



Styrene Butadiene Rubber (Asia-Pacific)

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

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All prices in the weekly analysis on 22 May are assessed based on information collated up to 21 May. Please click [here](#) for the ICIS publishing schedule.

OVERVIEW

- **Offers edge down with extended upstream losses**
- **Buyers pul back even more awaiting deeper discounts**
- **Near-term [demand outlook](#) hazy**

Discussions in this week's Asian import market for styrene butadiene rubber (SBR) are hampered as buying interest tapered with continued losses in upstream markets.

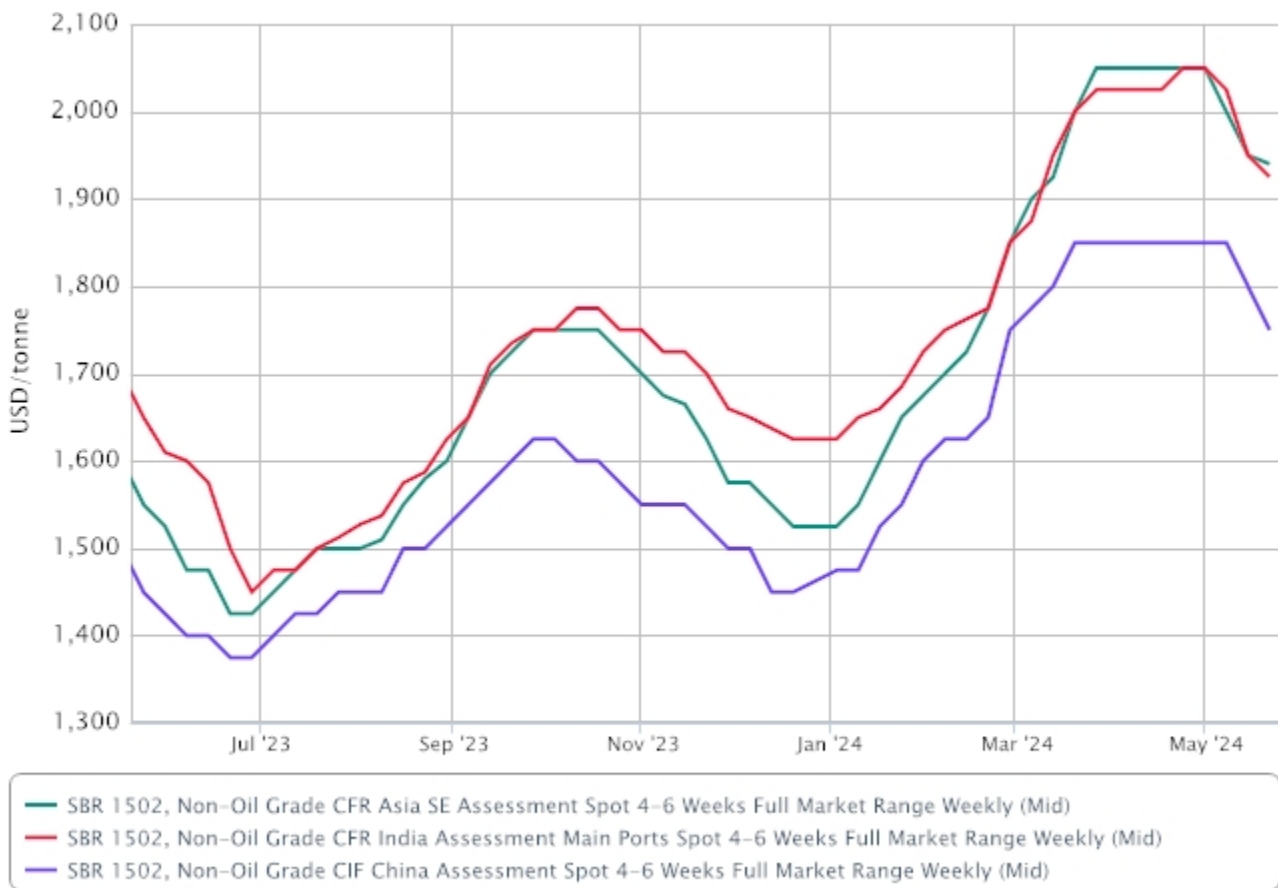
Feedstock butadiene (BD) remains weak, and some SBR offers corrected downwards as sellers sought to chase deals and boost sales.

