



## Styrene Butadiene Rubber (Asia-Pacific)

By Ai Teng Lim  
28-Aug-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

- **China sees some support from domestic futures gains**
- **Downstream demand otherwise mostly limp across the region**
- **Spot supply constraints cushion impact of demand losses**

Spot discussions in Asia's import market for styrene-butadiene-rubber (SBR) are mixed across the region - steady in China, but relatively more muted in other wider Asian outlets.

Overall, substantive downstream demand is not robust, as majority buyers remained wary about the risk of falling requirements from the key downstream automotive sector, especially in the wake of Canada's decision for [hefty levy](#) on China-made electric vehicle imports.

But in select regional outlets, these downside pressures were absorbed this week, to some extent by several localised developments.

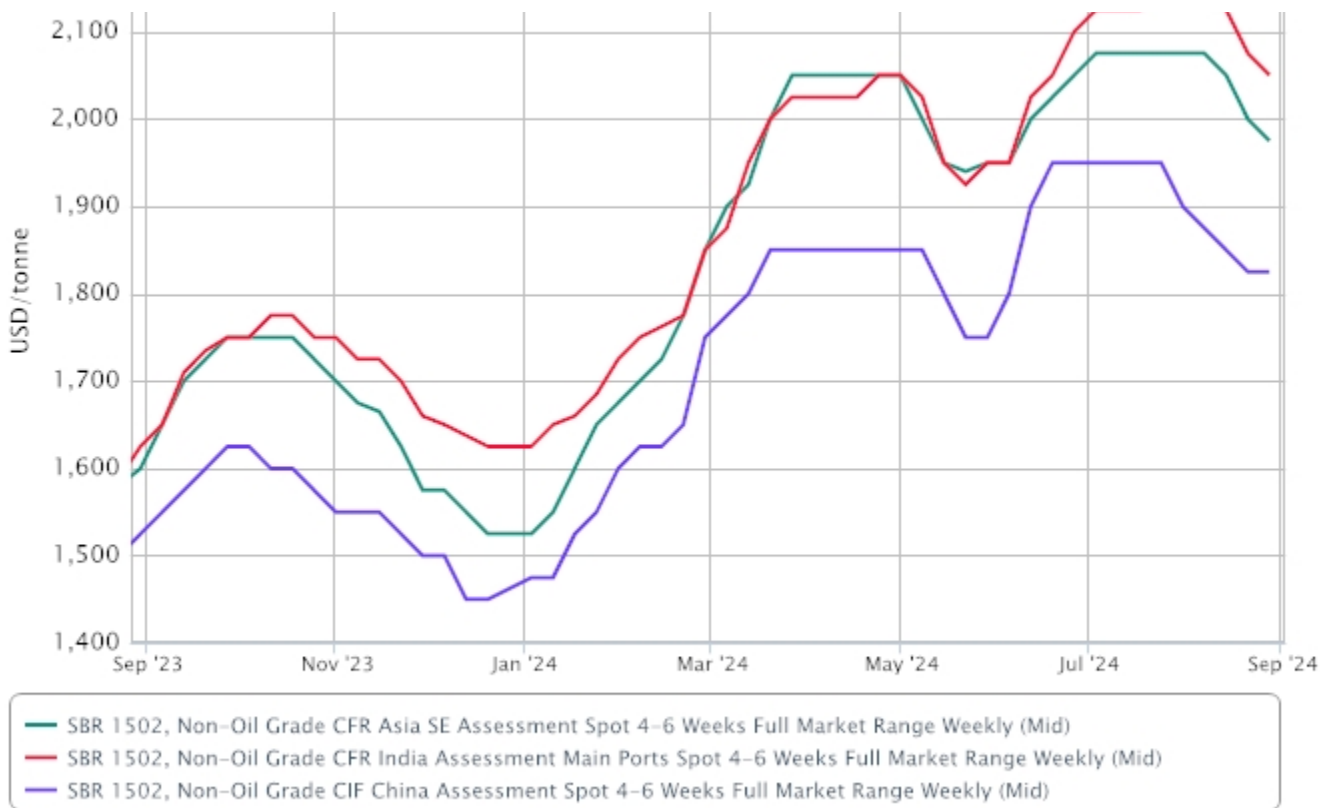
Firstly in China, recent gains seen in the domestic polybutadiene (PBR) futures helped uplift yuan-denominated prices for physical SBR and PBR cargoes, which in turn provided some support for discussions on US dollar denominated imports.

