



Styrene Butadiene Rubber (Asia-Pacific)

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31-Aug-2022

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

OVERVIEW

- **Weak demand persists**
- **Buyers cautious**
- **Some sellers retreat**

Spot discussions for styrene-butadiene-rubber (SBR) imports remained weighed down by lacklustre demand.

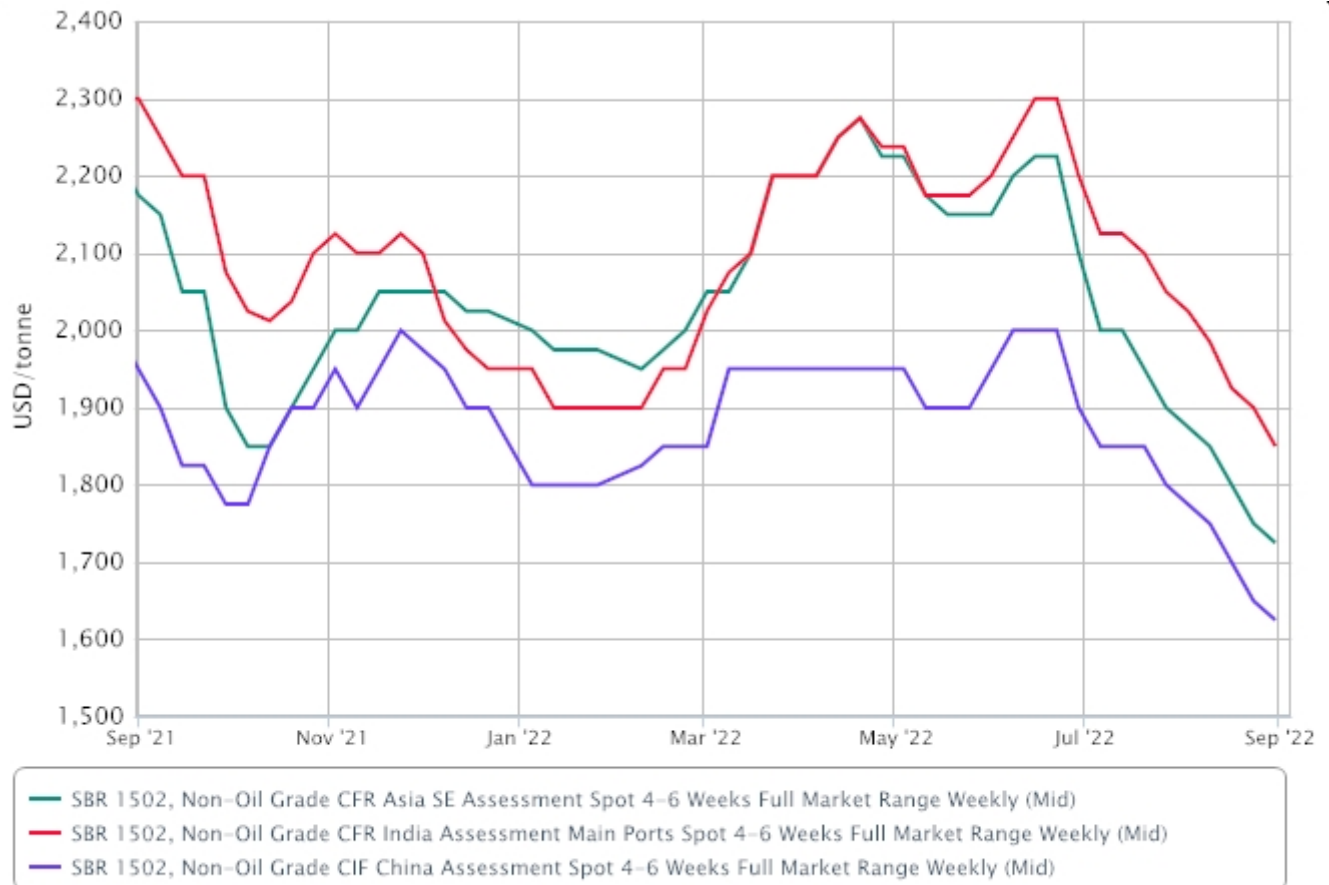
Some sellers retreated to reconsider their positions amid disappointment that spot sales did not pick up even after they had offered wide discounts in the last few weeks.

