



## Styrene Butadiene Rubber (Asia-Pacific)

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

### OVERVIEW

- **Offers up with upstream gains**
- **Limited spot availabilities provide some support**
- **Buyers resistant to higher asking prices**

Asian spot import offers for styrene butadiene rubber (SBR) rose with fresh upstream gains, but substantive discussions are subdued on lacklustre demand.

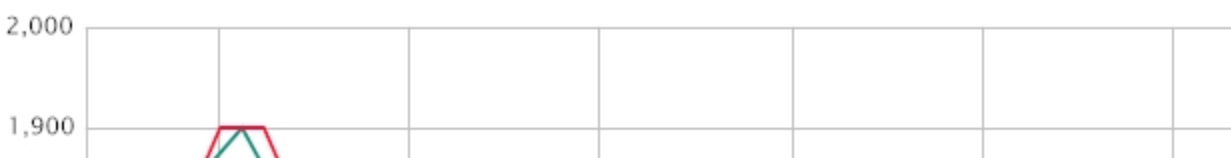
Feedstock [butadiene](#) (BD) prices had surged recently with protracted supply constraints, prompting SBR makers to hike offers anew in a bid to recoup costs and rescue compressed margins.

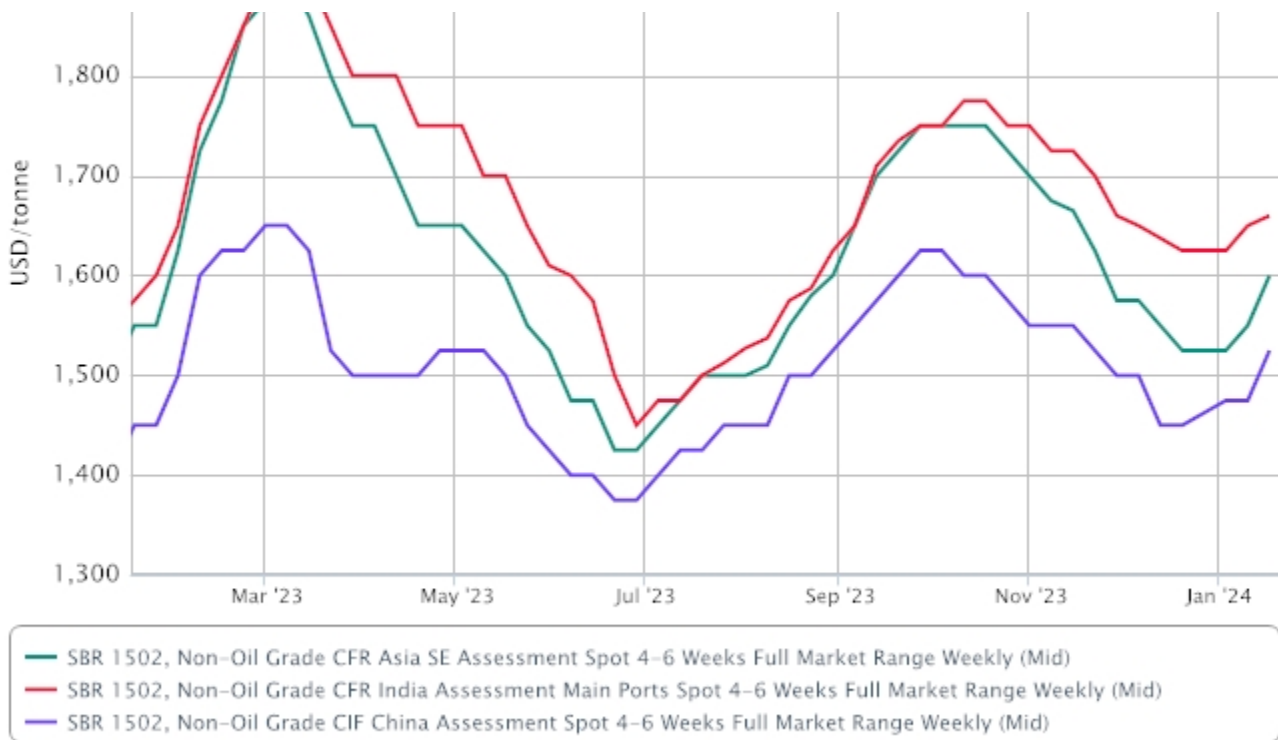
As natural rubber prices had also increased recently to levels substantially higher than in Q4 2023, SBR sellers expect that this could help boost SBR demand, as end-users may switch to buying more SBR as a cheaper substitute to natural rubber.

