



## Styrene Butadiene Rubber (Asia-Pacific)

By Ai Teng Lim  
15-Nov-2023

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

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

### OVERVIEW

- **Buy-sell differences entrenched**
- **Thinning demand**
- **But cost concerns weigh on sellers**

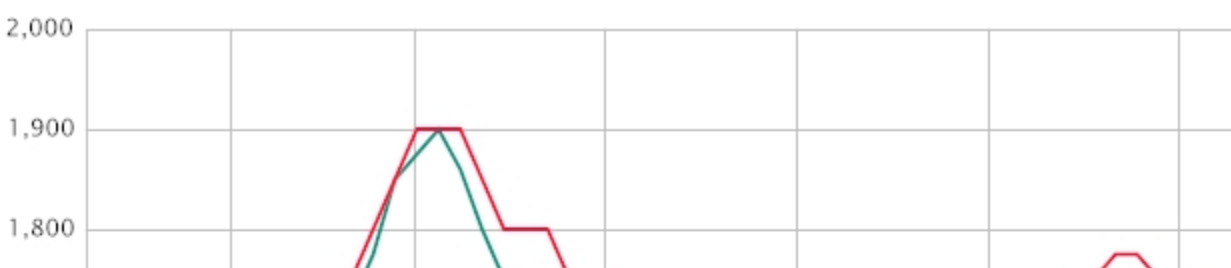
Discussions in Asia's spot import market for styrene-butadiene-rubber (SBR) are hampered by growing [differences](#) in buy-sell pricing outlook.

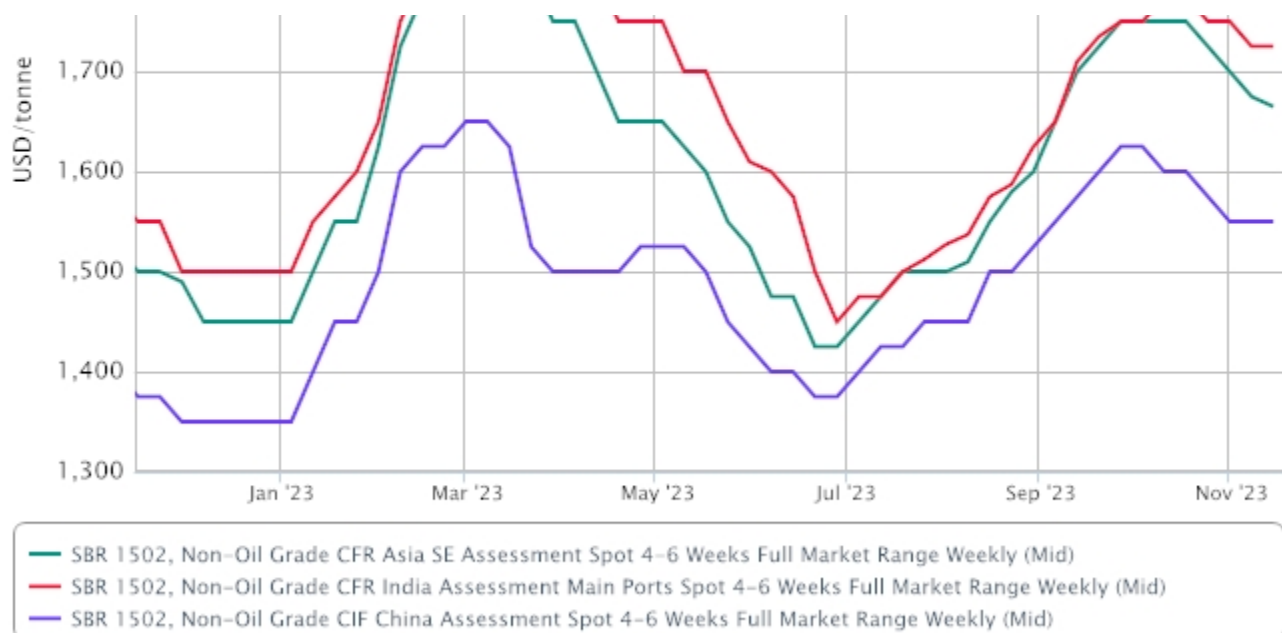
Demand is lacklustre, with many end-users limiting procurement only to small lots for covering prevailing production requirements, but not to build stocks, especially since downstream operations are typically slower going into the seasonal year-end lull.

