Proferacy Nitrogen

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DEVELOPMENTS

Global Urea Position

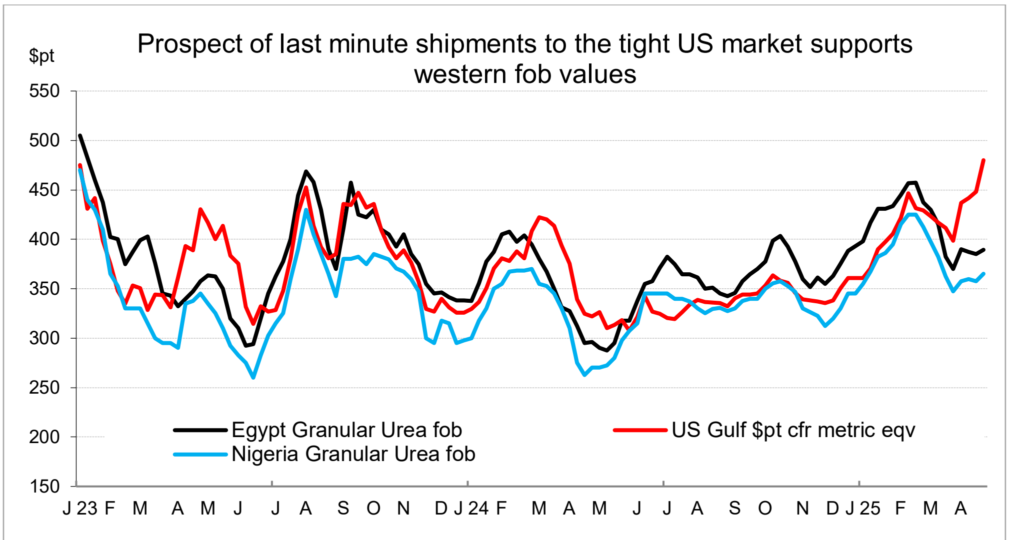
Strong early planting progress in a season that will see a sizeable corn acreage, alongside tight urea supply, has supported further significant gains in the US Gulf market. Terminal movement and last-minute barge purchases have been sufficient to see loaded barges trade over $470ps ton, broadly level with the May 2023 high, while May values are now at $440ps ton. The latter reflects just under $480pt cfr metric equivalent for those unaffected by duties.

While June values are lower, reflecting sub-$425pt cfr metric equivalent (duty free basis), the US has been increasingly attractive to offshore suppliers able to make the journey. Russian suppliers were already expected to adopt a US-first approach to early-May shipments, yet interest has grown from Africa. One Egyptian cargo is widely understood to have been lined up with business concluded at $395pt fob, while Nigerian offtakers and those with Algerian material in hand are likely to look to the US. There has, however, been some supplier caution regarding forward values.

For producers in the West, this late-stage demand has come at a welcome time with Europe slow and Latin America yet to engage. May shipments are available in North Africa, although moderate business has led to higher fob values in the $384-392pt fob range. Mediterranean EU markets have not supported above $410pt cfr for some time while NW Europe is quiet. Some Turkish demand has been evident with values either side of $400pt cfr duty paid for prompt lots. Bar some moderate west coast inquiry, Latin American demand has been muted with Brazilian buyers yet to show significant interest in May onwards shipments.

In the east, further demand for Australia and some trader positioning has seen SE Asian granular values edge above $400pt fob. Supply challenges in Malaysia and sizeable contract commitments have limited regional spot availability, even if local demand has been light. Middle East producers are well sold following earlier business to India and Oceania. Recent Ethiopian inquiry could provide a solid premium outlet into July, although the fate of the latest tender is uncertain.

Broadly, producers are in a comfortable position, maintaining control of the market. Those in Africa will need to place mid-May onwards cargoes in the coming weeks, but have not been in a rush to do so. Iranian suppliers are still holding May and have been struggling to solicit interest. While the US has taken centre stage in the West, buyers in other markets are keen to see if this demand will be sustained or matched elsewhere.



Urea Supply - West

Baltic

The recent Indian inquiry has put prilled urea suppliers in a good position well into May, but demand has been largely lukewarm from other markets, although some improvement in inquiry was noted midweek.

Prilled values have been put either side of $350pt fob with business reportedly concluded around these levels. This includes 20,000t for May shipment into Latin America in the low to mid-$350s pt fob netback depending on final freight.

In addition, 5,000t of prills were sold into Europe at $355pt fob and 6,000t were sold as part of a combination shipment at around $350pt fob.

As reported previously, six cargoes or around 300,000t of prilled urea are expected to be shipped from the Baltic to India under the recent IPL tender. Most of the vessels are yet to be nominated.

The situation for granular urea is more fractured. The rally in values in the USA has only widened the sizeable implied premium from that market for duty free Russian product.

However, the seasonal shipment window is near an end and even first half May shipments are likely to be in June barges in the US Gulf. As such, some suppliers are wary that May shipments could miss the seasonal application period and the current boom in values will not be available by the time the cargoes arrive.

For now, the latest June US Gulf values reflect comfortably above $370-375pt fob Baltic for granular urea.

Netbacks from other markets are at a notable discount with small volumes sales into Europe reported in the mid-$350s pt fob while other suppliers have put netbacks from other business down to $350pt fob.