Furthermore, SBR spot availabilities are limited, since regional SBR makers have calibrated operations to minimize surplus volumes after fulfilling contractual sales requirements.

On the buy side, [macroeconomic headwinds](#) continue to weigh on buying tempo, with most end-users still hesitant to raise bids for fresh cargoes.

Many wanted to wait and see how downstream market conditions in the major China outlet may trend after the extended Lunar New Year holidays there are over in H2 February, before they redeliberate on their own buying position.





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## OUTLOOK

- Offers to tap upstream strength for support
- Buy-sell gap will continue to weigh on spot trade liquidity
- [China's growth trajectory](#) to drive demand

## PRICES

### SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
<b>SBR 1502, Non-Oil Grade</b>						
<b>CIF China</b>	USD/tonne	+50	1500-1550	+50	1400-1500	68.04-70.31
<b>CFR Asia SE</b>	USD/tonne	+50	1550.00-1650.00	+50	1500.00-1550.00	70.31-74.84
<b>CFR India Main Ports</b>	USD/tonne	+20	1620.00-1700.00	n/c	1575.00-1675.00	73.48-77.11
<b>SBR 1712, Oil-Extended</b>						
<b>CIF China</b>	USD/tonne	+50	1450-1500	+50	1350-1450	65.77-68.04
<b>CFR Asia SE</b>	USD/tonne	+50	1500.00-1600.00	+50	1450.00-1500.00	68.04-72.57

<b>CFR India Main Ports</b>	USD/tonne	+20	1570.00-1650.0 0	n/c	1525.00-1625.00	71.21-74.84
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## China

CIF China assessments for the non-oil 1502 grade imports were up with firmer offers at the high end. Buying indications, captured at the low-end, were also more buoyant, tracking domestic gains.

Import trade liquidity remained capped by end-users' preference to procure domestic cargoes.

CIF China assessments for the oil-extended 1712 grade are adjusted with changes for the 1502 grade.

Domestic prices in China rebounded this week, alongside an uptrend in yuan-denominated values for feedstock butadiene.

### East China domestic SBR 1502 prices

Price (CNY/tonne)	This week's close	Previous week's close
E China Ex-Warehouse	12,050-12,200	11,800-12,100

## Southeast Asia

CFR SE Asian assessments for the non-oil 1502 grade climbed with firmer discussions, but spot trade liquidity remains curbed due to a persistent buy-sell gap.

Offers rose by at least \$50/tonne week on week, to the \$1,650-1,700/tonne CFR SE Asia range, as sellers tried to recoup higher feedstock costs. The high end is lifted in line.

Some trades materialized at the low end, although market players said that most end-users stayed away to wait and see.

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

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

Jan (1-17) 2024	Dec 2023	Nov 2023	Oct 2023	Sep 2023	Aug 2023	Jul 2023
154.15	146.31	148.42	145.26	142.65	130.22	131.31

Source: Malaysian Rubber Board

## India

CFR Indian assessments for the non-oil 1502 grade were lifted at the low end to reflect the highest buying indications heard, which were similar to the highest deal-done levels for spot parcels in the prior weeks, market sources said.

Otherwise, with the financial year closing approaching in March, most local end-users were cautious not to over-build raw material stocks and were mindful to not take in additional stocks at higher prices.

There were no concrete offers, with most regular regional suppliers taking a pause to review their position, amid recent changes in feedstock costs. Selling indications were heard nonetheless at no lower than the published high end.

