



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

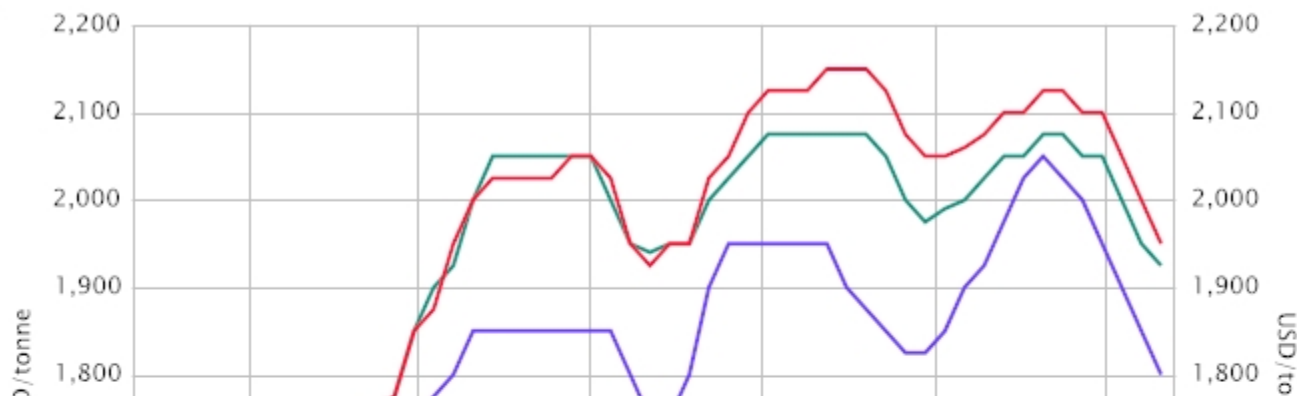
- **Sellers moderate offers to keep pace with feedstock price declines**
- **Sellers cap discounts citing spot supply limitations**
- **Buyers non-committal amid expectations for further market downtrend**

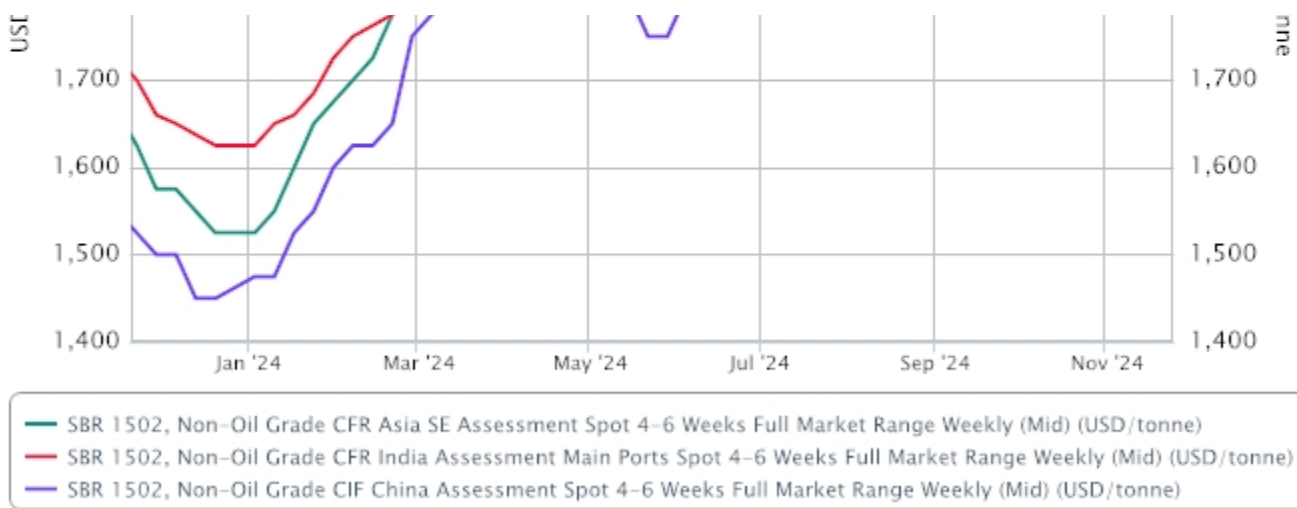
A weak upstream [butadiene](#) (BD) market continued to dent sentiment in this week's discussions for Asia's styrene butadiene rubber (SBR) imports.