In SE Asia and India, some sellers did moderate expectations further, albeit slightly, to narrow the gap with buyers. But especially in India, sellers were optimistic too that off-take would pick up once the monsoon season ends, and firmer natural rubber prices are expected to boost demand for cheaper substitution products like SBR too.

That said, as overall spot availabilities are expected to taper from here, amid an upcoming wave of regional SBR plant maintenances, market sources said that sellers' discounts would be capped.

2,200





© 2024 ICIS

## OUTLOOK

- Domestic China to trend with developments in the futures market
- Regional spot supplies to tighten on a heavy wave of Q4 maintenance
- Players to monitor how downstream demand may pan out from here

## PRICES

### SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
<b>SBR 1502, Non-Oil Grade</b>						
<b>CIF China</b>	USD/tonne	n/c	1800-1850	n/c	1850-1950	81.65-83.91
<b>CFR Asia SE</b>	USD/tonne	n/c	1950.00-2000.00	-50	2050.00-2100.00	88.45-90.72
			0			
<b>CFR India Main Ports</b>	USD/tonne	n/c	2000.00-2100.00	-50	2100.00-2200.00	90.72-95.25
			0			
<b>SBR 1712, Oil-Extended</b>						
<b>CIF China</b>	USD/tonne	n/c	1750-1800	n/c	1800-1900	79.38-81.65
<b>CFR Asia SE</b>	USD/tonne	n/c	1900.00-1950.00	-50	2000.00-2050.00	86.18-88.45
			0			

<b>CFR India Main Ports</b>	USD/tonne	n/c	1950.00-2050.00	-50	2050.00-2150.00	88.45-92.99
			0			

## China

CIF China discussions for the non-oil 1502 grade held steady, with import offers heard stable, supported by an uptick seen in the domestic Chinese yuan-denominated cargoes.

CIF China assessments for the oil-extended 1712 grade were also range-bound, in line with the 1502 grade assessment.

In China, domestic prices in east China were lifted by strong PBR futures performance in the domestic exchange.

### East China domestic SBR 1502 prices

Price (CNY/tonne)	This week's close	Previous week's close
E China Ex-Warehouse	15,150-15,350	14,900-15,100

## Southeast Asia

CFR SE Asian prices for the non-oil 1502 grade were stable-to-soft, with the high-end dropped on a lower offer heard.

Some transactions took place within the published range, market sources said.

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

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

Aug (1-28) 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024
179.01	168.65	176.00	170.03	162.99	165.36	156.66

Source: Malaysian Rubber Board

## India

CFR Indian assessments for the non-oil 1502 grade were stable-to-soft, with the high-end lowered alongside a softer offer heard for NE Asia-origin materials, against broadly stable buying indications capped at the low-end.

Outlook is mixed on near-term demand, with local producers relatively positive that off-take is robust and could improve further once the monsoon season is fully over in the coming month,

Local end-users were, however, more sanguine in their outlook and cautious about over-extending on current purchases. Many also continued to mull the merit of replacing cargoes from traditional NE Asian suppliers with cheaper alternatives from non-Asia origins.