Small volume sales into Europe have typically been premium business for suppliers. This has clearly changed since the imposition of tariffs by the USA with Russia exempt.

Black Sea/Caspian Sea

Black Sea: SOCAR closed a tender earlier today (24 April) for up to 30,000t of bulk granular urea for movement from Batumi, Georgia, as well as 20,000t of bagged granular urea for shipment from Trabzon, Turkey. All product is for May movement with bids invited on a fob basis.

The prior 3 April sales tender saw bulk shipments sold in the $370-375pt fob range, with one vessel committed to Latin America via a trader.

Recent demand from Europe has been weak, especially from nearby eastern European markets with the domestic Spring import seasons at a near end.

As such, the latest tender will be a test of regional fob values. Should European/nearby demand be absent, then suppliers would need to turn to long-haul business. The producer was heard targeting above last done.

Late season demand from the USA could prove fortuitous for suppliers but shipment timings will be key and it is unlikely the product made available could reach US shores much before mid-June.

Netbacks from Latin America would be considerably lower than last done of implied netbacks from the USA.

Africa/Mediterranean

North African producers have benefited from the rapid advance in US values. April into May shipments ex-Algeria are expected for the Nola market while one cargo has been booked from Egypt.

Shipment times may limit the extent of business in the coming weeks, yet the threat of US business has reduced producers reliance on other markets, including those in Europe, where inquiry has been light. Moderate sales for Turkey have been taking place.

Egypt: Despite some sales, order books for May appear to be light with European demand soft and appearing to be at a seasonal end. Yet, several reports suggest the extent of sales in April and congestion issues may well limit availability. Further, some producer have formula offtakes.

Mopco's sale of 30,000t of granular urea at $395pt fob (see below) is widely understood to have been for the USA. A major US and international producer and distributor has been linked with the purchase.

Shipment timing is a key factor with only the larger producers in Egypt – Mopco and Fertiglobe – likely able to put together sufficient volumes for early/mid-May shipment to the USA. Other producers would be limited in terms of availability within a short period of time.

As noted above, there are reports that port congestion is impacting loading at some ports in Egypt. Some have noted that next available loading slots from some ports could be pushed back as far out as mid-May.

The Mopco sale puts long-haul markets (at least the USA) at a premium to nearby Turkish and European demand with early sales by traders into the former reported this week to netback to the low-$380s pt fob Egypt.

Small volume business to traders for Europe took place from $384-390pt fob but was limited in nature.

NCIC's retender of last week's original offering did not lead to business.

In recent business:

- Abu Qir: 10,000t of granular urea at $384pt fob for May shipment, as well as 6,000t at $386pt fob.
- Alexfert: 6,000t of granular urea at $387pt fob and 6,000t at $390pt fob, both for May shipment.
- Mopco: 30,000t of granular urea for early-May loading at $395pt fob.

Elsewhere, Fertiglobe offered a number of cargoes into the EABC tender basis shipment from Adabiya at $421pt fob. Samsung also offered a vessel at $416pt fob basis the same load port.

Algeria: Sorfert sold 10-15,000t of granular urea for May shipment at a reported $392pt fob early on, with producers raising price ideas midweek. Market reports suggest the cargo is most likely destined for a Mediterranean market.

There have also been claims AOA placed over 10,000t at $394pt fob, although none in the market were close to the business.

Some shipments in April are destined for the USA via traders. Implied netbacks are favourable, despite 10% import tariffs. The US could prove to be an outlet for May cargoes should June values follow those for nearby laycans in Nola. Freight for a 30,000t shipment is put in the mid-$20s pt.

Of note, Ameropa has been checking freight for a 45,000t end-April/early-May shipment of granular urea for movement from Arzew to Krishnapatnam, India, under an IPL tender award. Market reports suggest the company has nominated the Spar Taurus against the business. This is the first shipment to India for some time, with last business taking place in 2022.

The Arzew line-up includes several European bound shipments, including three vessels with 12-16,000t lots. The Campadre is due to load 22,000t for France. The Elisa remains in the line-up with 49,000t for an unknown market.

Nigeria: Neither Indorama nor Dangote have been offering spot tonnage of late, although Indorama material was offered into the latest EABC tender (see Demand section).

The sharp escalation in Nola values has brought that market into focus with offtakers and those holding end-April shipments assessing options. Some with Indorama material were originally expected to move to Brazil.

A US distributor has also been checking freight for a 30,000t end-April shipment from Lekki to New Orleans. Shipment timings are key with most buyers targeting May arrival.

Dangote has not issued any fresh sales tenders of late, in part owing to an earlier technical issue affecting production on one line. A fresh tender for first half May shipments is anticipated.

As before, one cargo of Indorama material is destined for India in May with a further shipment of Dangote material still considered possible via a trader.

Urea Supply – East

Middle East

Producers are comfortable following earlier sales extending well into May to India and other markets, including Australia. Indeed, India took around 450,000t from the Middle East, including a handful of prilled urea cargoes.

Formula offtake cargoes continue to flow into SE Asia, Africa and Latin America with lower netbacks not impacting spot prices.

