



Styrene Butadiene Rubber (Asia-Pacific)

By Ai Teng Lim
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[Overview](#) | [Outlook](#) | [Prices](#) | [Upstream](#) | [Production](#) | [Other Regions](#)

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

The weekly analysis on 2 October will be published with information on China collected up to 30 September. Please click [here](#) for the ICIS publishing schedule.

OVERVIEW

- **Bullish domestic China**
- **Upstream butadiene market also picking up**
- **Import sellers confident, but transactions limited amid holidays**

Discussions for spot Asian imports of styrene-butadiene-rubber (SBR) were curtailed, mainly because many regional markets were shut during the trading week for extended celebrations for the mid-Autumn festival.

For instance, the major China hub was out of action between 15 and 17 September, while South Korea will remain shut until 18 September.

But even if fresh import offers were scant this week due to holidays, the sentiment remains very upbeat among SBR sellers on various grounds.

Firstly, domestic yuan-denominated prices in China are very bullish for various synthetic rubber grades, including SBR.

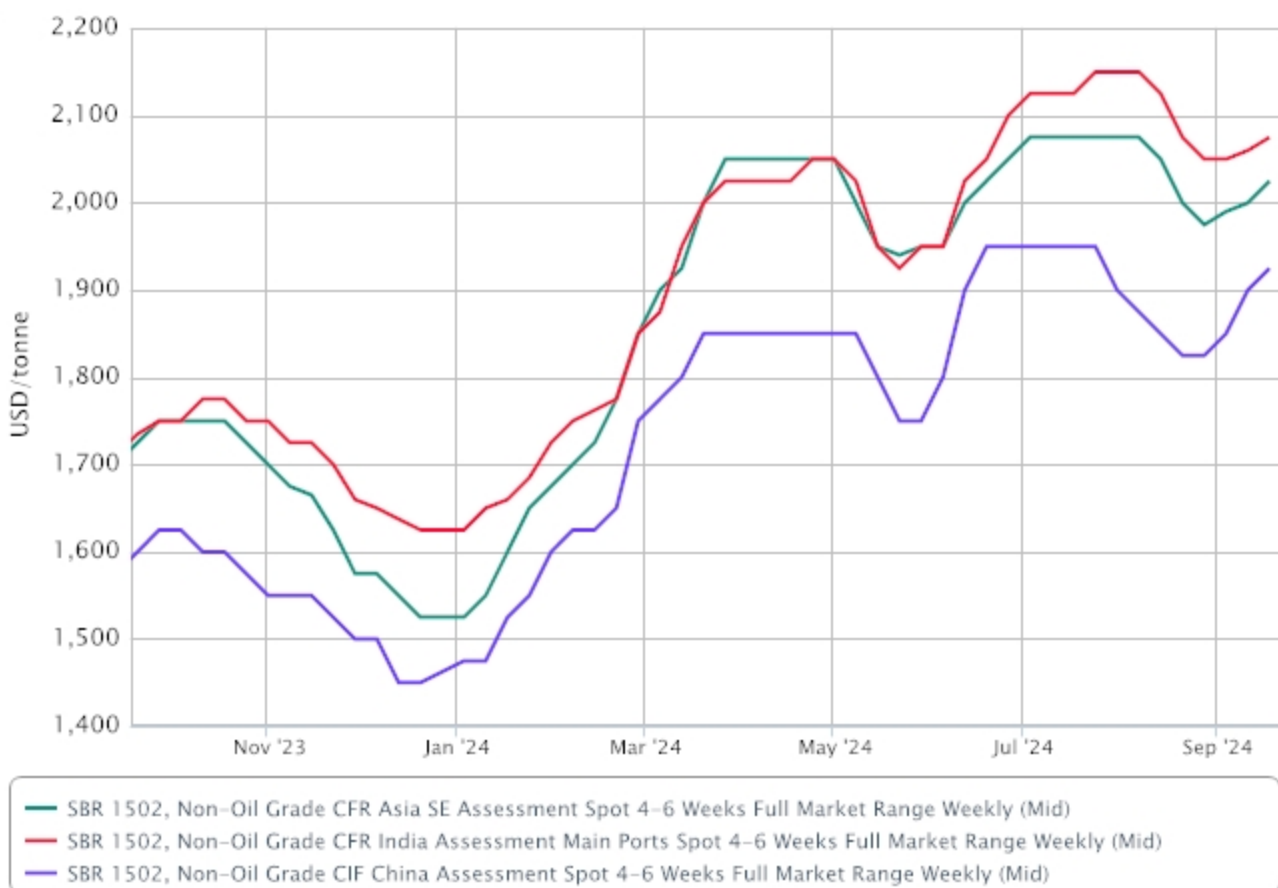
SBR demand is expected to rise with runaway prices for natural rubber, as the latter may drive end-users to procure more SBR as cheaper substitution product.