They are also convinced that it would be in their benefit to purchase later rather than now, as spot offers for SBR could soften if the feedstock butadiene ([BD](#)) market fails to recover from recent losses.

But sellers held a different view. SBR makers are reluctant to moderate current offers, as they wanted to preserve and protect their frail margins, market players said.

Some were also hopeful that with latest data showing a healthy year-on-year increase in China's [October production of new cars](#), SBR could see better demand support if China's auto sector could sustain such positive growth trajectory.





© 2023 ICIS

## OUTLOOK

- Cost pressures on sellers may not ease in the near term
- Global [demand worries](#) could also continue to weigh on off-take
- Buy-sell tussle to stretch

## PRICES

### SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
<b>SBR 1502, Non-Oil Grade</b>						
<b>CIF China</b>	USD/tonne	n/c	1500-1600	n/c	1550-1650	68.04-72.57
<b>CFR Asia SE</b>	USD/tonne	-20	1630.00-1700.00	n/c	1700.00-1800.00	73.94-77.11
			0			
<b>CFR India Main Ports</b>	USD/tonne	n/c	1700.00-1750.00	n/c	1700.00-1850.00	77.11-79.38
			0			
<b>SBR 1712, Oil-Extended</b>						
<b>CIF China</b>	USD/tonne	n/c	1450-1550	n/c	1500-1600	65.77-70.31
<b>CFR Asia SE</b>	USD/tonne	-20	1600.00-1670.00	n/c	1670.00-1770.00	72.57-75.75
			0			
<b>CFR India Main Ports</b>	USD/tonne	n/c	1670.00-1720.00	n/c	1670.00-1820.00	75.75-78.02
			0			

### China

CIF China assessments for the non-oil 1502 grade were unchanged, taking into account stable offers heard.

CIF China assessments for the oil-extended 1712 grade are rolled too with stable 1502 grade.

Domestic yuan-denominated prices in east China for the 1502 grade continued to trend down too with slower buying.

### East China domestic SBR 1502 prices

Price (CNY/tonne)	This week's close	Previous week's close
E China Ex-Warehouse	11,700-11,950	12,100-12,200

### Southeast Asia

CFR SE Asian prices for the non-oil 1502 were assessed in a wider range, reflecting the spectrum of buy-sell indications for NE Asia-origin materials.

Producers' offers hovered near the high-end, while buying indications were at the low-end, similar to what some traders may be open to transacting, market sources said.

CFR SE Asian prices 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

Nov (1-15) 2023	Oct 2023	Sep 2023	Aug 2023	Jul 2023	Jun 2023	May 2023
148.00	145.26	142.65	130.22	131.31	133.48	136.34

Source: Malaysian Rubber Board

### India

CFR Indian assessments for both the non-oil 1502 grade and the oil-extended 1712 grade were rolled over, as market was shut much of the week for the extended Diwali celebrations.

## UPSTREAM

### Butadiene

- Demand subdued
- Mixed supply picture
- Regional cargoes limited but deep-sea influx expected

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](#)