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

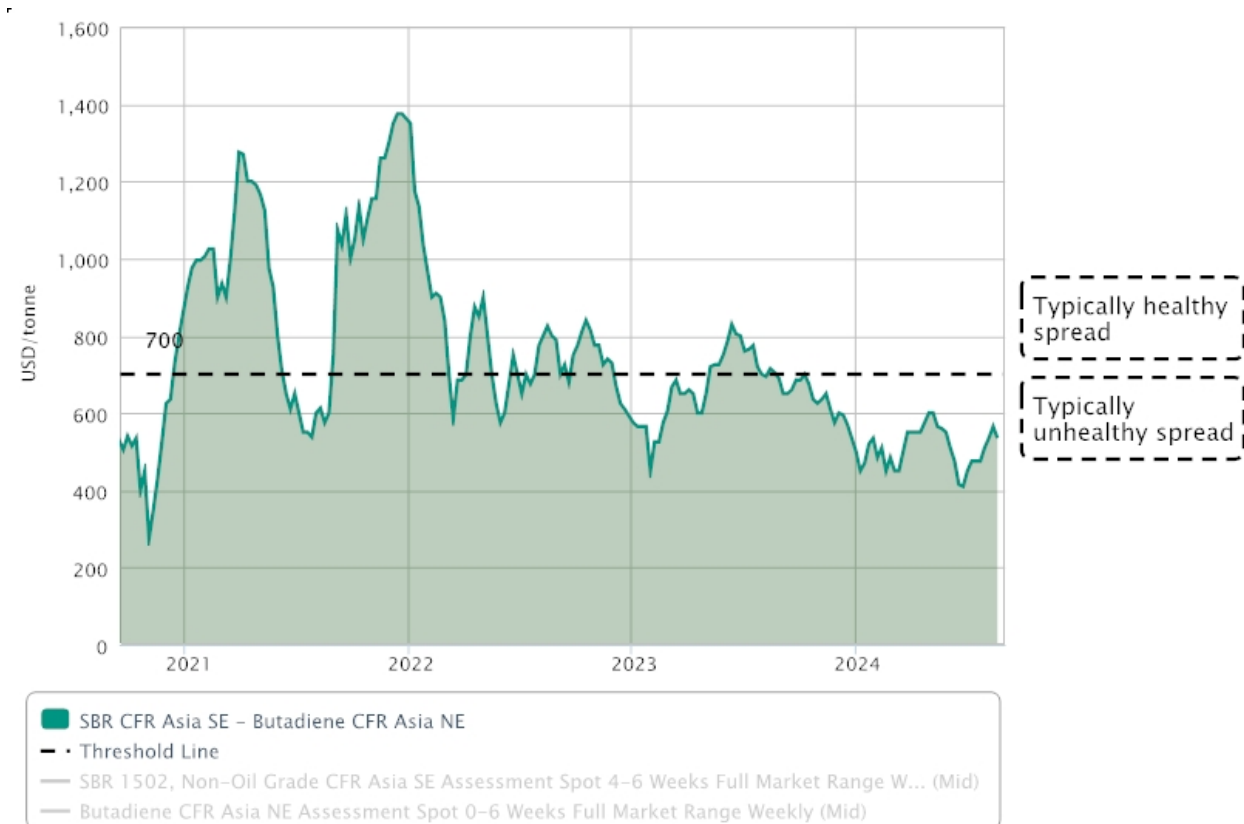
## UPSTREAM

### Butadiene

- Import market still deemed to be amply supplied
- This continues to weigh on buying appetite for imports
- Derivative futures gains keep domestic China prices supported