But discounts from major regional SBR makers were capped by the reality that spot availabilities are minimal among them, amid a myriad of factors from ongoing maintenance closures to heavy contractual obligations.

That said, market players said that concrete buying interest was weak, with many end-users reluctant to book as yet, in anticipation that upcoming offers will soften further if the recent slide in upstream values is not arrested soon enough.

Some buyers are also cautious not to commit readily on fresh import purchases until there is clarity if the anticipated regional economic growth and recovery will take flight.

Uncertainties are abound on this front, as taking the key [China](#) market as a case in point, even as its industrial activity had picked up in April, market players said that its retail sales and property data were still far from satisfactory, suggesting too that the China's overall growth momentum remains weak.



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OUTLOOK

- Uncertainties gather on automotive sector outlook
- Fresh US import tariffs on electric vehicles may dent SBR consumption
- Need-based procurement to dominate for the near term

PRICES

SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
SBR 1502, Non-Oil Grade						
CIF China	USD/tonne	-50	1700-1800	-50	1800-1900	77.11-81.65
CFR Asia SE	USD/tonne	n/c	1900.00-1980.00	-20	2000.00-2100.00	86.18-89.81
CFR India Main Ports	USD/tonne	n/c	1850.00-2000.00	-50	2000.00-2100.00	83.91-90.72
SBR 1712, Oil-Extended						
CIF China	USD/tonne	-50	1650-1750	-50	1750-1850	74.84-79.38
CFR Asia SE	USD/tonne	n/c	1850.00-1930.00	-20	1950.00-2050.00	83.91-87.54

CFR India Main Ports	USD/tonne	n/c	1800.00-1950.00	-50	1950.00-2050.00	81.65-88.45
			0			

China

CIF China prices for the non-oil 1502 grade were assessed lower, tracking softer buy-sell indications.

CIF China prices for the oil-extended 1712 grade are adjusted down in line too with 1502 grade changes.

But domestic China prices edged up, alongside gains seen in the futures market.

East China domestic SBR 1502 prices

Price (CNY/tonne)	This week's close*	Previous week's close
E China Ex-Warehouse	13,400-13,500	13,200-13,300

*As at 21 May

Southeast Asia

CFR SE Asia prices for the non-oil 1502 grade were lower on the high-end with a softer offer heard. Some cargoes changed hands within the range, nearer to the low-end, market sources said.

CFR SE Asian assessments for the oil-extended 1712 grade were also adjusted in line with the changes for the 1502 grade.

SBR sellers remained encouraged by recent gains seen in the natural rubber market, as they are hopeful that this could provide some demand support for SBR as cheaper substitution products.

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

May (1-21) 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024	Dec 2023	Nov 2023	Oct 2023
166.00	162.99	165.36	156.66	154.20	146.31	148.42	145.26

Source: Malaysian Rubber Board

India

CFR Indian prices were stable-to-soft, with the high-end down on a lower offer heard for NE Asia origin materials.

Buying interest remains muted with some end-users heard still mulling the merit of tapping more actively on cheaper alternatives from non-conventional and non-Asia origin materials.

CFR India assessments for the oil-extended 1712 grade are adjusted in line with 1502 grade changes.

