



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.

OVERVIEW

- **Producers reeling under cost pressure**
- **Discussions crimped by wide buy-sell gap**
- **Buyers resistant to offers**

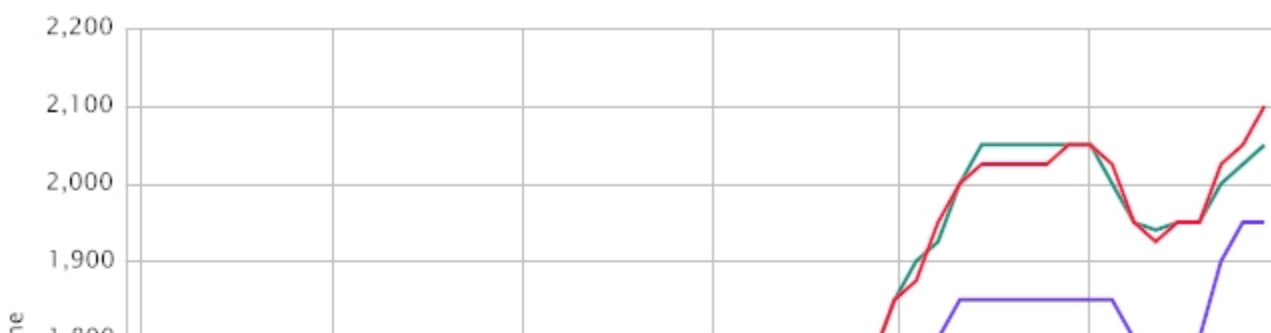
Discussions in this week's Asian import market for styrene butadiene rubber (SBR) are supported mainly by firm offers, even as mounting downstream affordability concerns weighed on buying interest.

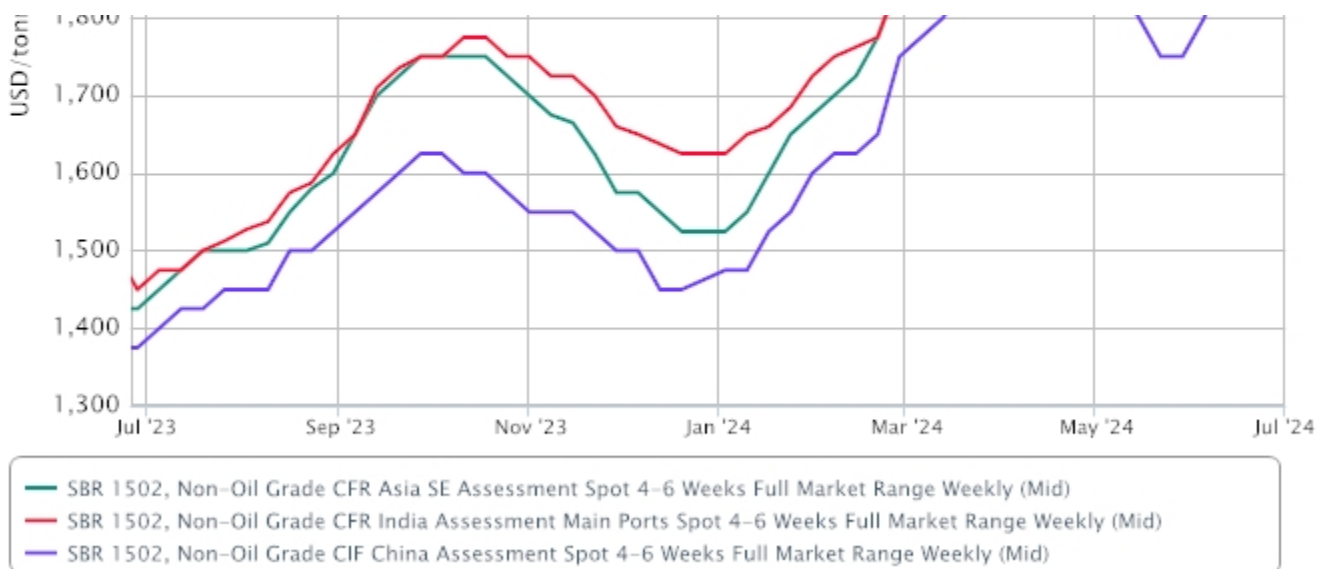
Feedstock [butadiene](#) (BD) prices spiralled up with bullish China export trades, and SBR makers said that they have few options but to hold current offers, if not chase even higher targets, in order to recoup costs and protect frail margins.

