



## Styrene Butadiene Rubber (Asia-Pacific)

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[Overview](#) | [Outlook](#) | [Prices](#) | [Upstream](#) | [Production](#)

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

### OVERVIEW

- **SE Asia and India more upbeat**
- **But market at standstill in China**
- **Tight supplies but demand lukewarm**

Asian spot discussions for styrene-butadiene-rubber (SBR) [gained](#) some grounds in southeast Asia and India, but stalled in China.

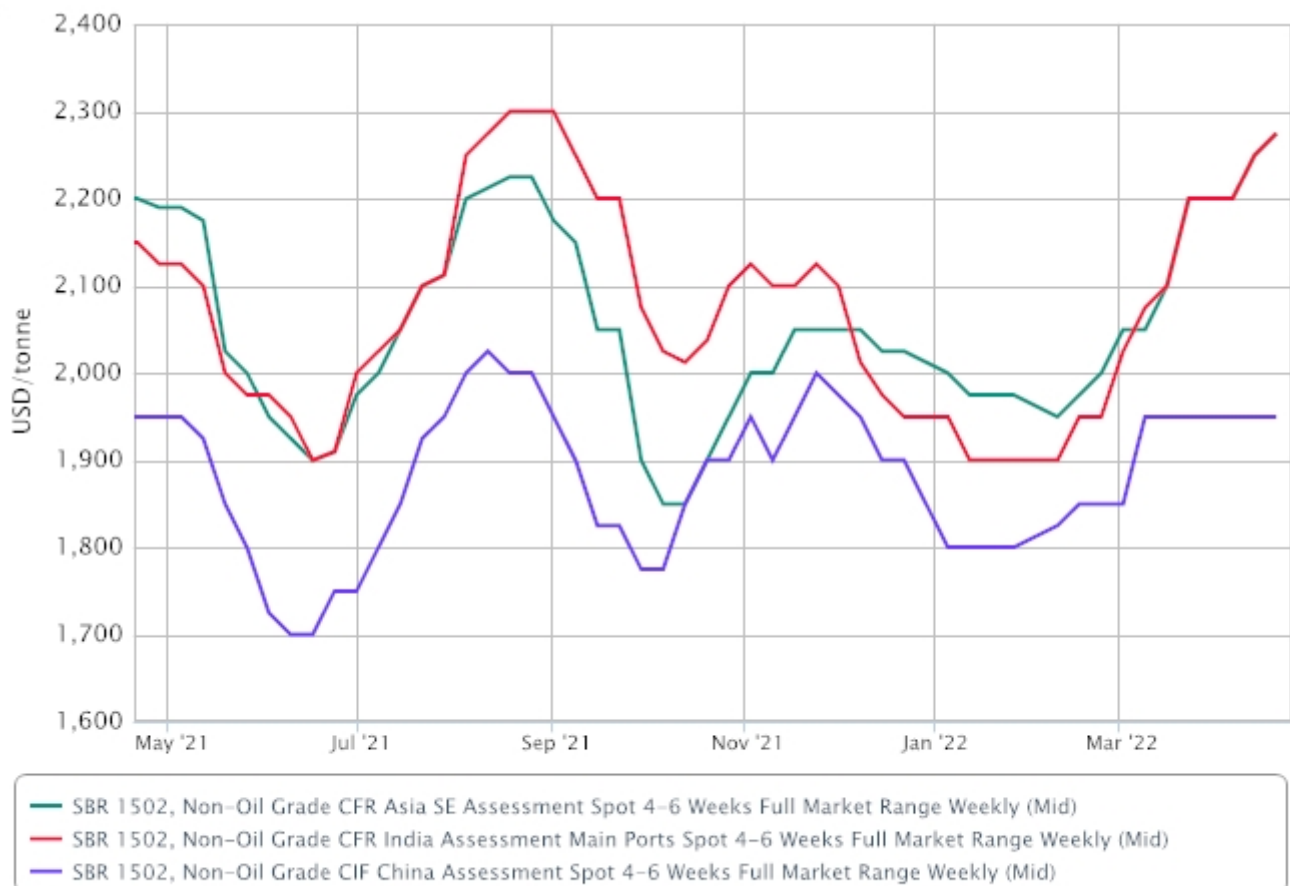
In China, protracted lockdowns at several major cities in east China had served to [dampen](#) downstream demand and crimped off-take for raw materials including SBR.

