



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

- **Sellers raise offers amid stiffer cost pressures**
- **Some higher deals done but buy-side resistance lingers**
- **Buyers concerned about transferring costs downstream**

Spot prices for Asia imports of styrene-butadiene-rubber (SBR) continued to trend upwards as sellers pressed on with efforts to sell higher and recoup rising costs.

Feedstock [butadiene](#) (BD) prices have gone up by nearly 20% since mid-February.

SBR makers are wary this uptrend may extend further if snug BD supplies are squeezed anew once a slew of fresh [turnaround closures](#) in China kick in later in March.

Buyers' response to these firmer SBR import offers thus far are still patchy in nature, with the majority of SBR makers saying they do not intend to moderate expectations just to bridge the gap with buyers.

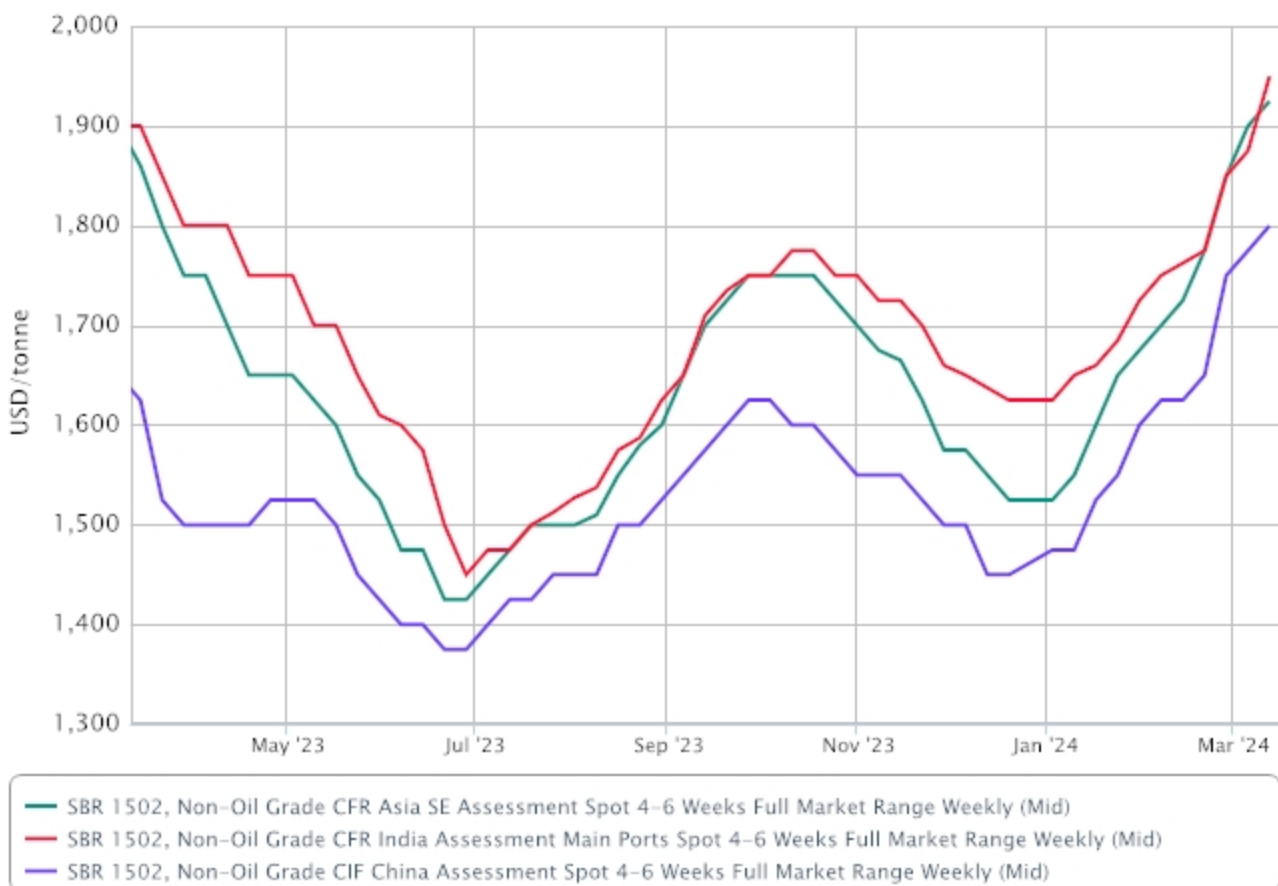
Sellers were also of the consensus that structurally, downstream requirements for SBR are healthy, as most end-users are themselves low on inventories of raw materials like SBR and would need to keep up with spot procurement to ensure they had sufficient materials to cover ongoing production needs.

On the buy side, many end-users have also come to acknowledge and accept that upstream cost gains could continue to drive up the synthetic rubber markets.

However, they were unwilling to bid up as fast as sellers expected, as the former fear being unable to promptly transfer the increased costs to their own downstream markets.

Many downstream markets, such as the automotive sector, are still struggling to maintain a steady growth trajectory.