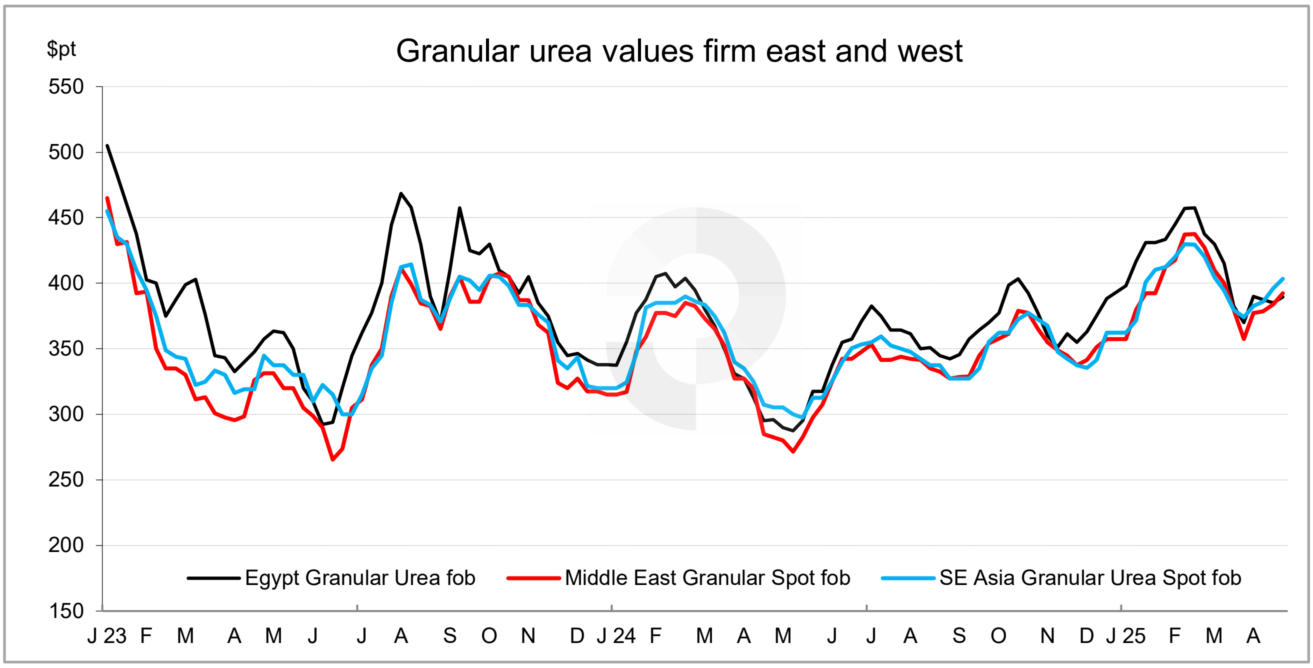
Spot inquiry has been confined to interest from Australia, as well as South Africa.

Offers from producers have been at $390-395pt fob basis regional reports, although some claim to have seen bid interest for first half May shipments above this level. Others have cited lower bid levels, more in line with earlier Indian netback levels.

Oman: SIUCI is well sold through to June following earlier business (see previous reports). Several traders, including Midgulf and Aditya Birla Group, offered cargoes into the latest EABC tender basis shipment from Sohar.

At least two cargoes are destined for India under IPL tender business.

With regard to Omifco, Liven is reported to have nominated a vessel to load one cargo to India under



the IPL tender. No further business has been heard with May shipments believed to be available.

One Omifco granular urea line is set to undertake a 20-25 day turnaround in May with this limiting export availability. Omifco operates two ammonia-urea lines each capable of producing just over 1.1m. tonnes/year of granular urea.

Qatar: ETG is reported to have committed two vessels to load Qatari urea for shipment to India under an IPL tender award. Both are for the east coast.

CHS is in the freight market for a 45,000t shipment ex-Qatar for Santos, loading end-May or June.

Qatar Energy has announced a tender to close on 28 April for 20-30,000t of prilled urea for 22-31 May shipment. Spot prilled urea values have been untested for some time with the last cargo of prilled business committed into India by Sabic.

UAE: Offers from Fertiglobe into the latest EABC tender were basis shipment from Adabiya, with no offers noted basis shipment from Ruwais.

For May, one vessel is destined for early-May shipment from Ruwais to Australia, with a further offtake vessel also anticipated, basis market reports.

Saudi Arabia: Following spot business, a freight inquiry is now circulating a 30,000t shipment from Jubail for mid-May loading for western Australia. The cargo is believed to be the vessel booked at $395pt fob.

Iran: Fob values have been relatively isolated from the wider gains in the international market, largely owing to key outlets for sanction-affected product being out of season or inactive. Iranian material cannot be directly supplied to India, while cargoes are also not viable for the Australian market.

Producers have maintained asking prices at $350pt fob with many re-tendering once again for May shipments.

Some material is en-route to Turkey with offers put around $380pt cfr duty unpaid, while some shipments are due to arrive soon in Brazil.

KPIC, KHPC, Pardis and Lordegan have all been offering 30,000t lots of granular urea with sales tenders closing up to 23 April. Initial reports advise that inquiries have seen best bids comfortably sub-$340pt fob with no major sales reported for some time. Some producers have entered into private discussions.

