



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.

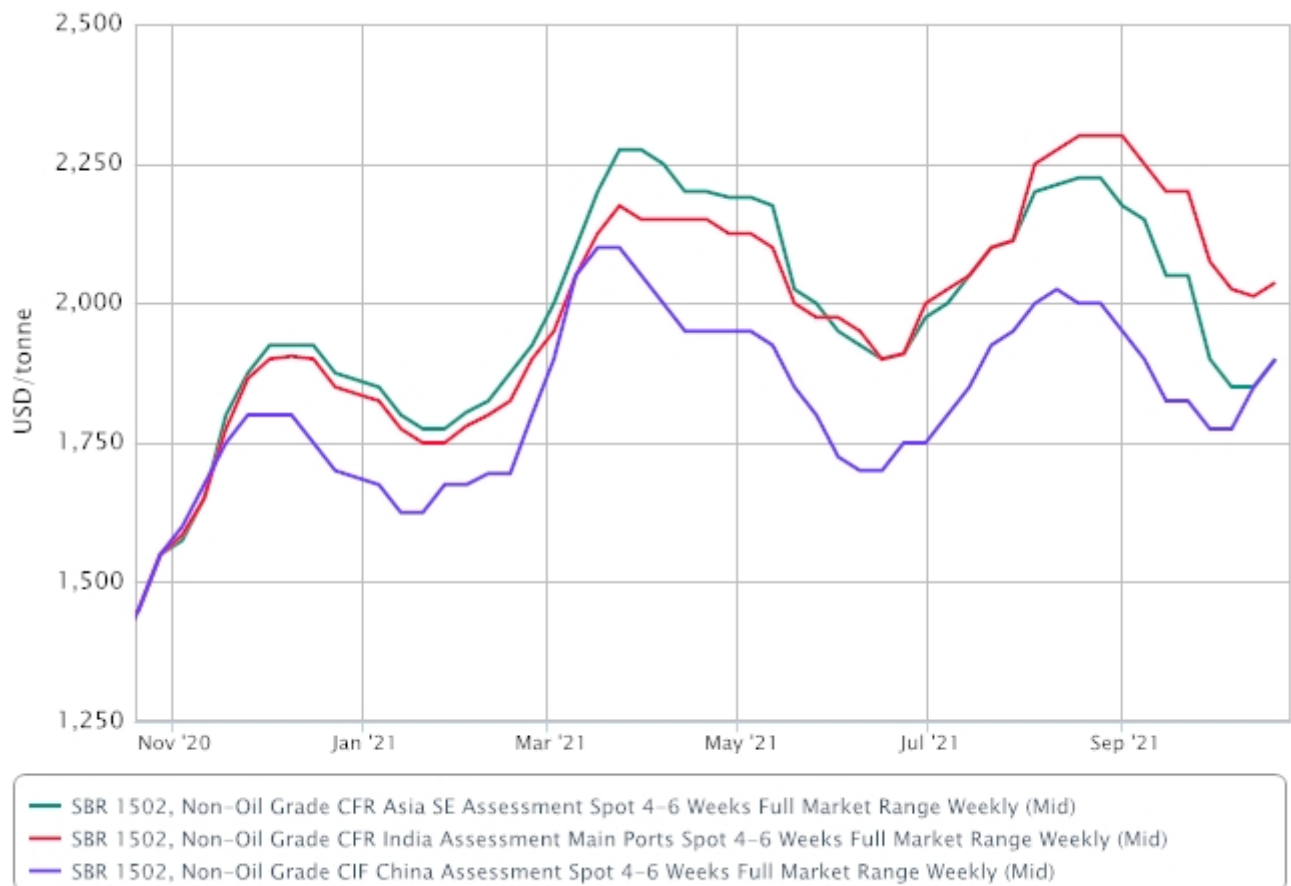
OVERVIEW

- Discussions generally [higher](#)
- Supplies limited on turnarounds
- Buying interest also buoyant in China

Asia's spot prices for styrene-butadiene-rubber (SBR) were generally stable-to-firm across the region, tracking strong performance of the domestic yuan-denominated market in China.