Such concerns have come into sharper focus, for instance, after a three-month growth streak in China's vehicle sales was broken, with latest data showing a significant year-on-year dip in the country's [February car sales](#).



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OUTLOOK

- Upstream cost pressures on SBR sellers may not ease any time soon
- Spot availabilities may tighten with upcoming turnaround
- Players eye [China's economic recovery](#) as main demand driver

PRICES

SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
SBR 1502, Non-Oil Grade						
CIF China	USD/tonne	+50	1750-1850	n/c	1600-1650	79.38-83.91
CFR Asia SE	USD/tonne	+50	1900.00-1950.00	n/c	1700.00-1750.00	86.18-88.45
CFR India Main Ports	USD/tonne	+100	1900.00-2000.00	+50	1725.00-1800.00	86.18-90.72
SBR 1712, Oil-Extended						
CIF China	USD/tonne	+50	1700-1800	n/c	1550-1600	77.11-81.65

CFR Asia SE	USD/tonne	+50	1850.00-1900.00	n/c	1650.00-1700.00	83.91-86.18
			0			
CFR India Main Ports	USD/tonne	+100	1850.00-1950.00	+50	1675.00-1750.00	83.91-88.45
			0			

China

CIF China prices for the non-oil 1502 grade were stable to firm, with the low end up on firmer buying indications.

The high end reflects offers heard at that level and higher.

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

Domestic prices in east China rebounded as producers hiked offers to recoup costs. Spot supplies are also poised to tighten with an upcoming [maintenance closure](#) at a unit in east China.

East China domestic SBR 1502 prices

Price (CNY/tonne)	This week's close	Previous week's close
E China EXWH	12,900-13,100	12,700-13,000

Southeast Asia

CFR SE Asia assessments for the non-oil 1502 grade were stable to firm, with the low end lifted to reflect the spectrum of trades heard.

The high end reflects fresh offers heard at that level and higher.

Natural rubber prices remained firm, which bolstered SBR sellers' confidence that end-users might move to use more of SBR as a substitution product.

CFR SE Asia assessments for the oil-extended 1712 grade were adjusted in line with changes to the 1502 grade.

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

Mar (1-13) 2024	Feb 2024	Jan 2024	Dec 2023	Nov 2023	Oct 2023	Sep 2023	Aug 2023
162.09	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 were also up, with the low end lifted on deals heard for northeast Asia-origin materials.

The high end reflects prevailing offers heard at that level and higher.