A freight inquiry is circulating for a 30,000t prilled urea shipment for movement from Bandar Abbas to west coast India, loading prompt.

SE Asia/China

Granular urea has been sold over $400pt fob with large volume Indonesian sales for May concluded at $402pt fob shortly after small volume business took place at $405pt fob. Nearby markets have yet to accept such values, but producers are well committed into May.

Malaysia’s Petronas is still impacted by maintenance work on the Gurun plant with market reports suggesting production will return to normal in early-May.

Indonesia: Pupuk Holdings closed a tender on 22 April for 45,000t of granular urea for early-May shipment. The best bid for the full volume was submitted by Ameropa at $402pt fob with next best at $390pt fob. Bids were received in the low to mid-$390s pt fob for part cargoes.

One cargo was subsequently sold to Ameropa at $402pt fob with this understood to be for Australia. A further cargo was reportedly sold to another trading company midweek.

The reserve price in the tender was set at $382.50pt fob.

Pupuk Indonesia is also closing a sales tender for a long-term contract offtake on 29 April with pre-tender discussions taking place, according to multiple market reports.

Up to 700,000t of granular urea for shipment from May to October is on offer with three winners set to take lots of 110,000t to 350,000t over this period. Bids are invited on a formula basis with these to be tied to a SE Asian fob granular urea assessment.

The move to offer long term contracts is a new approach from the producer. Pupuk Holdings has typically marketed granular urea via spot sales tenders.

Brunei: BFI is largely committed with offtakes into May, including cargoes to Australia via regular offtakers. The company offered up to three 5,000t cargoes last week for May shipment with sales reported around $405pt fob. Ameropa has been linked with several purchases.

Malaysia: The Gurun unit is yet to return to full production with market reports suggesting output will be at normal rates at some point in first half May.

The producer has not commented since the unplanned maintenance works were announced. With the 700,000t/year plant not running since the end of March, spot availability has been limited.

Vietnam: No further spot sales have taken place since the sale of one cargo to a trader for Australia at $392pt fob.

China: Domestic prices of prilled urea declined to Rmb 1,790-1,810pt ex-works earlier this week, down around Rmb 30pt from last week and equivalent to $266-268pt fob equivalent. They have remained stable at these levels since then.

The declines come largely on the back of lukewarm agricultural demand and lower demand from industrial buyers owing to reduced output.

Meanwhile, production rates have improved to 194-6,000t/day, up 3-5,000t/day from last week.

Rumours were circulating earlier in the week regarding a potential relaxation in export restrictions. However, these have largely been dismissed by local market participants. Such rumours have circulated several times in recent months. No new guidance has been offered by authorities.

Urea Demand – West

Europe/Med

Markets have not been buoyant with most interest noted in Italy. Several suppliers have been actively offering or placing tonnes basis shipments from Algeria and Egypt.

Some moderate demand has also been evident in Turkey with business concluded in the $380s pt fob Egypt equivalent.

Warehouse values across much of Europe have not responded to offshore price gains with quotes in France still at €390-395pt FCA in La Pallice for granular urea.

Summer season pricing for nitrates, UAN and urea is coming into focus, but few have been ready to discuss business. Tariff uncertainty, gas prices and firm offshore urea values are impacting discussions.

France: Quotes in La Pallice have been maintained at €390-395pt FCA with recent offshore price gains doing little for local values. Minds are moving to the offseason summer market with some forward sales for June through December delivery previously reported down to €355-360pt FCA.

Warehouse offers for nearby movement ex-Bayonne are some $10pt below those in La Pallice.

The extent of early April business, largely involving Russian product, has limited demand. Several cargoes ex-Algeria are due to arrive in the coming weeks. This includes 22,000t on the Campadre and 12,000t on the Sider London.

UK: Some soft checking for the new season (June shipments) has taken place but the bids are understood to not be firm.

At the same time, traders are reported to have been hesitant to short June at aggressive levels amid the ongoing international firmness.

Italy: Late season demand has persisted, but buyers have been receiving offers from several traders holding Algerian material. Fertiglobe product has also been on offer from a regional distributor and importer, according to market reports. Efforts to push cfr values to $410pt cfr or above midweek did not lead to business, with sales subsequently concluded down to $406-407pt cfr in Ravenna.

Yara has not been offering for movement prior to early-May. The Ferrara facility is now running.

Eastern Europe: Demand is weak with most expecting the import season to have now largely ended. Offer levels have been tentatively put at $390-400pt cfr.

Greece: Small 3,000t lots of granular urea have been booked for early-May shipment from Egypt at prices reflecting the low-$380s pt fob.

Turkey: Demand has been slow for some time, yet some granular urea business reflecting the low-$380s pt fob Egypt has taken place. Suppliers are now targeting $400pt cfr duty paid and above with further inquiries for relatively prompt movement anticipated.

Toros has been linked with purchases totalling up to 10,000t for May shipment. AGT has also been in the market for small lots, as has KEAS.

Offers of Iranian material are still circulating, although only one cargo is currently understood to be on the water.

North America

US Gulf: The in-season US market has been at the forefront of bullish sentiment in the west with Nola values advancing rapidly again in a matter of days.

Imports to date have been insufficient to meet Spring demand, in part owing to earlier tariff uncertainty, and with several origins subject to 10% duties. Further, high forecast acreages and earlier high UAN prices have supported values.

