppliers monitoring Europe supply outage, long-haul arb opportunities





© 2024 ICIS

PRODUCTION

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

OTHER REGIONS

Europe

- SBR market awaiting upstream styrene August contract
- Mostly unchanged SBR market conditions
- Spot prices remain steady

US

- July contract prices soften for first time in five months on sliding feedstock costs
- [US spot prices surge amid ongoing supply tightness, feedstock woes in Asia](#)
- [Shipping costs remain very high despite finally easing late last week](#)

Styrene Butadiene Rubber (Asia-Pacific) | 07-Aug-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.

© 2024 Reed Business Information Limited. ICIS is a member of RELX Group. www.icis.com