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

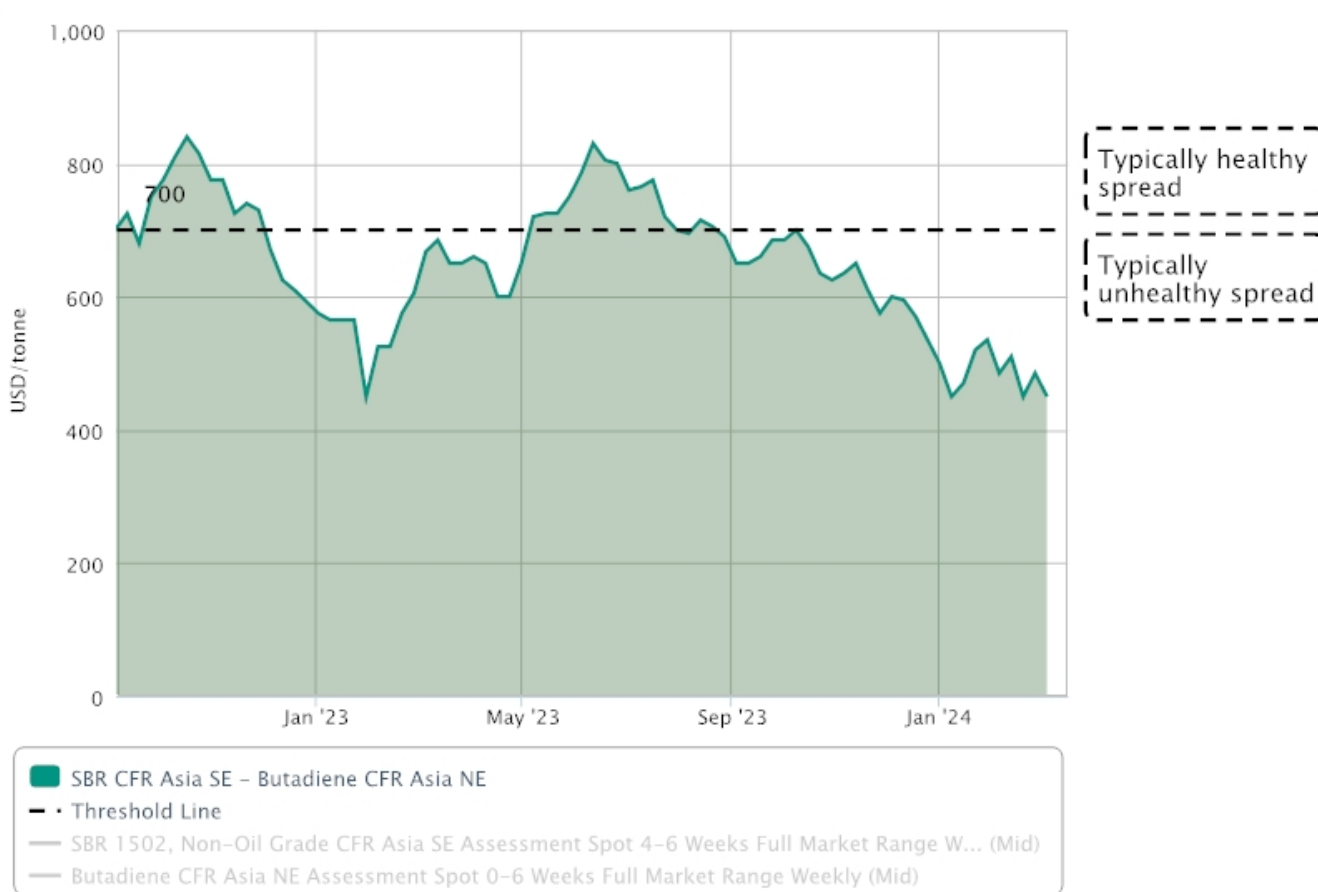
UPSTREAM

Butadiene

- Fresh production issues weigh on regional output
- Sellers hike import offers anew
- Some firmer bids surface

The chart below shows the spread between butadiene and SBR, which still remains under the deemed healthy line.

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

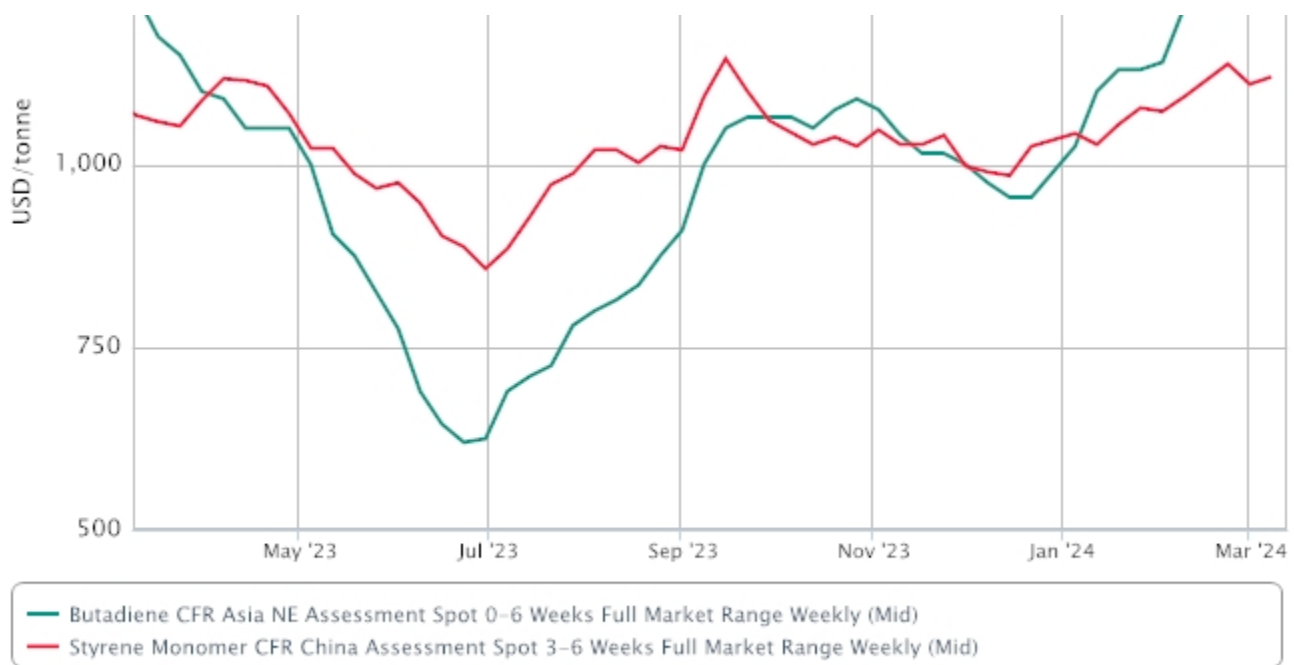


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Styrene:

- SM market sentiments in China improve following some fundamentals recovery
- Some market players optimistic over forward destocking process in China
- Certain levels of buy-sell price gap seen in CFR NE Asia market





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PRODUCTION

Spot supplies are poised to tighten further across Asia, with a 100,000 tonne/year unit in [Taiwan](#) due to shut for maintenance in May and a 170,000 tonne/year unit in east China to [shut](#) in H2 March.

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

OTHER REGIONS

Europe

- Spot 1500 dry grade prices stable to firm
- Upstream SM Mar contract rises by triple digits
- Upward feedstock pressure in Mar

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