Sellers separately moderated their offers across the board to reflect upstream cost decreases. However, discounts were capped as most regional SBR makers said they did not have many spot cargoes to trade in the first place and therefore saw no incentive to lower spot offers even further.

Rolling production costs were still high despite recent BD decreases and SBR makers said their margins were still far from healthy enough to warrant deeper cuts to existing SBR spot offers.

Most buyers retreated further away from the sidelines, preferring to buy fresh SBR cargoes only later as there were independent expectations that forward spot offers would trend downward if BD prices failed to recover. The likelihood of the latter is projected to be high, with anticipated [capacity growth in BD](#) within the quarter, market players said.





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OUTLOOK

- Upstream market movements to weigh on pricing outlook
- Spot supply could be limited with regional producers occupied by contractual obligations
- Downstream demand outlook in limbo amid [macro-level uncertainties](#)

PRICES

SPOT PRICES

				Price Range		Four Weeks Ago	US CTS/lb
SBR 1502, Non-Oil Grade							
CIF China	USD/tonne	-50		1750-1850	-50	1950-2050	79.38-83.91
CFR Asia SE	USD/tonne	n/c		1900.00-1950.00	-50	2000.00-2100.00	86.18-88.45
				0			
CFR India Main Ports	USD/tonne	-50		1900.00-2000.00	-50	2050.00-2150.00	86.18-90.72
				0			
SBR 1712, Oil-Extended							
CIF China	USD/tonne	-50		1700-1800	-50	1900-2000	77.11-81.65
CFR Asia SE	USD/tonne	n/c		1850.00-1900.00	-50	1950.00-2050.00	83.91-86.18
				0			
CFR India Main Ports	USD/tonne	-50		1850.00-1950.00	-50	2000.00-2100.00	83.91-88.45
				0			

China

CIF China assessments for the non-oil 1502 grade trended lower with softer offers and buying indications for US dollar-denominated imports.

Buying interest was tepid for imports as local end-users were fully covered with materials from the yuan-

denominated domestic supply pool.

Domestic prices in east China sunk lower with plummeting yuan values for feedstock BD.

CIF China assessments for the oil-extended 1712 grade were adjusted downward in line with changes to the 1502 grade.

East China domestic SBR 1502 prices

Price (CNY/tonne)	This week's close	Previous week's close
E China EXWH	14,700-14,800	15,100-15,300

Southeast Asia

CFR SE Asia assessments for the non-oil 1502 grade fell at the high end with softer offers heard.

Discussions and some limited sales materialized and have been reflected within the published range.

CFR SE Asia assessments for the oil-extended 1712 grade were dropped at the high end, in line with changes to the 1502 grade.

Natural rubber SMR 20 reference price - US cents/kg FOB Malaysia

1-20 2024	Nov 2024	Oct 2024	Sep 2024	Aug 2024	Jul 2024	Jun 2024	May 2024
198.64	207.08	196.02	179.89	168.65	176.00	170.03	

Source: Malaysian Rubber Board

India

CFR prices for the non-oil 1502 grade were lower for northeast Asia-origin materials, in line with softer offers heard at the high end, against buying indications capped at the low end.

CFR prices for the oil-extended 1712 grade were also adjusted in line with changes to the 1502 grade.

