



Styrene Butadiene Rubber (Asia-Pacific)

By Ai Teng Lim
23-Oct-2024

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

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

OVERVIEW

- **Muted domestic China weighed on import market sentiment**
- **Some moderate offers emerged**
- **But spot trade liquidity capped on spot availability limitations**

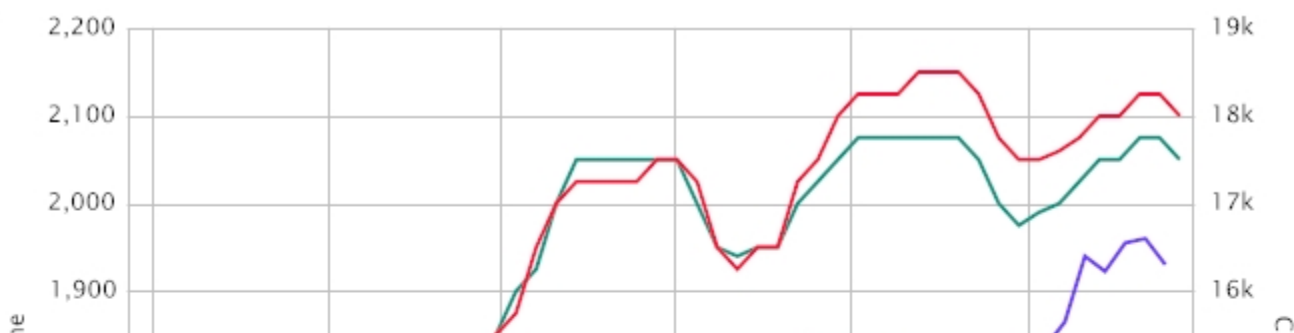
Discussions in the Asian styrene-butadiene-rubber (SBR) import market remained subdued, as persistent weakness in the domestic China market curtailed buying interest in wider Asian outlets.

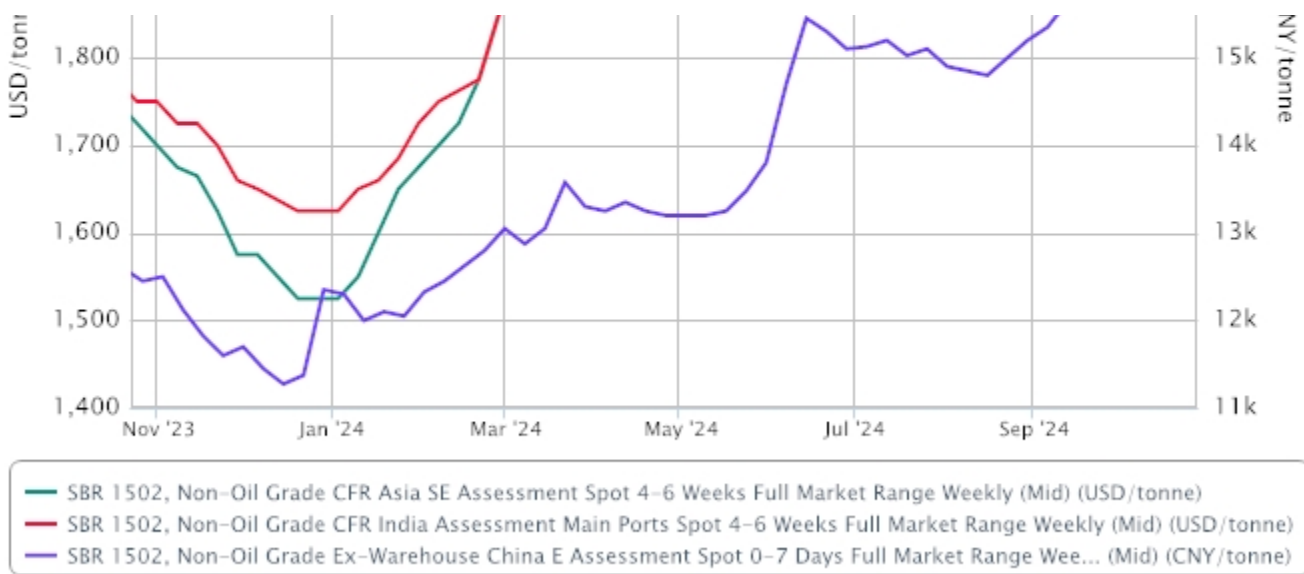
In China, domestic yuan-denominated prices for SBR fluctuated in a narrow band and ended broadly unchanged week-on-week. But overall atmosphere there is downbeat, especially on the back of news like [slower Q3 GDP growth](#) in the country.