Terminal prices have been firm with several regions pulling product at the same time, resulting in notable competition in the US Gulf for loaded through April barges. As of 20 April, USDA figures showed that 12% of the corn crop in top planting states had been planted, ahead of the 10% five-year average.

The tight supply situation in the Gulf is likely to persist into May with the volume capable of reaching US shores by end-May/early-June impacted by shipment times, as well as aforementioned tariffs. The May line-up is currently expected to reach close to 400,000t basis anticipated cargoes and known shipments.

At least one end-April cargo from Nigeria has been booked while one to two Algerian shipments appear certain via traders. One Egyptian cargo appears likely, yet this may slip into June. Vessel diversions could bolster the line-up, although this may prove difficult. At least one company with a Middle East cargo in hand for another market has been assessing options.

In the freight market, a Russian producer is checking freight for a 45,000t mid-May shipment to Nola from Ust Luga. Indeed, Russian suppliers have been focusing their efforts on the US market given the US offers sizeable premiums to other markets.

Earlier in the week, distributors were heard to have been reluctant to bid close to prevailing May barge values for part cargoes or whole vessels. There appears to have been a reluctance to commit to June positions.

Crucially, prevailing Nola values have raised interest in the US market from offshore suppliers. Current pricing currently justifies shipping to the US despite the 10% tariffs affecting all but Russian suppliers. As noted elsewhere timing is key with June values not assured.

May values in the mid-$470s pt cfr midweek in principle supported netbacks of $390-400pt fob Nigeria (subject to port) and around $400pt fob Algeria.

In-season barge business has been buoyant with daily trade surpassing 25 barges on a number of occasions:

In business this week loaded and prompt barges initially changed hands in the $430-435ps ton before values gapped significantly higher into the $453-480ps ton range. April values started the week at $415-430ps ton with highs of $460-480ps ton seen on 23/24 April.

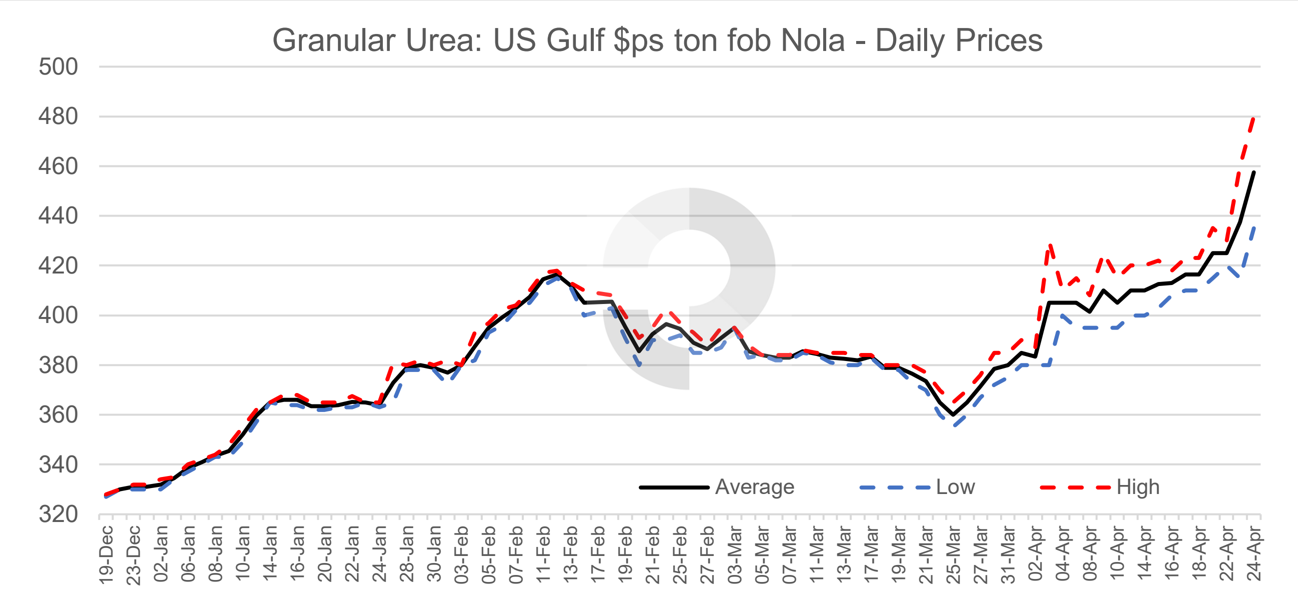
First half May business has been concluded up to $455-465ps ton with full May reaching $435-440ps ton.

Shipping – The USTR (United States Trade Representative) announced plans late last week to charge Chinese ship-owners and operators $50pt from mid-October 2025 with further fee increases in the coming years.

However, the announcement includes several significant exemptions for non-Chinese operators of Chinese-built vessels. Of most relevance to fertilizers, the following will be exempt:

- vessels arriving empty/in ballast (effectively covering US exports)
- vessels under 80,000t metric DWT (effectively covering all of the fertilizer trade)
- shorter voyages of under 2,000 nautical miles from the last sailing port (effectively exempting trade between Caribbean, Mexico, Canada and USA)

For vessels operated by Chinese owners the fees are based on the bulk weight of the vessels and the



number of containers they carry. The fee will be applied once per voyage on affected ships up to five times a year.