Even for China factories that were still operating, there was sufficient SBR supplies in the domestic pool, killing in turn any buying interest for US dollar denominated imports.

But with prices for China-bound shipment already substantially lower than sales to other regional destinations, SBR makers said that there was no need to moderate China import offers just to stimulate demand, as they could easily divert the volumes to other more lucrative outlets in the region.

Indeed, in SE Asia and India, discussions were firmer as buyers with concrete requirements raised bids to bridge their prior gulf with sellers.

But market players highlighted that spot trade liquidity was low, as buyers kept to purchasing only smaller lots, and strictly on a hand-to-mouth basis, citing difficulties in transferring the increased costs downstream amid a weakening global economic outlook.



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## OUTLOOK

- Regional flow to [tightly-supplied Europe](#) may rise
- Regional demand may recover if China [eases](#) pandemic restrictions
- [Economic worries](#) to weigh in on buying appetite in wider Asia

## 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	+50	2250.00-2300.00	n/c	2150.00-2250.00	102.06-104.33
<b>CFR India Main Ports</b>	USD/tonne	+50	2250.00-2300.00	n/c	2100.00-2300.00	102.06-104.33
<b>SBR 1712, Oil-Extended</b>						
<b>CIF China</b>	USD/tonne	n/c	1800-1900	n/c	1800-1900	81.65-86.18
<b>CFR Asia SE</b>	USD/tonne	+50	2200.00-2250.00	n/c	2100.00-2200.00	99.79-102.06
<b>CFR India Main Ports</b>	USD/tonne	+50	2200.00-2250.00	n/c	2050.00-2250.00	99.79-102.06

## China

CIF China assessments for both the non-oil 1502 grade and the oil-extended 1712 grade were rolled over, in the absence of any substantive discussions on US dollar denominated imports.

End-users said they will continue to tap on the more competitively-priced domestic supply pool, forgoing imports.

Downtrend continues for domestic yuan-denominated prices of the 1502 grade, as downstream operations stalled during the ongoing pandemic lockdown at several cities in east China.

### East China domestic SBR 1502 prices

Price (CNY/tonne)	20 April	13 April
E China Ex-Warehouse	12,000-12,100	12,400-12,400

## Southeast Asia

CFR southeast (SE) Asian prices for the non-oil 1502 grade are assessed stable-to-firm, with the low-end lifted to capture the full range of transactions heard.

Some offers were heard at above the published range but drew limited buy-side response, market sources said.

CFR SE Asian prices for the oil-extended 1712 grade were adjusted up on the low-end, alongside changes seen for the 1502 grade assessments, in the absence of concrete 1712 business.

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

Apr (1-20) 2022	Mar 2022	Feb 2022	Jan 2022	Dec 2021	Nov 2021	Oct 2021
174.95	175.18	179.84	178.12	172.08	175.65	174.39

## India

CFR India assessments for the non-oil 1502 grade narrowed, with the low-end raised to reflect the spectrum of buy-sell discussions heard.

The CFR India assessment for the oil-extended 1712 grade was adjusted up on the low-end, in line with changes seen for the 1502 grade assessments, in the absence of concrete 1712 business.

## UPSTREAM

Pricing sentiment in Asia's spot **butadiene** market softens further, as buying interest remains lacklustre. Buying indications were also weighed down by concerns of longer term downstream [demand losses](#), if the pandemic lockdowns in China and the Russia-Ukraine conflicts are prolonged. But prompt availabilities remain low too, amid ongoing operating rate cuts at upstream crackers, according in turn some sellers the flexibility to wait and see further before they finalise fresh selling positions.

The chart below shows the spread between butadiene and SBR.

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



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Asian **styrene** prices reversed the earlier uptrend and fell on the back of even weaker trading sentiment especially in domestic China and overall lower FOB China buying interest from the deep-sea regions ahead of the holiday season there.



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## PRODUCTION

In China, average operating rates of local SBR plants held steady at 80% for the week ended 15 April, unchanged from the week prior, market sources said.

But operations at some local SBR plants remained curtailed by ongoing COVID-related restrictions.

Meanwhile, regional SBR supplies remained tight with an [ongoing](#) turnaround.

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

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