



## Styrene Butadiene Rubber (Asia-Pacific)

By Ai Teng Lim  
17-Jul-2024

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

### OVERVIEW

- **Discussions in stalemate**
- **Offers steady amid cost considerations**
- **But upstream losses weigh on buying appetite**

Discussions stalled in this week's Asian import market for styrene butadiene rubber (SBR) as perennial buy-sell differences hampered negotiations.

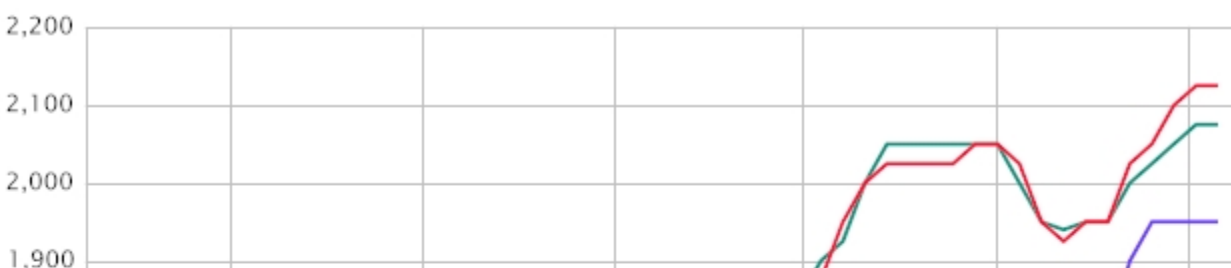
For end-users, many retreated further in to the sidelines, saying that they would spot procurement decisions to later when it is clearer how upstream markets will trend, especially for feedstock butadiene (BD).

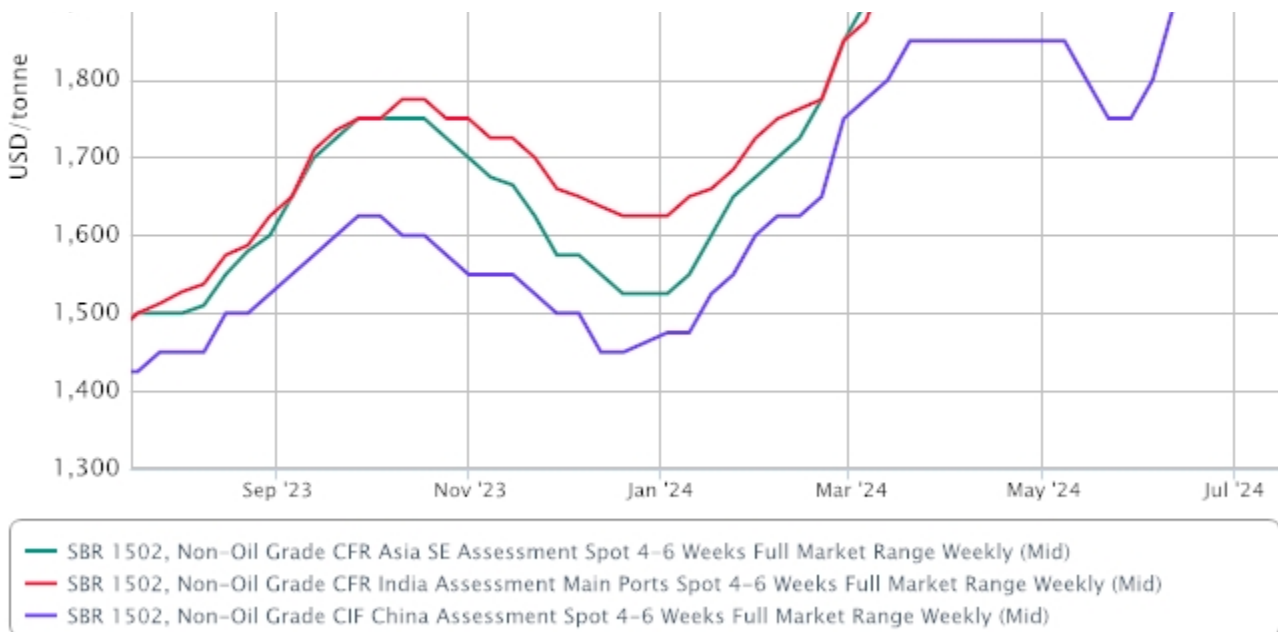
Asian [BD](#) prices have been losing grounds of late and end-users believe that the declines may widen going into Q3 if BD supplies lengthen with deep-sea arrivals and if downstream demand fails to pick up commensurately.

Potential SBR buyers who may still be open to buying some spot volumes at this juncture kept their purchases to small lots and strictly on a need-to basis.

But many SBR makers held fast to existing offers, saying that they need to recoup production costs, and there was no room as yet to price down without hurting their own bottomlines.

Even if BD may have softened somewhat, SBR makers said that there were other cost factors to consider, including that of shipping of raw materials and their finished products. Freight rates have sky-rocketed of late and may not ease anytime soon market players said.