In China, domestic prices continued to trend up, as domestic production was crimped by a combination of scheduled turnarounds and power shortage-induced outages. This also boosted buying interest for US dollar-denominated imports into China.

Discussions for other regional outlets were also bolstered by the gains in China, with sellers holding firmer to higher offers, and buyers also raised bids to secure volumes, given that spot availabilities were limited in the first place amid a heavy wave of turnarounds in northeast Asia.



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OUTLOOK

- **Regional supply to stay snug until turnarounds are fully completed**
- **Production in China may shift too with how the power crunch crisis pans out**
- **Demand will hinge on how downstream production recovers amid power shortages**

PRICES

SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
SBR 1502, Non-Oil Grade						
CIF China	USD/tonne	+50	1850-1950	+50	1750-1900	83.91-88.45
CFR Asia SE	USD/tonne	+50	1850.00-1950.00	+50	2000.00-2100.00	83.91-88.45
CFR India Main Ports	USD/tonne	+50	2000.00-2075.00	n/c	2150.00-2250.00	90.72-94.12
SBR 1712, Oil-Extended						
CIF China	USD/tonne	+50	1750-1850	+50	1650-1800	79.38-83.91
CFR Asia SE	USD/tonne	+50	1750.00-1850.00	+50	1900.00-2000.00	79.38-83.91
CFR India Main Ports	USD/tonne	+50	1900.00-1975.00	n/c	2050.00-2150.00	86.18-89.58

China

CIF China prices for the non-oil 1502 grade were assessed higher on firmer discussions heard.

Offers were captured at the high-end, while some transactions were heard closed at the low-end.

CIF China prices for the oil-extended 1712 grade were assessed up in line with changes seen in the 1502 grade assessments, in the absence of any concrete 1712 discussions.

Domestic China prices of 1502 grade materials extended gains, supported by reduced output.

East China domestic SBR 1502 prices

Price (CNY/tonne)	20 October	13 October
E China Ex-Warehouse	14,400-14,600	14,200-14,400

Southeast Asia

CFR southeast (SE) Asia prices for the non-oil 1502 grade rose with firmer buy-sell talks.

Deals were heard in the assessment range, and some selling targets were heard over the high-end too.

Buying interest was more active than before, with more downstream plants restarting from a long-drawn pandemic-induced hiatus.

But most still kept to a cautious stance for spot negotiations, given lingering uncertainties in the macro-economic landscape.

CFR SE Asian prices for the oil-extended 1712 grade were also adjusted up with the changes for 1502 grade assessments, in the absence of concrete 1712 discussions.

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

Oct (1-20) 2021	Sep 2021	Aug 2021	July 2021	June 2021	May 2021	Apr 2021	Mar 2021
172.54	163.23	172.67	164.32	164.51	169.09	164.72	175.25

India

CFR India prices for the non-oil 1502 grade were assessed in a narrower range, with the low-end lifted with higher buying indications heard.

The high-end captures the lowest offers heard in the week.

Spot trade liquidity was still squeezed by a persistent buy-sell gap, and some local end-users were heard turning to procure domestically-produced cargoes instead.