Buyers in southeast Asia mostly stayed away on worries that their own downstream markets will crumble if macroeconomic issues like soaring [inflation](#) fail to abate soon.

Many were cautious about overstocking on raw materials including SBR, and kept procurement to small parcels and on a need-to basis.

Demand for SBR imports was also undermined by ample supplies of competitively-priced domestic product in China. Substantive requirements were crimped to begin with, as the latest data shows that China's manufacturing activity in [August](#), even if marginally higher than in July, remains in contraction mode.

Buying interest in imports may see more support in India, sources said, as local SBR output will be dented once a domestic plant turnaround commences in October. Despite this, potential buyers were heard in no hurry to finalise fresh import bookings as they expect import offers to continue to trend lower in the near future, alongside an overarching global economic slowdown.



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OUTLOOK

- Spot supplies to tighten on upcoming maintenance
- Demand outlook hazy
- Bearish sentiment may dominate in near term

PRICES

SPOT PRICES

			Price Range		Four Weeks Ago	US CTS/lb
SBR 1502, Non-Oil Grade						
CIF China	USD/tonne	-50	1550-1700	n/c	1700-1850	70.31-77.11
CFR Asia SE	USD/tonne	-50	1650.00-1800.00	n/c	1800.00-1950.00	74.84-81.65
CFR India Main Ports	USD/tonne	-50	1750.00-1950.00	-50	1900.00-2150.00	79.38-88.45
SBR 1712, Oil-Extended						
CIF China	USD/tonne	-50	1450-1600	n/c	1600-1750	65.77-72.57

CFR Asia SE	USD/tonne	-50	1550.00- 1700.00	n/c	1700.00-1850.00	70.31-77.11
CFR India Main Ports	USD/tonne	-50	1650.00- 1850.00	-50	1800.00-2050.00	74.84-83.91

China

The CIF China assessment for both the non-oil 1502 and oil-extended 1712 grades were adjusted in line with changes in the CFR SE Asia assessment, in the absence of fresh pricing indications for China-bound shipment supplies.

Local buyers remained reliant on domestically-produced material, in part to side-step any potential currency risks that go alongside purchasing US dollar denominated imports.

Domestic China prices for 1502 grade edged down during the week, as downstream requirements failed to pick up.

East China domestic SBR 1502 prices

Price (CNY/tonne)	31 Aug	24 Aug
E China Ex-Warehouse	11,500-11,600	11,500-11,700

Southeast Asia

The CFR southeast Asia assessment for non-oil 1502 grade was down at the low end on softer buying indications. Offers were heard at the higher end of the published range.

The CFR SE Asia assessment for oil-extended 1712 grade was adjusted down at the low end, in tandem with the 1502 grade assessment.

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

Aug 2022	Jul 2022	Jun 2022	May 2022	Apr 2022	Mar 2022	Feb 2022	Jan 2022
149.74	158.83	164.15	162.81	171.15	175.18	179.84	178.12

India

The CFR India assessment for non-oil 1502 grade was down at the high end, tracking softer offers heard from regular NE Asian suppliers.

Buying indications also fell and were reflected at the low end. The indications were broadly aligned with discussions for cargoes from other origins, including China, market sources said.

The CFR India assessment for oil-extended 1712 grade was adjusted down in line with the changes for 1502 grade.