This is also a time that spot SBR supplies are dwindling, on the back of upcoming regional maintenances.

And with feedstock BD prices also [climbing](#), SBR sellers could elevate offers further to recoup costs and protect margins, market players said.

But buy-side response is mixed. Those who have pressing requirements have had few options but to bid up to secure volumes.

But many other end-users retreated deeper on concerns that lacklustre downstream market conditions may not be sufficiently robust to warrant them forking out more for raw materials like SBR, market players said.



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OUTLOOK

- Anticipation diminishes for imminent [downstream recovery in China](#)
- But offers may stay supported on snug spot supplies
- How upstream market trends will also impact on sentiment

PRICES

SPOT PRICES

		Price Range		Four Weeks Ago	US CTS/lb	
SBR 1502, Non-Oil Grade						
CIF China	USD/tonne	+50	1900-1950	n/c	1800-1850	86.18-88.45
CFR Asia SE	USD/tonne	+50	2000.00-2050.00	n/c	1950.00-2050.00	90.72-92.99
CFR India Main Ports	USD/tonne	+30	2050.00-2100.00	n/c	2000.00-2150.00	92.99-95.25

SBR 1712, Oil-Extended

CIF China	USD/tonne	+50	1850-1900	n/c	1750-1800	83.91-86.18
CFR Asia SE	USD/tonne	+50	1950.00-2000.00	n/c	1900.00-2000.00	88.45-90.72
			0			
CFR India Main Ports	USD/tonne	+30	2000.00-2050.00	n/c	1950.00-2100.00	90.72-92.99
			0			

China

CIF China assessments for the non-oil 1502 grade narrowed, with the low-end lifted to capture the spectrum of limited buy-sell discussions conducted early week, before the China market was shut from 15-17 September for the mid-Autumn festival holidays.

CIF China assessments for the oil-extended 1712 grade are adjusted up on low-end, in tandem with changes for the 1502 grade.

Domestic prices in east China extended gains, with support from bullish natural rubber prices, as well as robust polybutadiene rubber (PBR) futures trade in the local exchange.

East China domestic SBR 1502 prices

Price (CNY/tonne)	This week's close	Previous week's close
E China Ex-Warehouse	16,200-16,400	15,500-15,700

Southeast Asia

CFR SE Asian assessments for the non-oil 1502 grade are also stable-to-firm, with the low-end up to reflect limited deals and discussions.

But trade liquidity was curbed with many traditional suppliers in NE Asia away on holidays in the later half of the trading week, on regional holidays.

CFR SE Asian assessments for the oil-extended 1712 grade were adjusted up on the low-end with the changes for the 1502 grade.

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

Sep (1-18) 2024	Aug 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024
188.65	179.89	168.65	176.00	170.03	162.99	165.36	156.66

Source: Malaysian Rubber Board

India

CFR Indian prices for the non-oil 1502 grade are assessed in a narrower range, taking into account buy-sell indications heard for NE Asia-origin materials..

Local buyers continue to tap on domestic supply pool for supplies, in their bids to cut back on import procurement, market players said.

CFR Indian assessments for the oil-extended 1712 grade are adjusted with changes for the 1502 grade.