The $50pt fees applied to Chinese vessel owners and operators will rise by $30pt each year for the next three years. Fees on Chinese-built ships will start at $18pt or $120 per container and will also rise over the next three years.

Prior to the announcement, more severe tariffs had been considered. The USTR decided not to impose fees based on how many Chinese-built ships are in a fleet or based on prospective orders of Chinese ships, as had originally been proposed. The fees themselves are also less severe than previous proposals.

Recent Daily Price Quotes: US Gulf Granular Urea $ps ton

	Low	High
21 Apr	415	435
22 Apr	420	430
23 Apr	415	460
24 Apr	435	480

Nola/EC Arrivals: July Onwards – Known and anticipated shipments

Month	Origin	Vol (kt)
Jul-Dec '24		919
January		480
February		620
March		769 EST
April	Russia	250
	Qatar	150
	S Arabia	50
	Nigeria	110
	Egypt	50
	Trinidad	5
		615
May	Qatar	50
	S Arabia	50
	Algeria	80*
	Nigeria	30
	Egypt	30
	Russia	200-250*
		440-490
Jul '24 - Apr '25		3,843-3,893
Jul '23 – Apr '24		3,692
*assumed		

WC USA: Inquiry has been circulating for May shipments to the west coast. Some reports have suggested business has been concluded for a May cargo ex-SE Asia, but this was not confirmed ahead of presstime.

Canada: No fresh import demand has been noted with three cargoes lined-up or on the water ex-Algeria. These include the Tundra with 22,000t which follows the Drawsko and Irma under an earlier round of business.

Latin America

Business has been relatively light, even if inquiries for May shipments have been circulating. Importers in several markets have been cautious, unwilling to respond to developments in the USA.

Mexico: A small number of inquiries for granular urea for the west coast have been circulating. One distributor has been targeting a 30,000t first half May shipment with offers invited on 23 April. A further inquiry is circulating from a trader.

Buyers have been heard targeting the low-$400s pt cfr, in line with last done for small lots around $415pt cfr. Yet, for large volumes offers have been put closer to $430pt cfr. Ahead of presstime, no business has been reported.

No major business has been concluded since the last round of sales in the $380s/$390s pt cfr for March into April shipments.

Argentina/Uruguay: No new business has been concluded, although demand for May shipments is anticipated. Last concluded sales were sub-$410pt cfr Argentina, with suppliers now set to target higher levels.

Under earlier business, a vessel is due from Batumi for Nueva Palmira, Uruguay and San Nicolas, Argentina, loading end-April. Nitron also has a large vessel ex-Algeria.

Brazil: Offseason demand has been light with few importers motivated to chase May shipments. Interest did improve as the week progressed, largely in response to international market movements, including the sharp advance in US values.

Offers from three non-Russian suppliers were noted down to $380-385pt cfr early-on, broadly in line with last done levels last week. Few saw bids beyond those in the $370s pt cfr initially. By midweek, one company was still offering at $383pt cfr into several ports.

Yet, offers were pulled shortly after with traders indicating in the $390-395pt cfr range, although some buyers claimed to have still seen offers down to $385pt cfr. Some regular suppliers had noted bid interest up to the mid-$380s pt cfr amid claims of sizeable demand for some ports from major distributors.

At least one shipment from Iran is due to arrive soon basis market reports, yet sizeable volumes have yet to build.

Shipping: CHS is in the freight market for a 45,000t shipment ex-Qatar for Santos, loading end-May or June.

***Production news**:* In Brazil, energy major Petrobras says it is striving to settle legal disputes with Unigel over a pair of nitrogen fertilizer plants in the country's northeast in a move that would pave the way for their restart.

The state-owned giant aims to regain possession of the units in the states of Sergipe and Bahia and then launch a bidding process to contract services to operate and maintain them, Petrobras said in a bourse filing.

Petrobras signed a 10-year-lease on the urea and ammonia facilities with Unigel in 2019, but the chemicals manufacturer shut them down in 2023 due to unfavourable natgas prices that meant they were uncompetitive.

Urea Demand – East

Asia/Pacific Rim

India: With regard to any future tender, no formal news is expected soon, especially while vessels are being nominated under the prior IPL tender.

Stocks at the beginning of April were 6.02-6.03m. tonnes. With April and May typically months that see a net surplus in availability, owing to seasonally low sales, stock drawdown should only begin from July.

Assuming sales are consistent with previous years and monthly production remains around 2.5m. tonnes, stocks would fall close to an uncomfortably low figure of below 3.5m. tonnes by August and would not recover ahead of the peak domestic purchasing period of November through December. As such, further imports appear assured ahead of the campaign getting into full swing in Q3.

Vessel nominations under the earlier Indian Potash Limited (IPL) include two Qatar cargoes for ETG, an Omani shipment for Liven and a Baltic prilled shipment from Aditya Birla Group. Ameropa has also nominated one vessel from Algeria.

Anticipated origins are detailed below.

