

SR Production

The Rubber Economist

2008

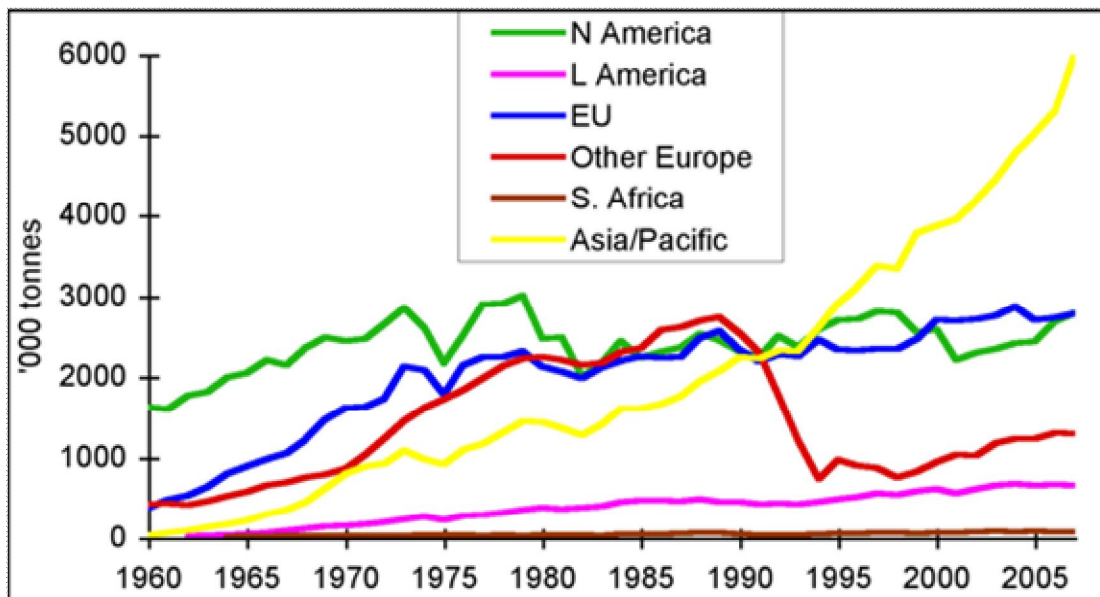
Synthetic rubber (SR), is derived from petrochemical feedstocks and represents a small proportion of world petrochemical output. As the tyre industry is the main consumer, SR is mainly produced by petrochemical firms, which are integrated, forwards, into SR production, or by tyre manufacturers with a degree of backward integration. Some characteristics of oligopolistic firms are evident in the SR industry. The world chemical, petrochemical and tyre industries are dominated by less than 10 major companies who together account for around 80% of SR capacity.



World SR output, currently stands at 10.79 million tonnes/year. However, only three synthetic polymer types, styrene butadiene rubber (SBR), polybutadiene rubber (BR) and ethylene-propylene rubbers (EPDM) are produced at levels close to, or above, 1.0 million tonnes/year. They are also known as large volume elastomers. In addition, cis-polyisoprene (IR), isobutylene-isoprene or butyl (IIR), polychloroprene or neoprene (CR), and acrylonitrile butadiene or nitrile (NBR) are quite important in terms of quantity used worldwide. The consumption of the rest of the synthetic rubbers, generally called speciality rubbers, is relatively small, but is expected to grow fast because of their desirable properties and favorable processing characteristics and the increase in

complexity of product and specialisation of markets. The graph below illustrates the trends of regional SR output. The Rubber Economist Ltd offers of an analysis of demand and supply for SR.

Regional SR production, 1960-2007



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