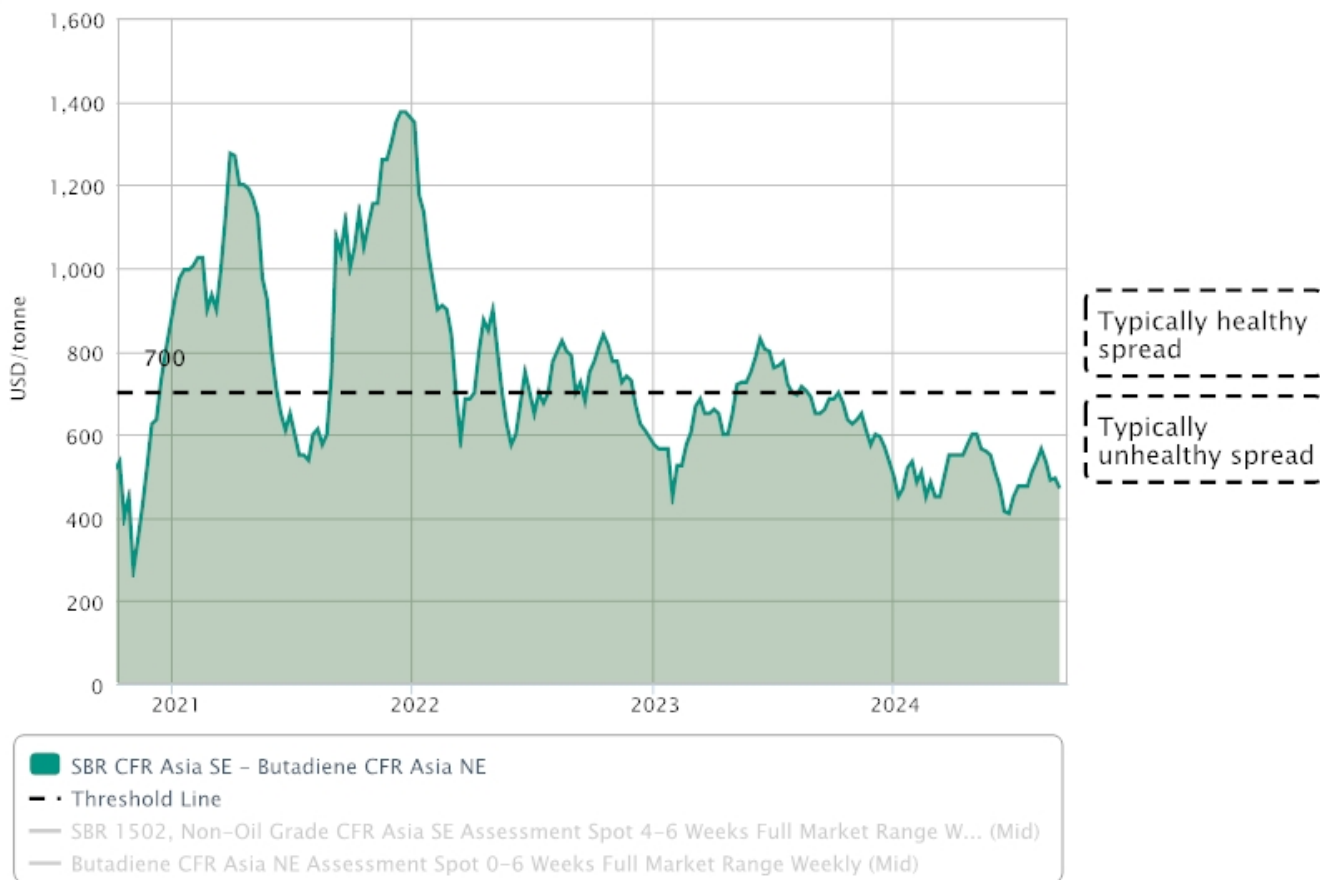
UPSTREAM

Butadiene

- Domestic China prices skyrocket
- Bullish discussions for China imports amid higher domestic prices
- Spot supply lengthens in SE Asia

The chart below shows the spread between butadiene and SBR, which is in the unhealthy zone since the start of the year.