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## OUTLOOK

- Buy-sell disparity may widen
- Cost push, such as for [freight](#), may keep offers elevated
- Demand may see more support if [China's economic growth](#) picks up

## 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 | 1900-2000       | n/c | 1900-2000       | 86.18-90.72 |
| <b>CFR Asia SE</b>             | USD/tonne | n/c | 2050.00-2100.00 | n/c | 1950.00-2100.00 | 92.99-95.25 |
|                                |           |     | 0               |     |                 |             |
| <b>CFR India Main Ports</b>    | USD/tonne | n/c | 2050.00-2200.00 | n/c | 1950.00-2150.00 | 92.99-99.79 |
|                                |           |     | 0               |     |                 |             |
| <b>SBR 1712, Oil-Extended</b>  |           |     |                 |     |                 |             |
| <b>CIF China</b>               | USD/tonne | n/c | 1850-1950       | n/c | 1850-1950       | 83.91-88.45 |
| <b>CFR Asia SE</b>             | USD/tonne | n/c | 2000.00-2050.00 | n/c | 1900.00-2050.00 | 90.72-92.99 |
|                                |           |     | 0               |     |                 |             |
| <b>CFR India Main Ports</b>    | USD/tonne | n/c | 2000.00-2150.00 | n/c | 1900.00-2100.00 | 90.72-97.52 |
|                                |           |     | 0               |     |                 |             |

### China

CIF China prices for both the non-oil 1502 and the oil-extended 1712 grades were rolled over on rangebound offers for US dollar-denominated imports.

But buying interest is tepid for imports, with the bulk of local requirements already covered by the domestic supply pool.

Domestic prices in east China softened further, alongside similar upstream market movements.

### East China domestic SBR 1502 prices

| Price (CNY/tonne)    | This week's close | Previous week's close |
|----------------------|-------------------|-----------------------|
| E China Ex-Warehouse | 15,000-15,100     | 15,100-15,200         |

### Southeast Asia

CFR SE Asia assessments for the non-oil 1502 grade were unchanged, with stable offers tracked at the high end.

Some transactions materialized within the published range market sources said.

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

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

| Jul (1-17) 2024 | Jun 2024 | May 2024 | Apr 2024 | Mar 2024 | Feb 2024 | Jan 2024 |
|-----------------|----------|----------|----------|----------|----------|----------|
| 169.02          | 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 were unchanged, amid offers for NE Asia-origin materials heard broadly unchanged at the high end and up.

There was no concrete buy-side response and the low end was rolled over as such.

CFR India assessments for the oil-extended 1712 grade were kept unchanged too with stable 1502 grade.