SBR makers said that they also have to contend with stiff freight costs. Vessel space is also tight, adding to their woes for arrangement of forward import shipment.

But buy-side response is lacklustre, with many end-users starting to pull back deeper into the sidelines, saying that they would review and cut spot procurement of SBR if pricing conditions for their own finished products could not keep up.

If spot trade liquidity continues to taper, while feedstock BD costs fail to ease, market players said that it was likely more SBR makers may consider op rate cuts to minimise inventory pressures and contain costs.





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OUTLOOK

- Upstream costs pressures may not ease so soon
- Producers do not rule out op rate cuts
- Looming restrictions on [China's electric vehicles exports](#) may weigh on demand

PRICES

SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
SBR 1502, Non-Oil Grade						
CIF China	USD/tonne	n/c	1900-2000	n/c	1700-1800	86.18-90.72
CFR Asia SE	USD/tonne	+50	2000.00-2100.00	n/c	1900.00-2000.00	90.72-95.25
			0			
CFR India Main Ports	USD/tonne	+50	2000.00-2200.00	+50	1900.00-2000.00	90.72-99.79
			0			
SBR 1712, Oil-Extended						
CIF China	USD/tonne	n/c	1850-1950	n/c	1650-1750	83.91-88.45
CFR Asia SE	USD/tonne	+50	1950.00-2050.00	n/c	1850.00-1950.00	88.45-92.99
			0			
CFR India Main Ports	USD/tonne	+50	1950.00-2150.00	+50	1850.00-1950.00	88.45-97.52
			0			

China

CIF China prices for the non-oil 1502 grade held steady on rangebound buy-sell indications.

CIF China prices for the oil-extended 1712 grade are unchanged with stable 1502 grade.

Domestic China prices were stable-to-soft, weighed down by slower off-take.

East China domestic SBR 1502 prices

Price (CNY/tonne)	This week's close	Previous week's close
E China Ex-Warehouse	15,100-15,200	15,100-15,300

Southeast Asia

CFR SE Asian assessments for the non-oil 1502 grade narrowed, with the low end lifted to capture the full spectrum of buy-sell talks for the week.

Offers were heard at the high end and up, while some transactions materialised at the lower end, market sources said.

CFR SE Asian prices for the oil-extended 1712 grade are adjusted up on the low end, in line with changes for the 1502 grade.

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

Jun (1-26) 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024	Dec 2023
176.79	170.03	162.99	165.36	156.66	154.20	146.31

Source: Malaysian Rubber Board

India

CFR India prices for the non-oil 1502 grade were up on the high end with firmer offers, while buying indications are capped at the low end, for northeast Asia-origin materials.

Some buyers stepped up to replenish stocks but overall demand is still capped, in the run-up to the monsoon season, during which downstream operations are typically slower due to potential floods and rainy weather, market players said.

CFR India prices for the oil-extended 1712 grade are adjusted with changes for the 1502 grade.

UPSTREAM

Butadiene

- Bullish discussions and trades for China exports
- Some short-covering activities still ongoing
- But additional spot availabilities, including deep-sea materials, surfaced