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

## UPSTREAM

### Butadiene

- Buying interest pick up on short covering requirements
- Export offers [firmer](#) from China too
- Buy-sell gap persists, weighs on liquidity of fixed-price basis trades

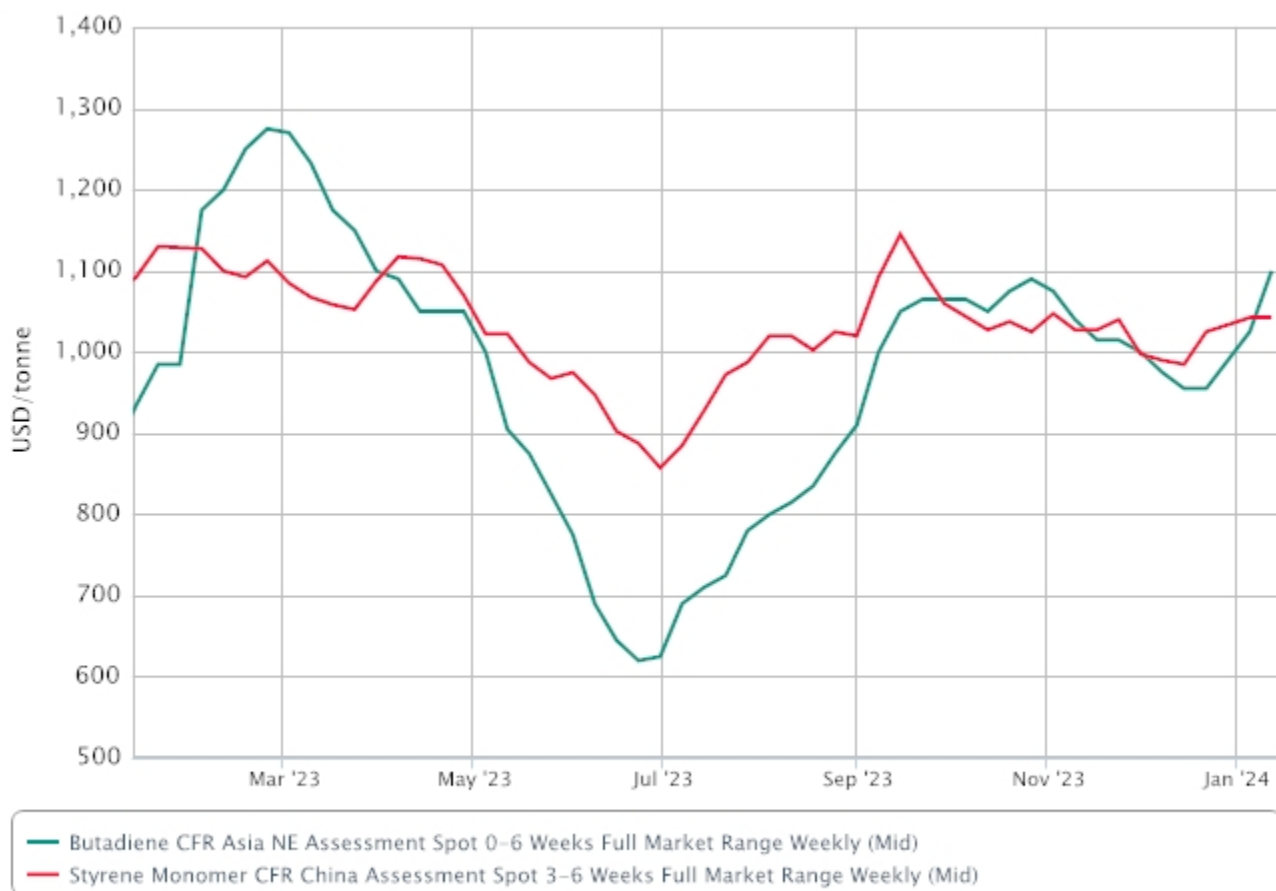
The chart below shows the spread between butadiene and SBR, which sunk deeper into the unhealthy zone.

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



## Styrene

- Asia styrene market mostly tracking feedstock benzene market volatilities
- Slow spot demand continues hampering regional styrene market atmosphere
- Regional fundamentals persistently weak, oversupply continues to develop



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## PRODUCTION

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

## OTHER REGIONS

### Europe

- Demand slow to return
- Spot prices stable-to-firm
- Contract talks ongoing

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