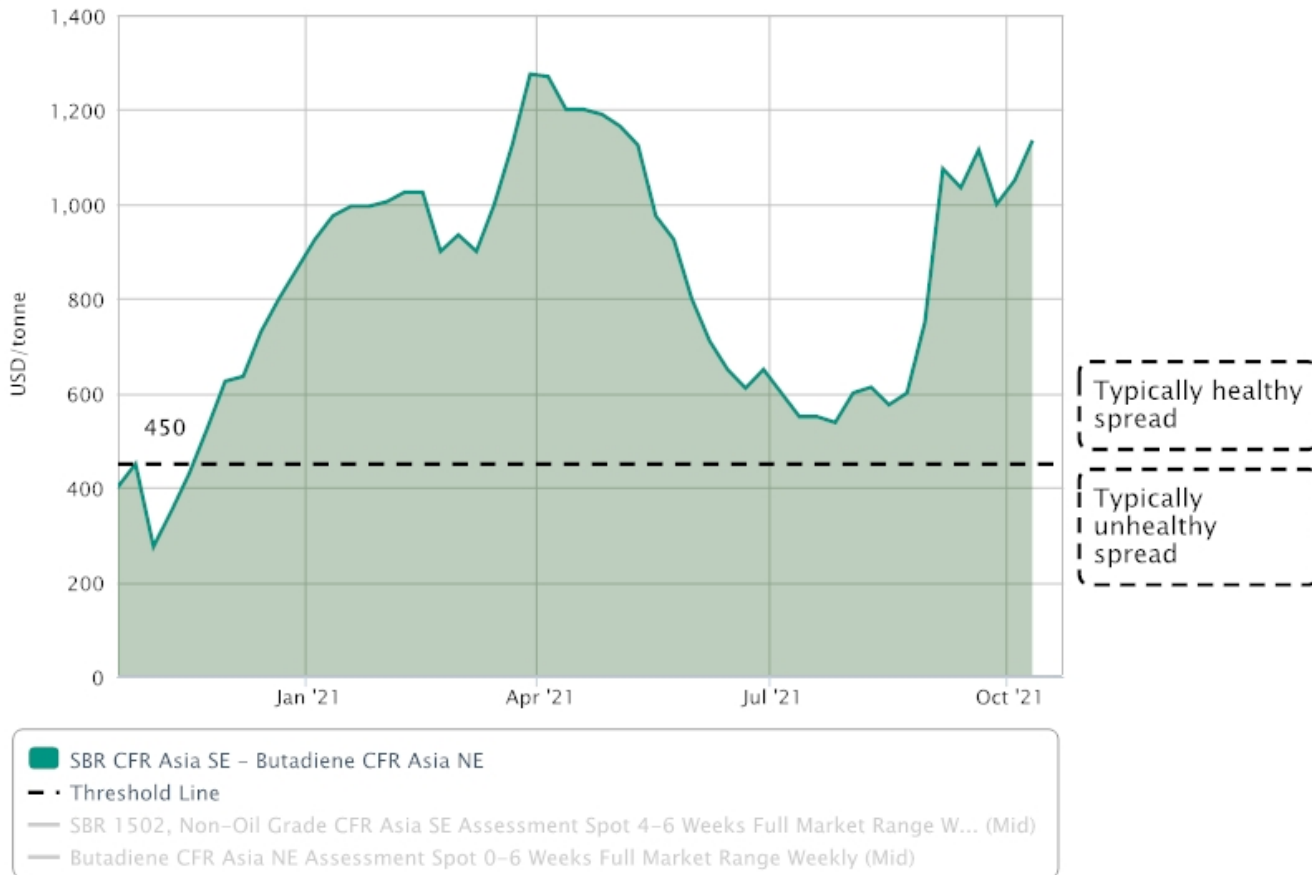
CFR India prices for the oil-extended 1712 grade were adjusted up at the low-end, in line with changes for the 1502 grade, in the absence of any concrete 1712 business.

UPSTREAM

Asian **butadiene** prices were [soft](#) in the import market, but recovered some lost ground in domestic China on lower operating rates there.