UPSTREAM

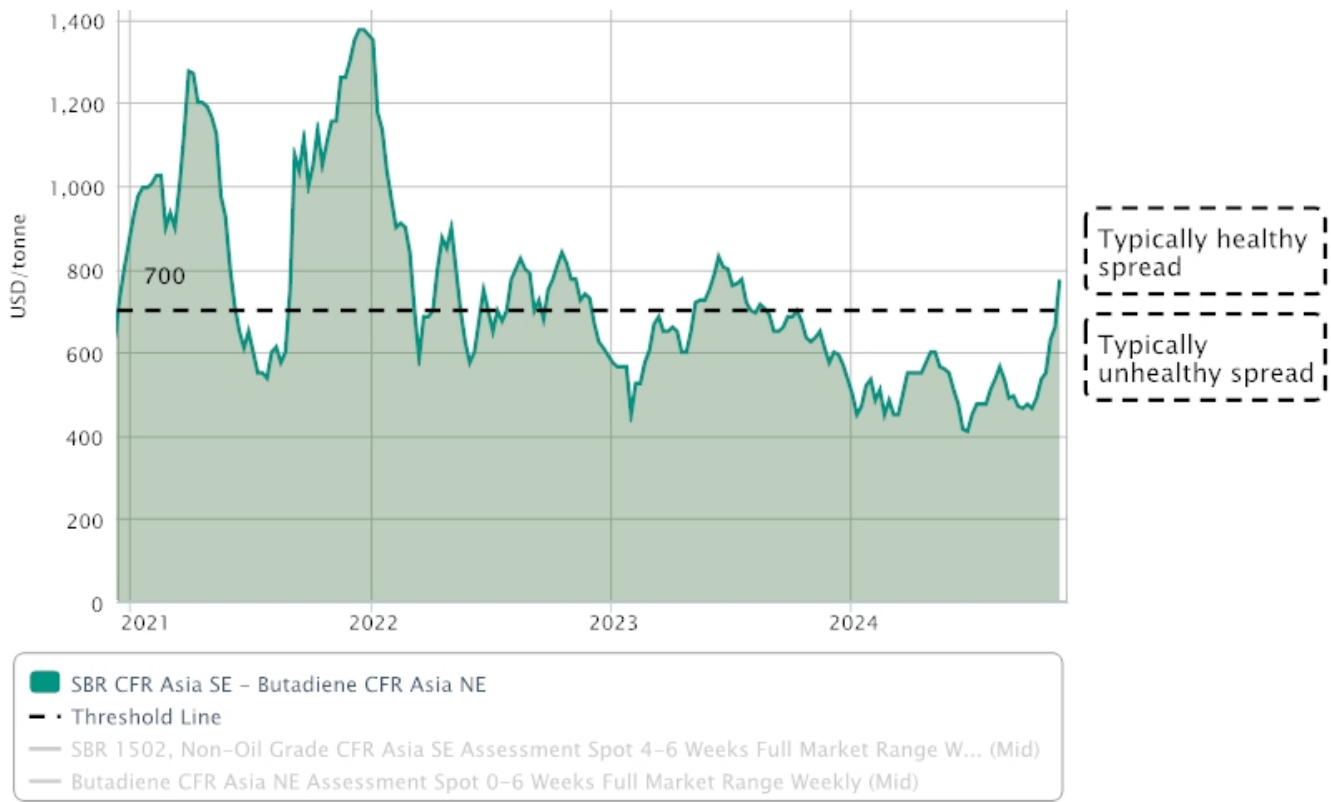
Butadiene (as at 15 Nov)

- Domestic China tumbles lower
- Import discussions plummet further in tandem
- Buying interest tepid as more spot cargoes surface

The chart below shows the spread between BD and SBR, which has edged back to healthy levels after languishing for nearly a year in the zone deemed by market participants to be unhealthy.