This also impacted on trade momentum in the wider Asian arena, with many end-users wary about committing more heavily on forward import deliveries, lest they be saddled with undue inventories of raw materials if their downstream markets fail to pick up pace alongside a weak China.

Downstream demand outlook is mixed, with some still hopeful that China's stimulus measures may serve to [rejuvenate](#) China's Q4 GDP growth, while others believed that the fiscal directives may fall short.

Spot supply constraints, meanwhile, provided some support for offers, although some SBR sellers did moderate expectations slightly to bridge the buy-sell gap and keep some cargoes moving.





© 2024 ICIS

OUTLOOK

- Spot supply shortage may ease toward year-end
- Demand outlook mixed, and hinges on China’s growth prospects
- Buy-sell gap may widen

PRICES

SPOT PRICES

		Price Range			Four Weeks Ago	US CTS/lb
SBR 1502, Non-Oil Grade						
CIF China	USD/tonne	-50	1950-2050	n/c	1950-2000	88.45-92.99
CFR Asia SE	USD/tonne	n/c	2000.00-2100.00 0	-50	2000.00-2100.00	90.72-95.25
CFR India Main Ports	USD/tonne	n/c	2050.00-2150.00 0	-50	2050.00-2150.00	92.99-97.52
SBR 1712, Oil-Extended						
CIF China	USD/tonne	-50	1900-2000	n/c	1900-1950	86.18-90.72
CFR Asia SE	USD/tonne	n/c	1950.00-2050.00 0	-50	1950.00-2050.00	88.45-92.99
CFR India Main Ports	USD/tonne	n/c	2000.00-2100.00 0	-50	2000.00-2100.00	90.72-95.25

China

CIF China assessments for the non-oil 1502 grade widened with the low-end down to reflect more subdued buying indications Sbr tracking recent losses in yuan values.

CIF China assessments for the oil-extended 1712 grade are adjusted with changes for the 1502 grade.

Domestic prices in east China held steady with rangebound trades.

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	16,200-16,400

Southeast Asia

CFR SE Asian assessments for the non-oil 1502 grade are stable-to-soft, with the high-end lowered to capture the spectrum of deals and discussions for the week.

Some volumes were heard offered at above the range, but drew no buy-side response, market sources said.

CFR SE Asian assessments for the oil-extended 1712 grade are adjusted with changed for the 1502 grade.

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

Oct (1-23) 2024	Sep 2024	Aug 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024
208.81	196.02	179.89	168.65	176.00	170.03	162.99	165.36

Source: Malaysian Rubber Board

India

CFR India assessments for the non-oil 1502 grade also narrowed, with offers on northeast Asia-origin materials heard at the high-end and up.

Buying indications remains capped at the low-end, but concrete requirements are limited with many local players already starting to wind down for the extended Diwali holidays in end October.