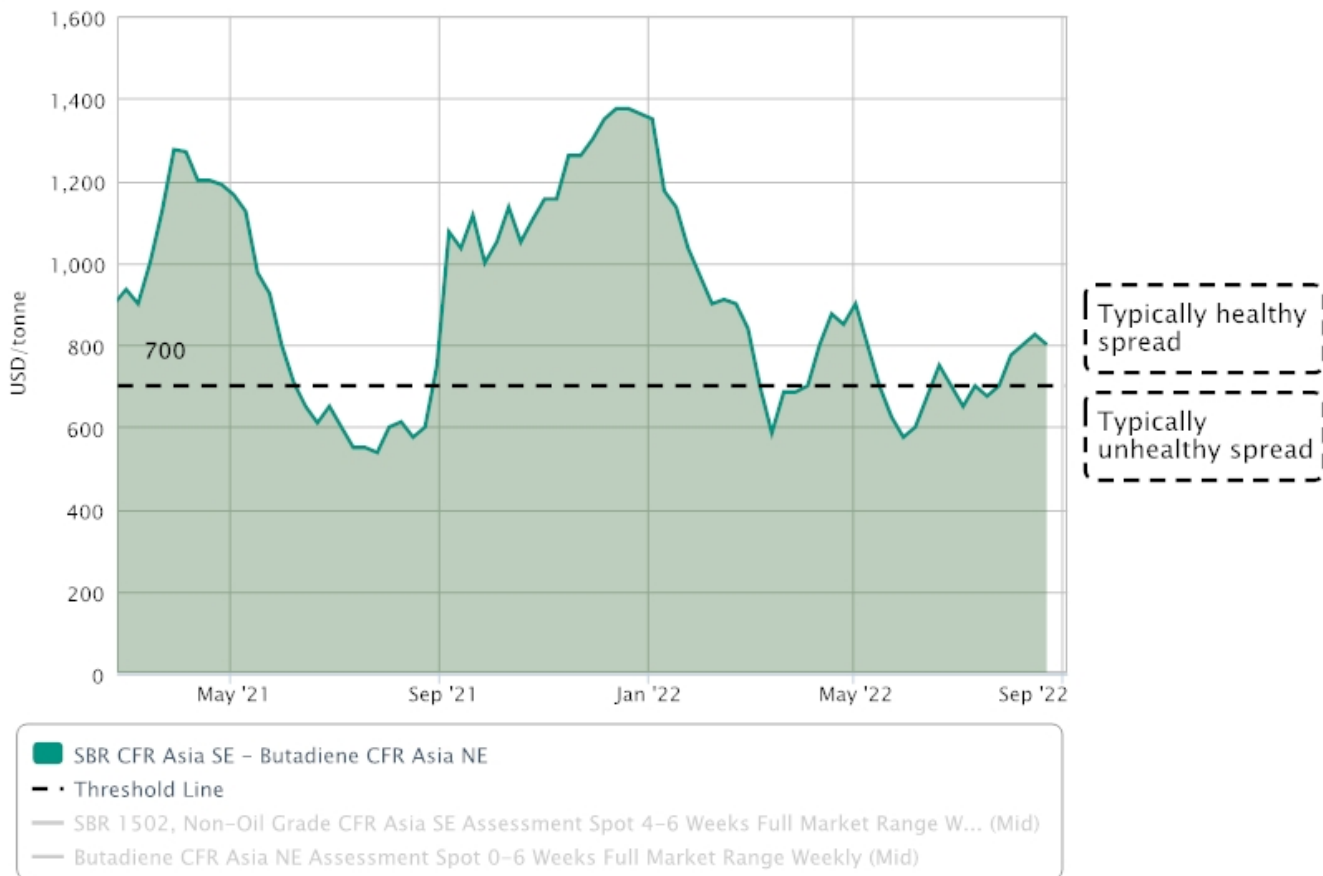
UPSTREAM

Butadiene (BD)

- Demand still generally bearish in wider Asia
- Wide buy-sell gap crimps spot trade
- Some uptick in domestic China lifts sentiment for China-bound imports

The chart below shows the spread between BD and SBR.