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

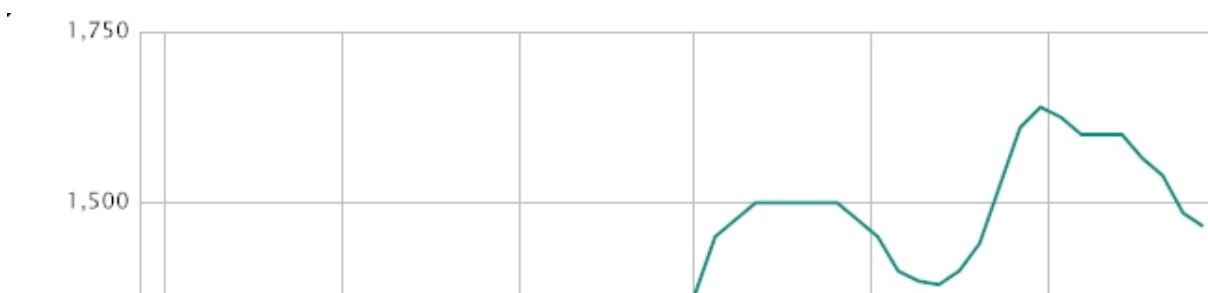
[Downstream spread – butadiene NE Asia and SBR SE Asia](#)

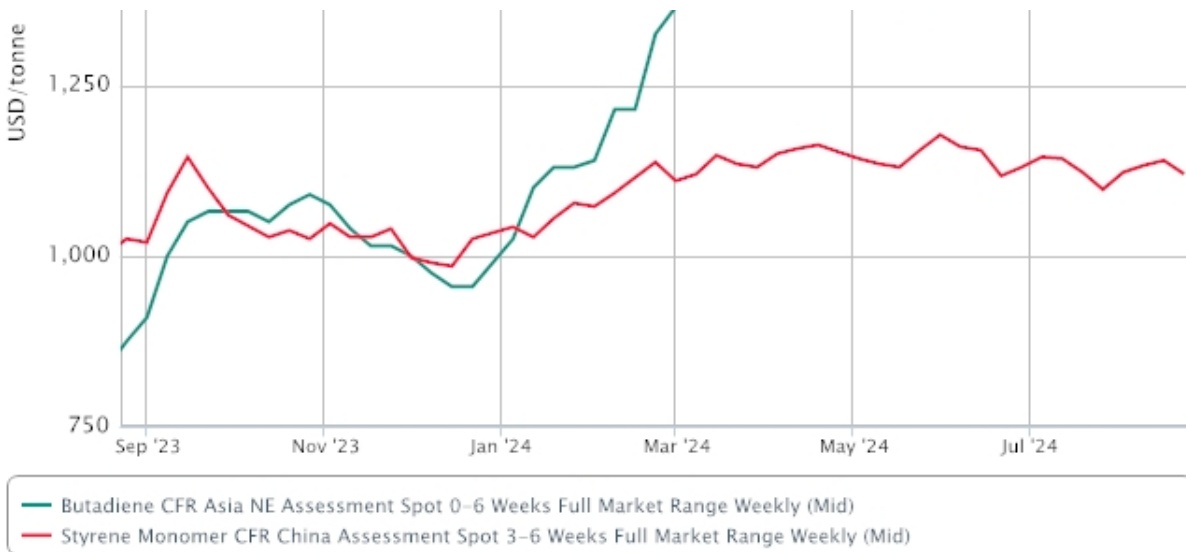


© 2024 ICIS

### Styrene

- Lack of demand-driven momentum continues constraining SM market movements
- China market players concerned about demand recovery ahead of industrial season
- Regional spot talks remain slow, price competition appears intense in CFR South Korea market





© 2024 ICIS

## PRODUCTION

135,000 tonnes/year worth of SBR production capacity in Tokuyama, Japan, will [shut](#) for turnarounds in the mid-September to end November period.

There will be scheduled maintenance for SBR plants in [Ulsan](#), South Korea, involving up to 283,000 tonnes/year worth of production capacity.

In China, a 150,000 tonnes/year unit in Jilin is [shut](#) from late August to mid-October for maintenance.

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

## OTHER REGIONS

### Europe

- SBR August contracts increase on feedstocks
- Upstream BD contract price emerges at rollover
- Spot picture murky - wide ranging prices

**Styrene Butadiene Rubber (Asia-Pacific) | 28-Aug-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](mailto: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](http://www.icis.com)