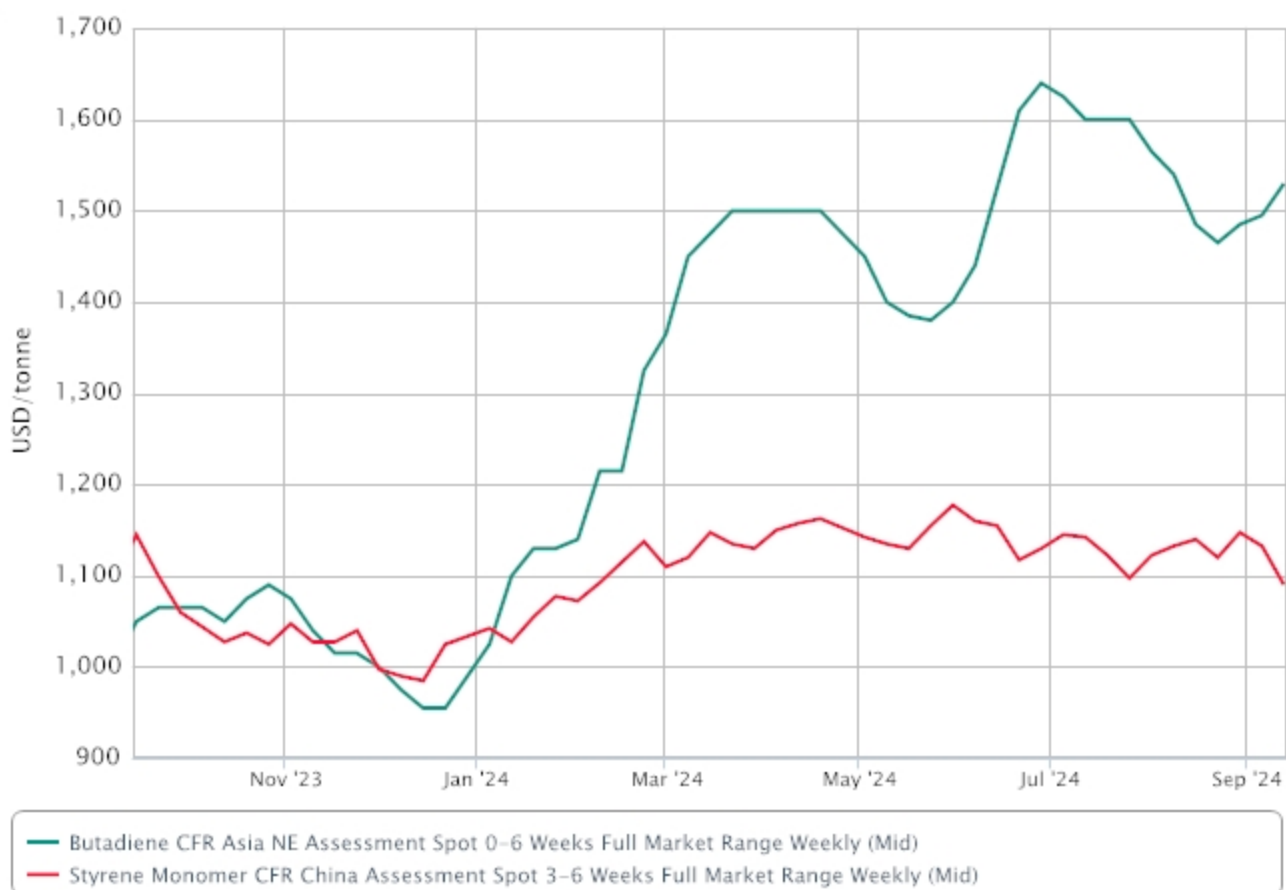
[Downstream spread – butadiene NE Asia and SBR SE Asia](#)



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Styrene

- China SM market pummeled by feedstock, sentiment losses early in week
- Tight China domestic SM fundamentals continue supporting near-term market
- Regional spot demand stays tepid, keeps spot supply ample



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PRODUCTION

135,000 tonnes/year worth of SBR production capacity in Tokuyama, Japan, has [shut](#) for turnarounds from mid-September to end November.

There will be scheduled maintenance in end September too, for SBR plants in [Ulsan](#), South Korea, involving up to 283,000 tonnes/year worth of production capacity.

In China, a 150,000 tonnes/year unit in Jilin is [shut](#) from late August to mid-October for maintenance.

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

OTHER REGIONS

Europe

- Spot prices stable
- Demand steady; no significant uplift yet
- Focus on upstream BD supply snugness

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