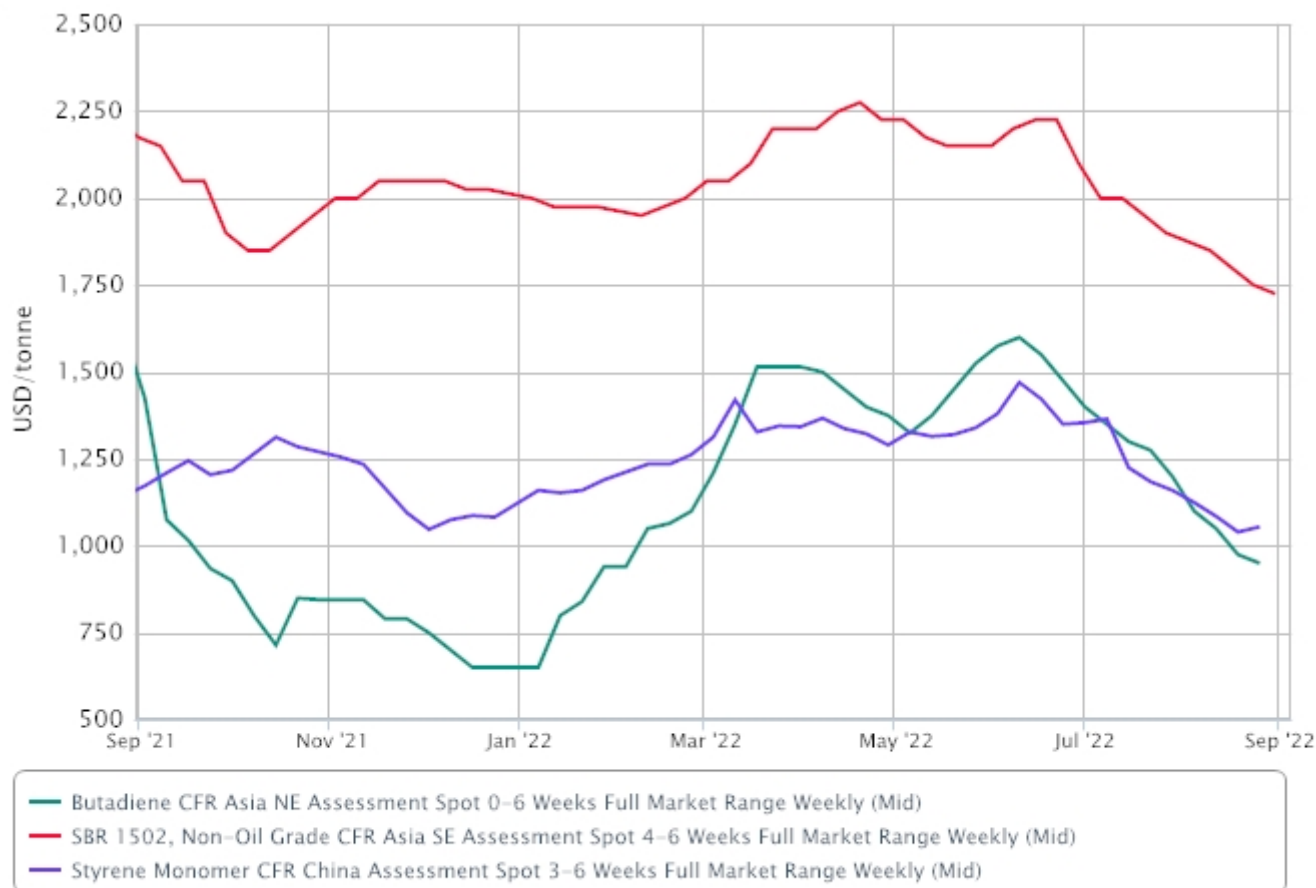
[Downstream spread – butadiene NE Asia and SBR SE Asia](#)



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Styrene:

- Prices rebound on firmer Chinese market sentiment
- Supply cuts to continue for Sep
- Downstream styrenics demand improves slightly



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PRODUCTION

Operating rates at local Chinese SBR plants rose to 71% in the week ended 26 August, up from 69% in the week prior, sources said.

In the rest of Asia, SBR output is poised to tighten with several upcoming maintenances in [northeast Asia](#) and [India](#).

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

OTHER REGIONS

Europe

- Spot prices fall; August SBR contracts drop
- August fall offset by high gas prices in Europe
- Europe BD September contract falls by €20/tonne

US

- September price direction gains clarity
- Key feedstock cost inputs move in opposing directions
- SBR demand remains strong

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