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

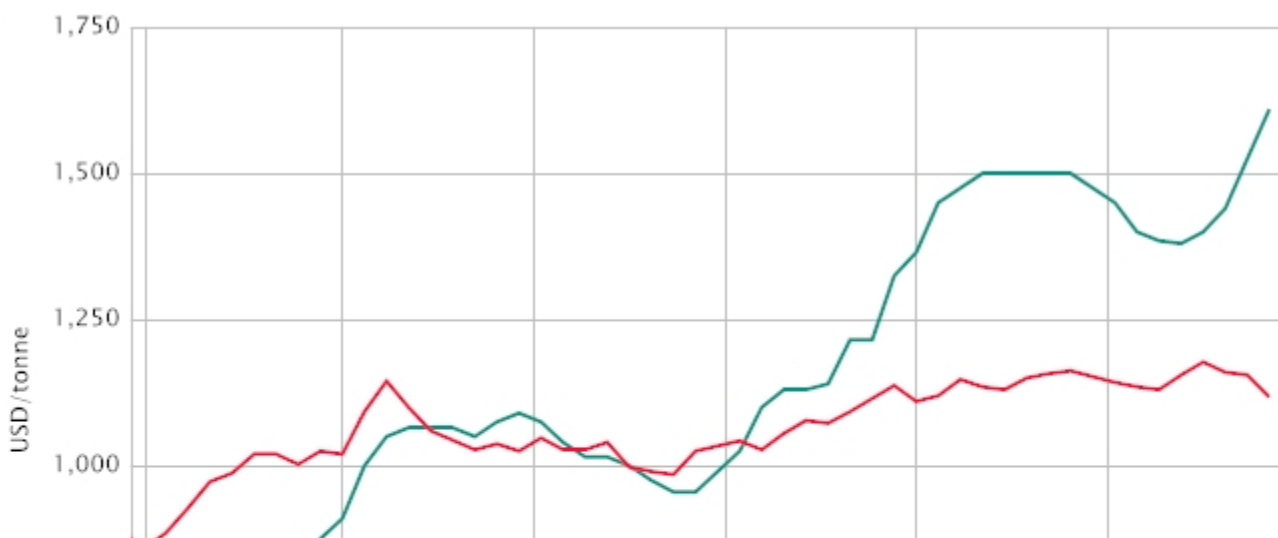
[Downstream spread – butadiene NE Asia and SBR SE Asia](#)

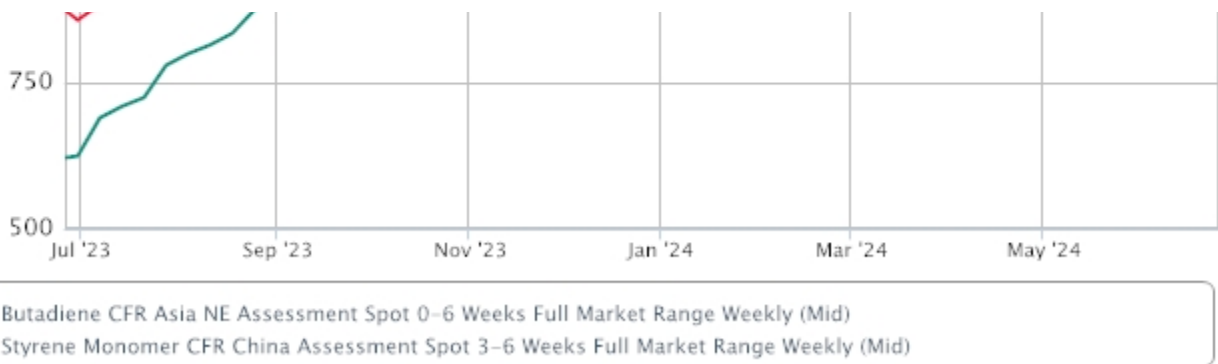


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Styrene

- Market sentiment appears bearish, tracking softening feedstock benzene cost supports
- Lack of clarity for China's SM futures adds to market volatilities
- China announces an extension of five-year ADD against SM imports from three origins





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PRODUCTION

Japan's [Zeon](#) plans to discontinue a portion of its emulsion-SBR production at the Tokuyama site in 2026, according to the company's report published on 11 June. Its total SBR production capacity at Tokuyama is 135,000 tonnes/year, according to ICIS data.

In China, two [lines](#) in Xinjiang, each with 60,000 tonnes/year worth of production capacity, has shut from mid-May to H1 July for maintenance.

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

OTHER REGIONS

Europe

- June contracts assessed at increase
- Spot prices hold steady
- Market dynamics unchanged

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