UPSTREAM

Butadiene

- Domestic China crumbles
- Buying interest for imports weighed down as such
- But patchy production picture keeps up sell-side spirits

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

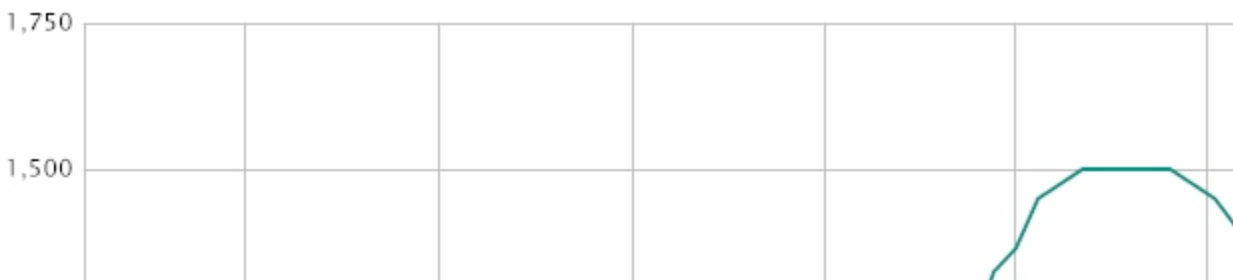
[Downstream spread – butadiene NE Asia and SBR SE Asia](#)

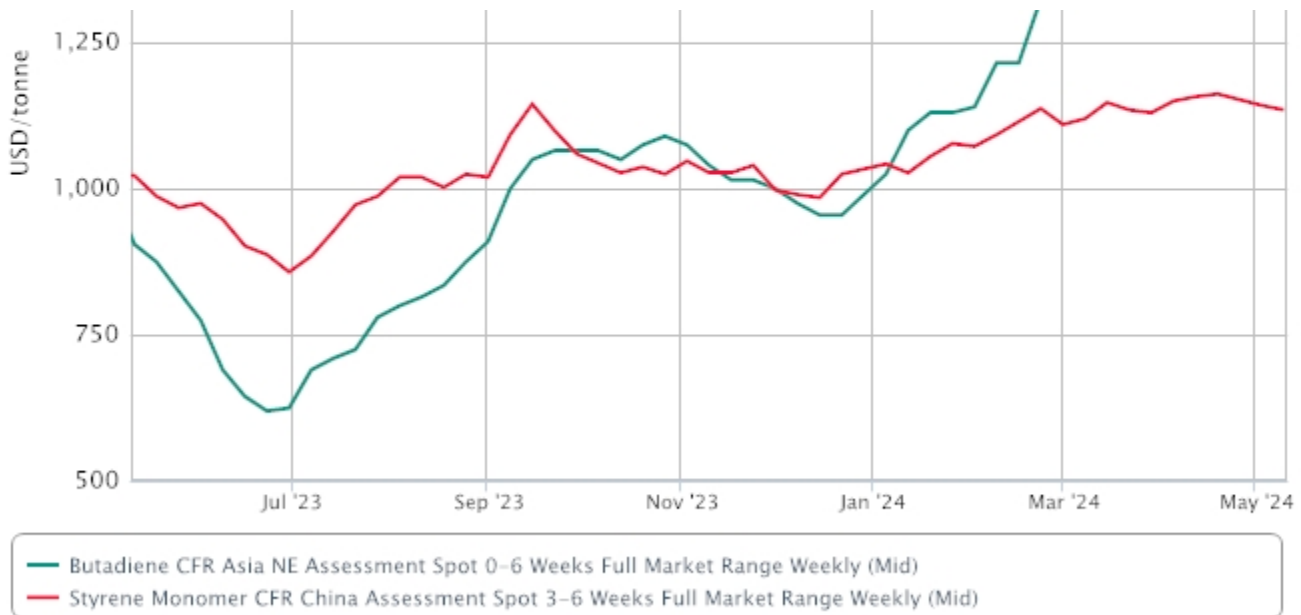


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Styrene

- Limited change in Asia's SM market fundamentals
- China SM market sentiment rebounds in H2 of week amid macro atmosphere recovery
- Spot supply in rest of Asia ex China remains relatively tight





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PRODUCTION

A 100,000 tonnes/year unit in Taiwan has [shut](#) for a month-long maintenance and expected to resume end-May.

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

OTHER REGIONS

Europe

- May contracts increase slightly on feedstock moves
- SBR spot prices hold steady
- No European impact from Arlanxeo outage in Brazil's Triunfo units after flooding

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