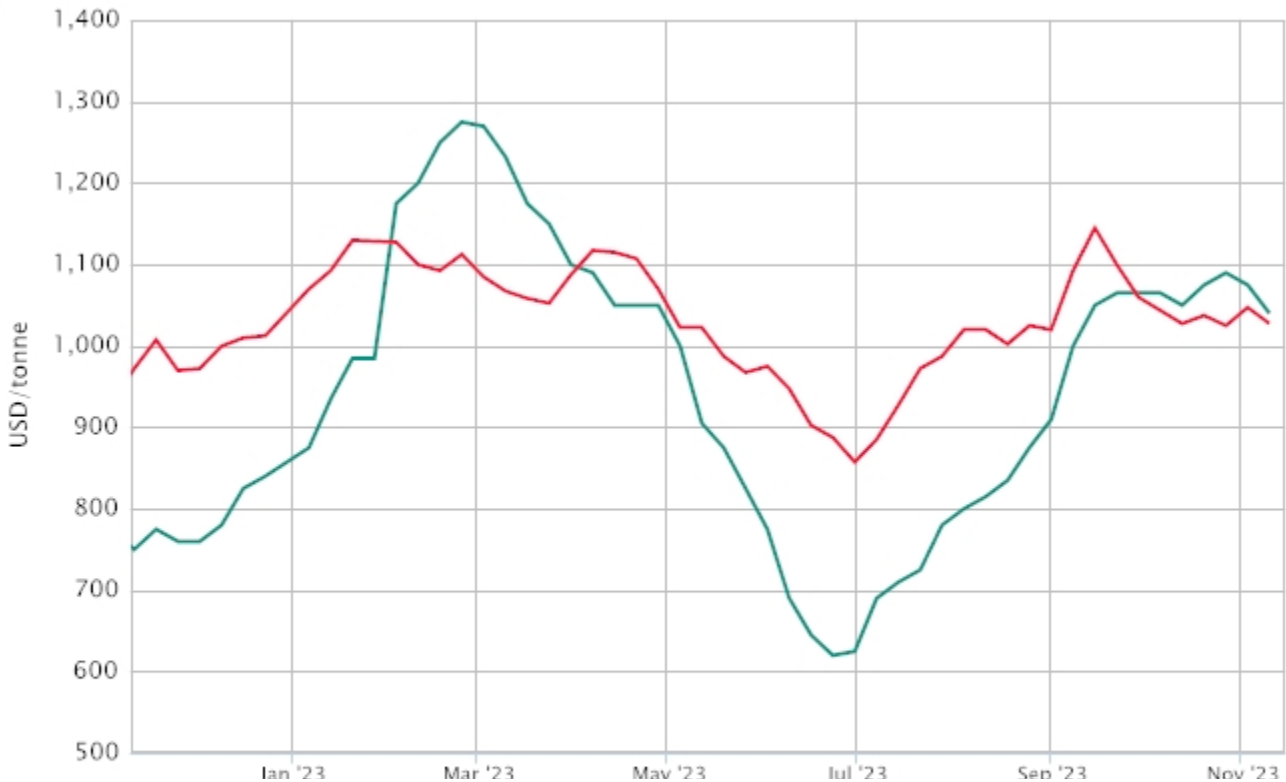
1.000



© 2023 ICIS

**Styrene:**

- Weak regional styrene market sentiments
- Sluggish year-end demand outlooks and crude losses added pressure to the market
- China export market remained slow amid decelerating regional demand



— Butadiene CFR Asia NE Assessment Spot 0–6 Weeks Full Market Range Weekly (Mid)  
— Styrene Monomer CFR China Assessment Spot 3–6 Weeks Full Market Range Weekly (Mid)

© 2023 ICIS

## PRODUCTION

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

## OTHER REGIONS

### Europe

- Styrene November contract drops significantly
- Spot SBR prices stable-to-firm within wide range
- SBR contract talks for November ongoing

## ANALYTICS

### ICIS Analyst View on Butadiene

Asia's butadiene (BD) supply of immediate volumes is tighter than expected on previous unexpected regional outages and output cuts by crackers, due to margin concerns.

However, this situation is forecast to ease in second half (H2) November and December on lukewarm downstream demand and increasing availability of deep-sea cargoes from Europe and the US.

Spot appetite for derivatives is forecast to decrease on declining margins. Acrylonitrile butadiene styrene (ABS) and styrene butadiene styrene (SBS) margins remain in negative territory, amid overcapacity. Asia's styrene butadiene rubber (SBR) and polybutadiene rubber (PBR) margins have been also squeezed in recent months.

The possible start up of Vietnam's Long Son project in December is also expected to weigh on market sentiment.

The ongoing 2024 contract negotiations will also be in focus for the next two to three months. If the negotiations take more time to finalise, spot demand for January/February may increase, lending support to the market sentiment.

By **Ann Sun** ([ann.sun@icis.com](mailto:ann.sun@icis.com))

For more information about analytical content, click [here](#).

**Styrene Butadiene Rubber (Asia-Pacific) | 15-Nov-2023.** 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](mailto: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.

© 2023 Reed Business Information Limited. ICIS is a member of RELX Group. [www.icis.com](http://www.icis.com)