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

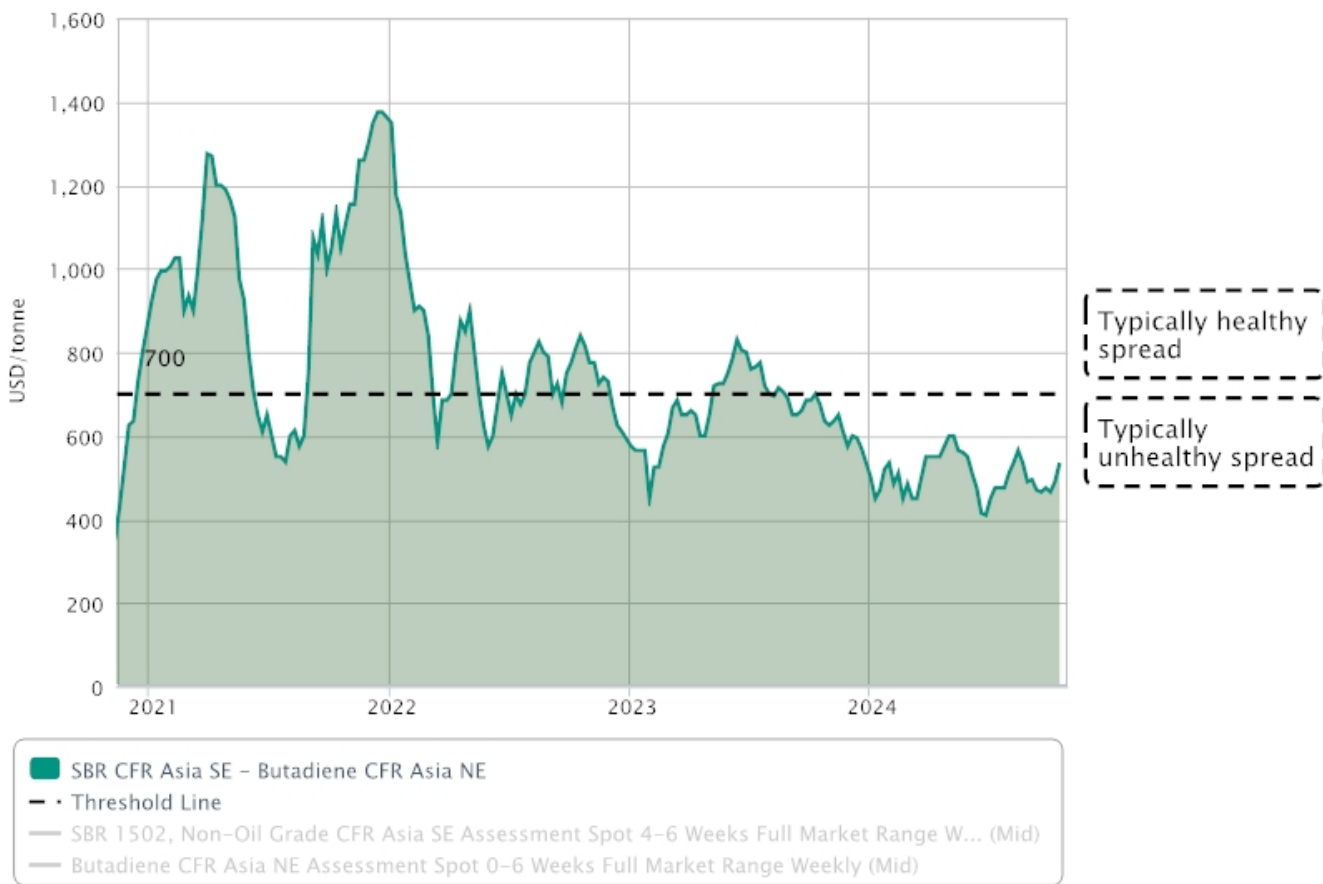
UPSTREAM

Butadiene

- Losses deepen in domestic China
- Import talks [down](#) in tandem
- Spot trade liquidity curtailed as buy-sell gap widens