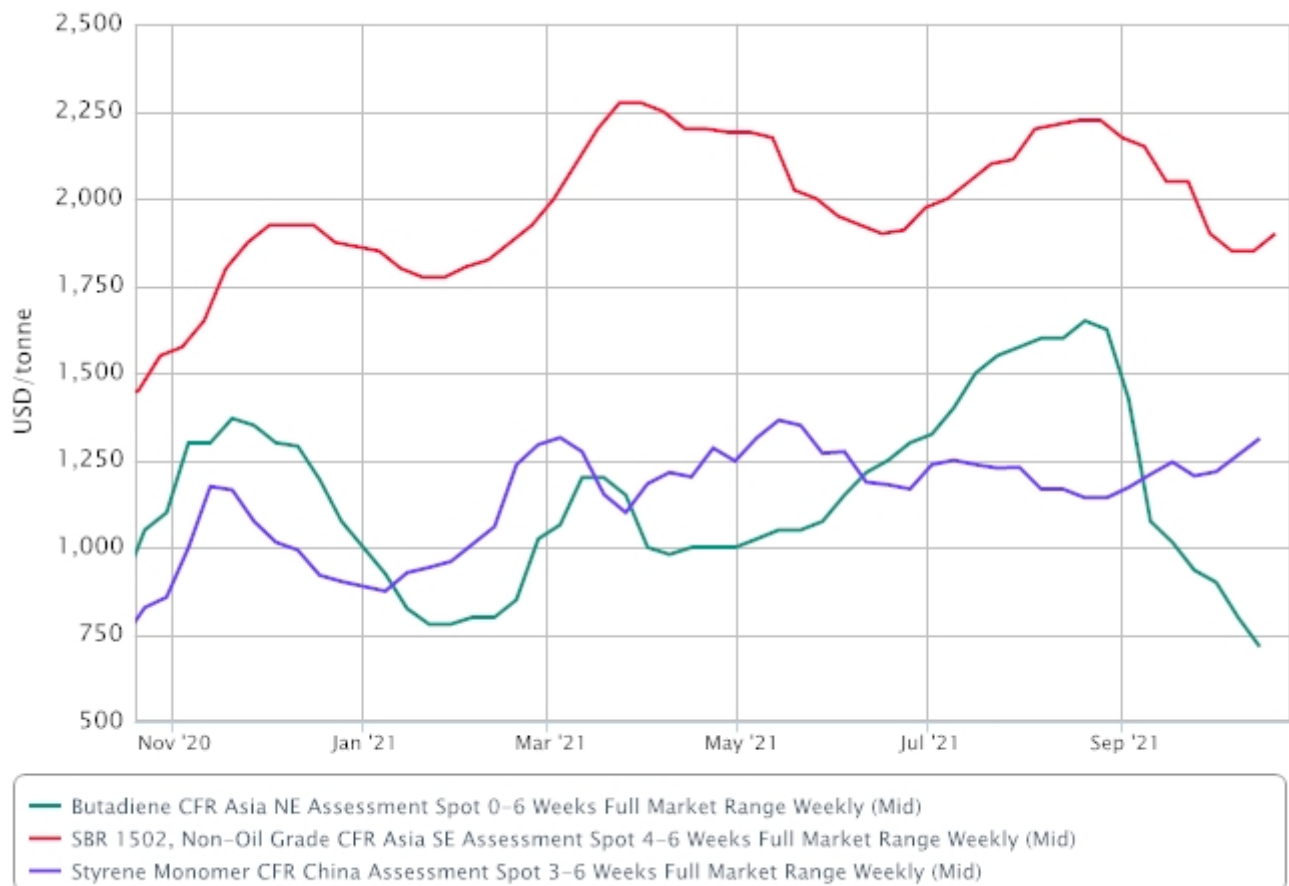
The chart below shows the spread between butadiene and SBR.

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



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Asian [styrene prices](#) were only on an upward trajectory at the start of the week, as upbeat sentiment was prevalent in the key Chinese market on firmer energy and gas prices. Increments were capped on profit-taking activities.



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PRODUCTION

In China, average operating rates of local SBR plants rose by one percentage point to 76% for the week ended 15 October, compared to 75% for the week ended 8 October, market sources said.

But moving forward, output in China may decline with turnarounds as well as power crunch-induced production limitations.

Elsewhere in Asia, spot availabilities of SBR were also weighed down by a heavy wave of plant [turnarounds](#) in Korea and India for October and November.

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

OTHER REGIONS

In the US, SBR supplies have finally reached some level [of sufficiency](#) for the first time this year, market players said.

In Europe, October SBR contract talks were [pressured](#) by energy surcharges announced by producers recently.

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