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

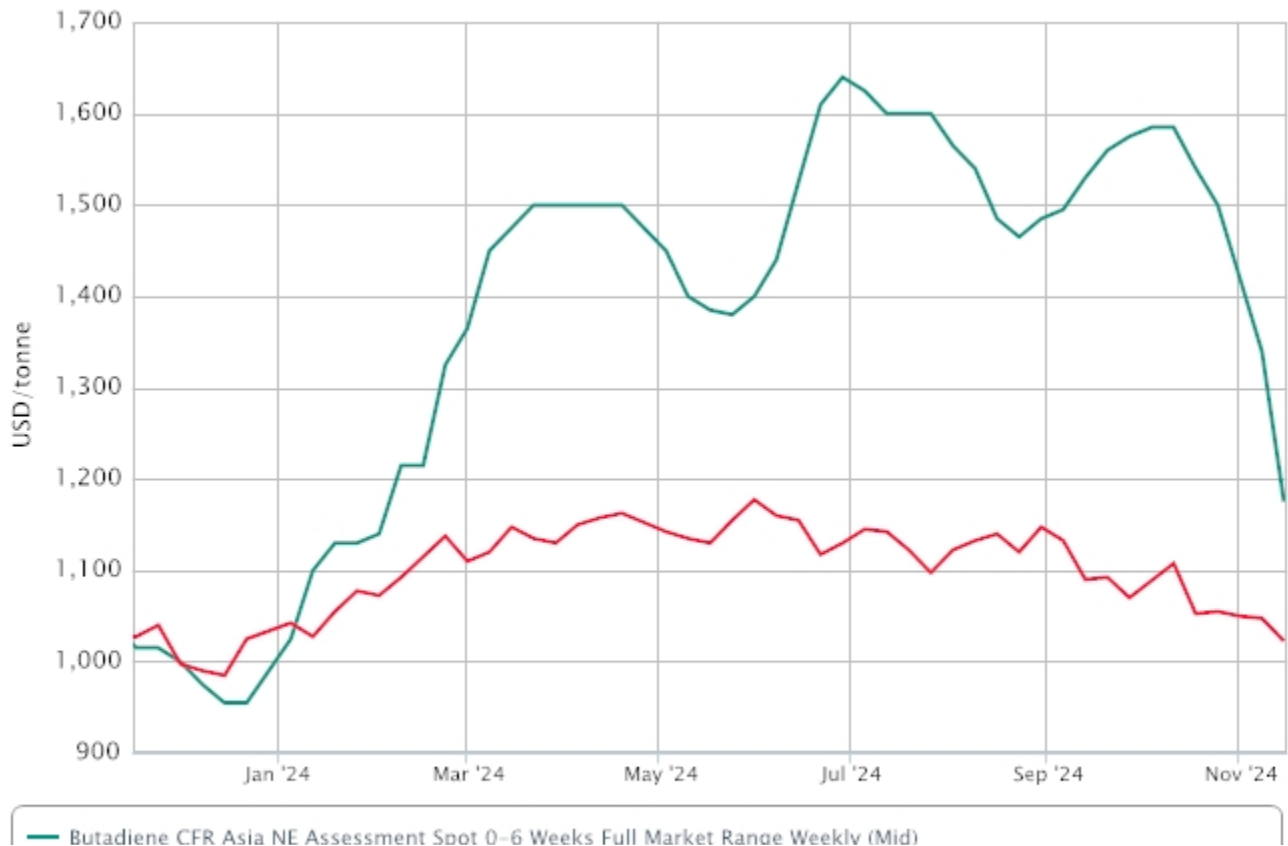




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Styrene:

- Bearish macro sentiment hampers China SM market performance
- China domestic Dec supply outlook eases following likely restart of ZPC's SM lines
- Strengthening US dollar makes market players cautious in trading on dollar-denominated terms



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

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PRODUCTION

An SBR production capacity of 135,000 tonnes/year in Tokuyama, Japan, will [restart](#) at the end of November after an over two-month-long servicing.

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

OTHER REGIONS

Europe

- Spot prices steady
- Annual talks in full flow
- Limited change in feedstock costs in Nov

ANALYTICS

ICIS styrene outlook

Europe's styrene supply is expected to increase as LyondellBasell and Covestro's Maasvlakte unit in the Netherlands resumes production in October.

While this move is expected to boost non-contractual styrene availability, the market is unlikely to be overwhelmed as the producer has already met its contractual obligations in Europe by shipping material in from the US.

Now, those buyers will be supplied from the facility in Europe, although styrene import availability from the US is also expected to increase in the coming weeks.

Styrene demand remains poor with no short-term recovery expected.

The construction sector, which accounts for a third of Europe's styrene demand, is heading into its low season, reducing consumption further.

Stock optimization efforts will also limit demand as buyers look to minimize inventories before the year's end.

As a result, demand is expected to remain subdued through December.

Early 2025 could see a modest demand uptick as restocking occurs in January 2025 and construction activity increases from March 2025.

However, high interest rates would likely prevent a significant recovery and continue to limit styrene consumption.

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