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

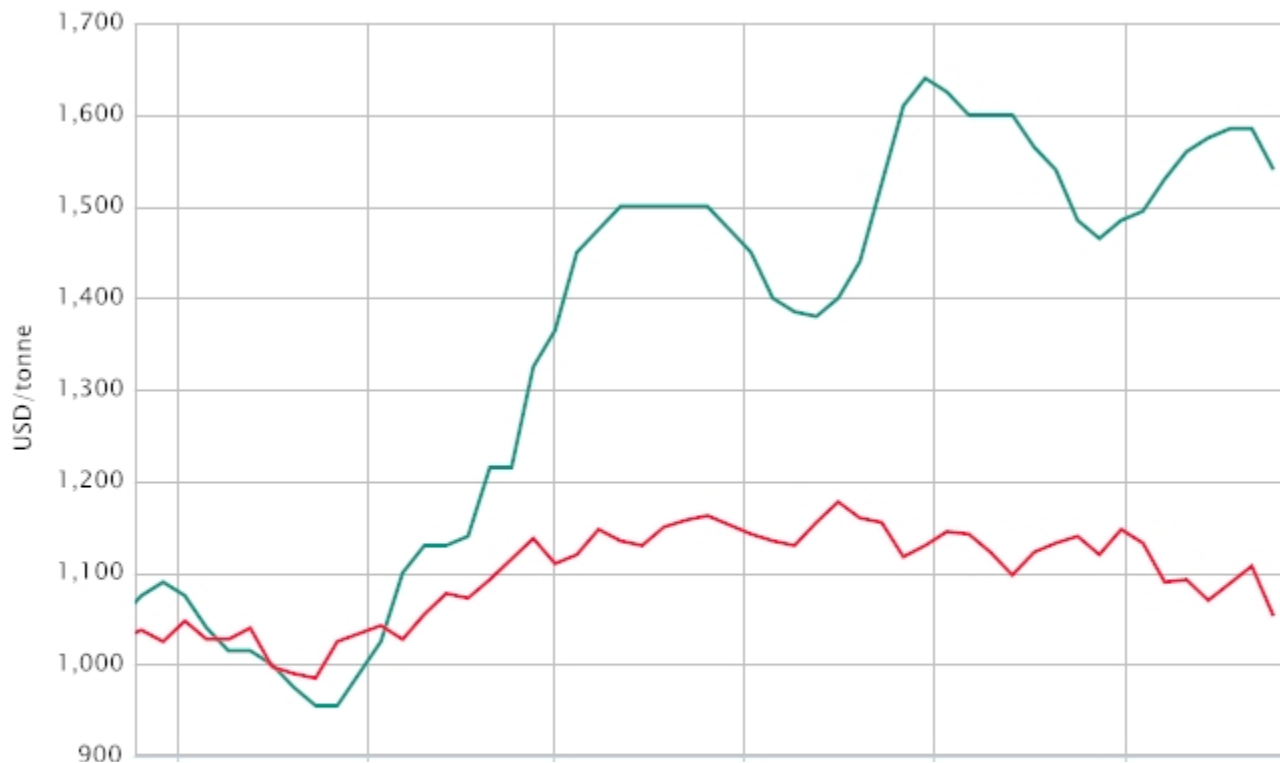
[Downstream spread – butadiene NE Asia and SBR SE Asia](#)



© 2024 ICIS

Styrene

- 2025 term discussions take place among market players during Xiamen conference
- Softer feedstock benzene market adds downward pressure to China SM market
- Macro sentiment cooldown continues; market players refocus on fundamentals to price cargoes



Nov '23

Jan '24

Mar '24

May '24

Jul '24

Sep '24

— Butadiene CFR Asia NE Assessment Spot 0–6 Weeks Full Market Range Weekly (Mid)
 — Styrene Monomer CFR China Assessment Spot 3–6 Weeks Full Market Range Weekly (Mid)

© 2024 ICIS

PRODUCTION

There are several Q4 maintenance closures in northeast Asia.

Company	Location	Status	Capacity (MT/ year)	Start	End
Zeon	Tokuyama, Japan	Maintenance	135,000 (two lines)	20 Sep	Late Nov
Kumho	Ulsan, South Korea	Maintenance	283,000 (three lines)	End Sep	Late Oct

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

OTHER REGIONS

Europe

- October SBR contracts soften on upstream styrene losses
- Spot SBR prices also move down on feedstock evolution
- Demand still good and supply is on the snug side

Styrene Butadiene Rubber (Asia-Pacific) | 23-Oct-2024. ICIS accepts no liability for commercial decisions based on the content of this report. Unauthorised reproduction, onward transmission or copying of the Styrene Butadiene Rubber (Asia-Pacific) Report in either its electronic or hard copy format is illegal. Should you require a licence or an additional copy of the Styrene Butadiene Rubber (Asia-Pacific) Report, please contact ICIS at sales.uk@icis.com

ICIS, Quadrant House, The Quadrant, Sutton, Surrey, SM2 5AS. United Kingdom. ICIS accept no liability for commercial decisions based on the content of this report. Copyright violation is a serious offence. Any distribution or forwarding of information that is not expressly permitted by your subscription agreement is a copyright violation. ICIS uses software to monitor unauthorised electronic redistribution of reports.

© 2024 Reed Business Information Limited. ICIS is a member of RELX Group. www.icis.com