Indian Potash Limited Tender: 8 April		
Supplier	**Volume (kt)**	**Anticipated origin**
West Coast - $385pt cfr – 203,000t		
Liven	50	Oman (Omifco)
Keytrade	53	Oman (Sohar)
Quest	100	Baltic
East Coast - $398.24pt cfr – 681,000t		
Indagro	75	Qatar, Nigeria
Indorama	45	Nigeria
ETG	125	Qatar, S Arabia
Aditya Birla Group	135	Baltic
Dreymoor	90	Baltic

Ameropa	135	Oman, Qatar, Algeria
Fertistream	76	Black Sea, M East
Total	884,000t	

Taiwan: TFC closed a tender today (24 April) for 6,000t of granular urea for second half May shipment. As before, the buyer typically imports prilled urea with most interpreting the move to target granular urea as a response to the persistent lack of prilled supply options in the east owing to China's absence.

The outcome of the tender had not emerged prior to presstime with most reports suggesting best offers were comfortably over $420pt cfr.

SE Asia: Spot demand has been light with few buyers checking the market. Peak-season import demand has yet to emerge in the Philippines and Thailand with buyers deferring.

Indicative offers from traders have moved to $420-430pt cfr for granular urea, reflecting latest fob price gains. Contract prices are also advancing.

Myanmar: The market is currently well supplied with shipments from Iran. No spot inquiry for material from other origins has been noted.

Australia: Continued spot import demand has supported further business in SE Asia with one cargo lined-up ex-Indonesia via Ameropa this week. A further vessel is considered possible.

The latest sales follow earlier spot business ex-Saudi Arabia, the UAE and Vietnam. Contract cargoes continue to flow with April and May formula shipments also due from Brunei and Malaysia.

Shipping: Following earlier business, a freight inquiry is now circulating a 30,000t shipment from Jubail for mid-May loading for western Australia.

A vessel is also sought for a 30,000t cargo of Fertil material ex-Ruwais for early-May loading.

Africa

South Africa: An inquiry for a 25-30,000t cargo of granular urea for May or June has been circulating with some buyers checking availability in the Middle East.

Ethiopia: The Ethiopian Agricultural Business Corporation (EABC) received offers 23 April in the purchasing tender for up to 676,000t of granular urea with bags for shipment in thirteen 52,000t lots.

Seven companies submitted offers, including six regular participants and one new entrant, SLDR.

Offers were invited on a fob basis with quotes also provided for bagging alongside indicative cfr values.

Most lots saw an offer from just one company with some not seeing any offers at all including lots 1-11.

Offers basis shipment from the Baltic were at $374.40pt fob up to $385pt fob via two companies, with these the only offers for lots 12 and 15.

Fertiglobe offered lowest on a fob basis for lots 14 and 17 at $421pt fob Adabiya, Egypt. Samsung was also lowest for lot 13 at $416pt fob basis shipment from Adabiya.

Offers basis shipment from Oman were lowest for multiple lots with quotes ranging from $405.60pt fob to $430pt fob.

ETG submitted the only offer basis shipment from Onne, Nigeria, at $398.57pt fob for lot 16.

The shipment schedule requires the first shipment to load for Djibouti in mid-May and the final shipment to load in mid-July.

EABC is now expected to review all offers, independently assessing freight from the various cited origins. In the past the agency has countered all offers at the same level.

Owing to onerous payment terms and logistics challenges, Ethiopian business typically affords suppliers a premium over most other markets. Shipment schedules are often flexible due to challenges associated with the business.

Nevertheless, should EABC progress, the volumes booked will have an impact on forward availability through to July.

This is the first inquiry since the 20 February tender was scrapped. That tender for 300,000t of granular urea for March into April shipment saw most offers submitted basis shipment from the Middle East at $427pt fob and above. A handful of offers were noted basis shipment from Nigeria and Egypt.

EABC Purchasing Tender – 23 April: Offers

Basis 30 days payment terms, excluding bagging

Lot 12 – 15-20 May

- SLDR - $385pt fob Baltic

Lot 13 - 15-20 May

- Samsung - $416pt fob Adabiya, Egypt

Lot 14 - 25-30 May

- Fertiglobe - $421pt fob Adabiya, Egypt

Lot 15 – 25-30 May

- Aditya Birla Group - $374.40pt fob Baltic

Lot 16 - 1-5 June

- ETG - $398.57pt fob Onne, Nigeria

Lot 17 – 5-10 June

- Fertiglobe - $421pt fob Adabiya, Egypt
- Montage Oil - $423pt fob Oman (Omifco)

Lot 18 – 15-20 June

- No offers

Lot 19 – 15-20 June

- Montage Oil - $430pt fob Oman (Omifco)

Lot 20 – 25-30 June

- Midgulf - $405.60pt fob Oman (Sohar)
- Aditya Birla Group – $412.40pt fob Oman (Sohar)

Lot 21 – 1-5 July

- No offers

Lot 22 – 5-10 July

- Aditya Birla Group - $411.50pt fob Oman (Sohar)

Lot 23 – 5-10 July

- No offers

Lot 24 – 15-20 July

- No offers

Nitrates/UAN

Europe - UAN: Current season activity has nearly completely faded in France. Only moderate truck business has taken place at €330pt FCA Rouen for 30%, with some sales mooted up to €335pt FCA for very prompt movement. EuroChem is no longer heard offering for prompt with other distributors making sales. In Ghent, prompt values have held in the low-€320s pt FCA.