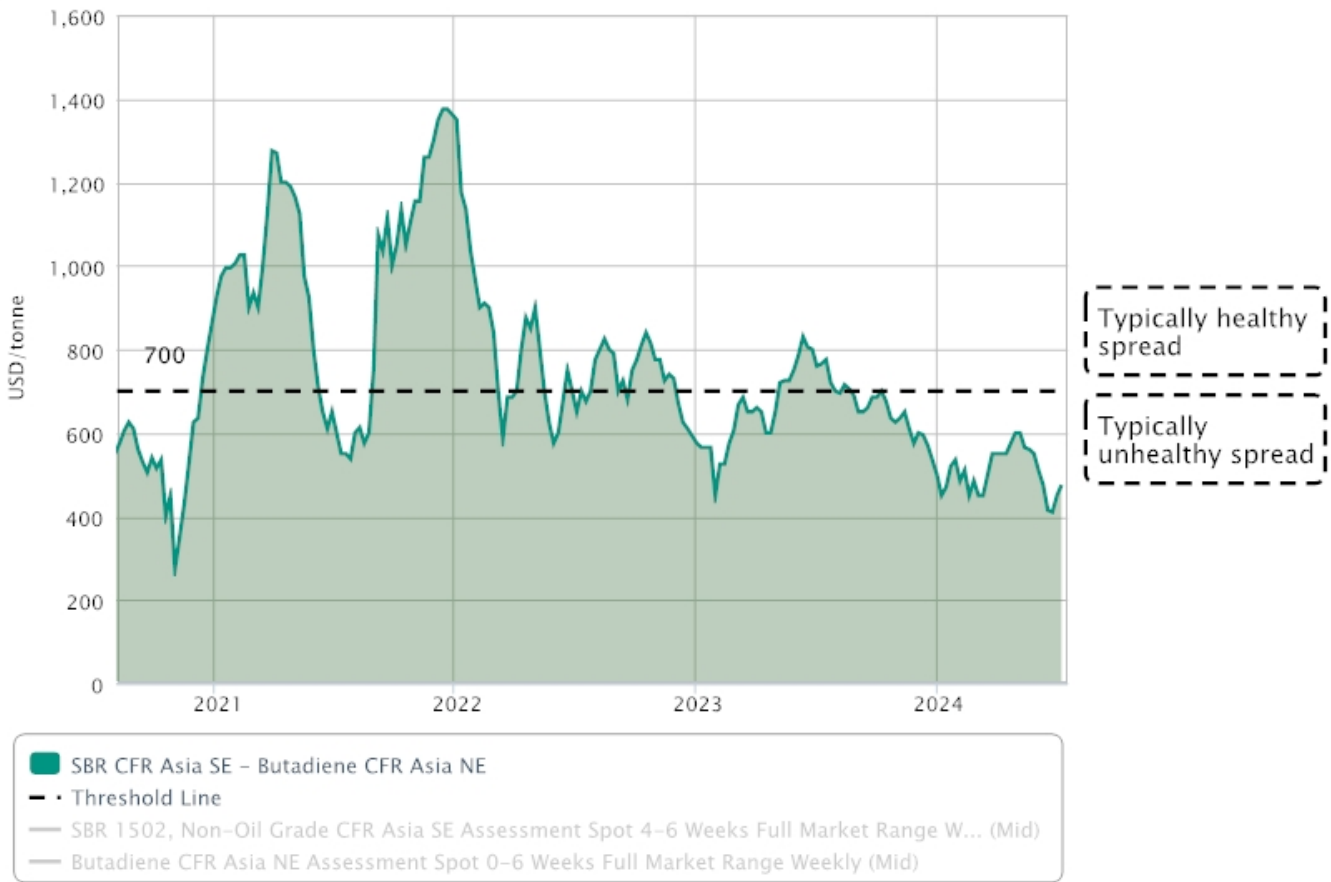
## UPSTREAM

### Butadiene

- Domestic China losses widen
- China stays active on export front
- Import discussions dampened in line

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

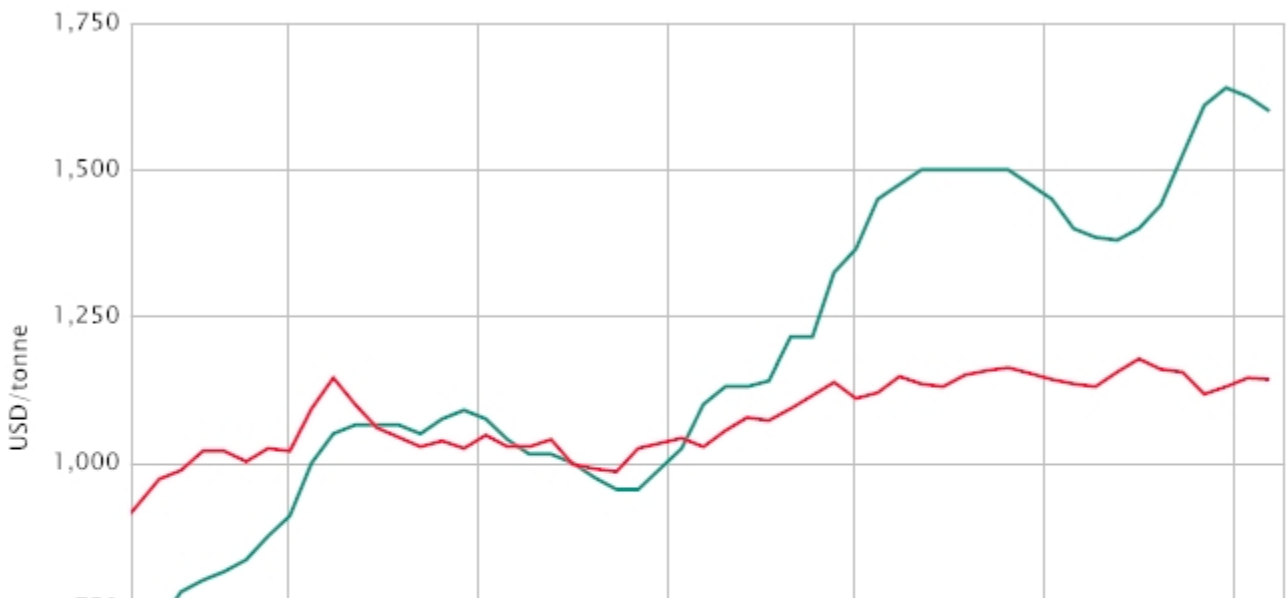
Downstream spread – butadiene NE Asia and SBR SE Asia



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**Styrene**

- Tight supply, weak demand continue to hamper China market's directional momentum
- East China shoretank inventories fall to lowest since 2019
- China export market appears quiet; buyers, sellers cautious





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## PRODUCTION

In China, two [lines](#) in Xinjiang, each with 60,000 tonnes/year worth of production capacity, has shut from mid-May for maintenance and may restart within July, market sources said.

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

## OTHER REGIONS

### Europe

- 1500 dry-grade spot prices stable to soft
- Supply views vary; balanced to snug
- Conditions largely unchanged

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