In France in particular, minds are increasingly focused on summer season values. Yet, the market is ill-defined since last quotes for May were noted at €300pt FCA in Rouen, with some claiming to have made purchases some €20-30pt lower. Most suppliers are yet to offer any significant volumes.

One Russian producer had previously placed up to three cargoes for arrival by June, largely for the summer season. Further cargoes are still considered possible. There remains little interest in US suppliers in committing cargoes to Europe with the US market tight and inventories looking likely to be low at the end of June.

No firm offers of material ex-Trinidad have been heard. Domestic producers Yara and OCI have yet to offer.

Summer expectations vary considerably with eventual prices set to be influenced by a myriad of uncertain elements. The prospect of tariffs on Russian material could significantly impact trade flows and prices. US interest will be influenced by the strength of domestic demand. EU producers are still contending with relatively high regional gas values while offshore urea prices are also high.

France: The Spring season for AN appears at an end with focus firmly on the new season with buyers awaiting price announcements from Yara and other domestic producers.

Nearby values remain nominally at €380-390pt cpt bulk for any last-minute hand to mouth requirements, but end-May is reportedly available from domestic producers at €370pt cpt bulk.

Germany: Similar to France, buyers of CAN are now keenly awaiting the new season prices which are anticipated to be announced in early May, if not within the coming week.

Importers have been covering last minute demand at €300-305pt cpt, down €20-30pt from levels over the last 1-2 weeks.

UK: Late season AN demand/buying is ongoing at previous levels of around €370-375pt cpt and while demand is not rampant, it is reported to be steady for AN.

Replacement tonnes from eastern Europe are on offer at €350-360pt cif bags, but these are well above price ideas from buyers. Indeed, this product is likely to now be for the new season.

Egypt/Turkey-Europe: Following its tender from last week, NCIC reinvited bids earlier this week.

The producer sold the full 12,000t of CAN on offer for May shipment at $275-280pt fob. The latest business is $25pt below the previous concluded business by NCIC for CAN in late March.

However, it is in line with recent European values of €315pt cif for UK/Ireland.

CAN price ideas from Turkish suppliers also readjusted to reflect the latest NCIC business with offers at $280pt fob. Demand is reported to be weak.

USA: The UAN market is still firm, buoyed by tight nearby supply along the river and at the terminals, stronger seasonal demand and advancing urea values.

Those requiring barges along the river are still struggling to solicit offers with last done business ex-

New Orleans at $350ps ton fob Nola for May. CF Industries has since raised quotes for June onwards to a similar level while there have been no reports of imported product being offered at sharper values for some time.

With producers well sold for May, June values have unsurprisingly moved higher. CF Industries raised offer levels on 22 April by $10-15ps ton at several locations.

Quotes at Port Neal moved to $410-415ps ton. The benchmark Cincinnati market is now offered at $375ps ton, up on earlier quotes of $365ps ton, with Mt Vernon and St Louis up to $380ps ton.

May product was available in Peru and Terre Haute, with quotes at $385ps ton.

Other suppliers with May product in hand have been unwilling to sell at the CF June values with quotes along the Ohio River, including Cincinnati, at $380-385ps ton. Those along the Illinois River have been $5-10ps ton higher.

Ultimately, the market is set to remain challenging for buyers over the coming month with supply tight as peak demand surfaces.

On the east coast, Russian suppliers continue to cite high returns reflecting up to $320pt cfr metric for vessel tonnes for may shipment.

Baltic: AN values in the Baltic continue to be stable with infrequent business limited largely to part cargo sales by producers.

In latest business, Purefert is reported to have sold 6,000t of AN as part of a combination for May shipment into Latin America with netbacks in the mid-$210s pt fob. Offer levels have been put at $220pt fob from other suppliers.

In the domestic market, the Spring season is drawing to a close. Typically, in previous years, this meant producers turned to export markets for an outlet which led to downward price pressure. However, trade flows have been disrupted since late 2021/2022 and as such, this is not guaranteed.

Last year, producers prioritised domestic offseason sales and reduced their reliance on exports. The domestic AN market has been growing in recent years while production has been stable.

In addition, the very recent cutbacks in amsul output in China and the anticipated reduction in availability (at least in comparison to previous levels) of compacted amsul from China, could present an opportunity for AN suppliers into Brazil.

Sulphates

It has been an active and eventful week for amsul markets. In China, capro amsul production rates continue to edge lower and prices higher to the mid-$150s pt fob despite tepid SE Asian demand.

In the west, a round of buying has taken place in Brazil for compacted amsul in the low to mid-$180s pt cfr while prices in the USA have firmed on the back of the sharp uptick in urea values and existing tight supply of amsul.

China: TCC closed a tender midweek for 15,000t of capro amsul for shipment by 10 June. The producer is reported to have received multiple bids for 500-2,000t lots covering the full volume on offer at Rmb 1,050-1,055pt ex-works, up Rmb 40pt on the previous tender from around two weeks ago and equivalent to the mid-$150s pt fob.

This was the first notable local tender since the production turbulence of the last 1-2 weeks and a significant price marker for capro amsul.

Capro amsul output levels have continued to slowly decline with latest production levels put at around 80% of capacity, down 10-15% over the last 1-2 weeks although some estimates put the production decline at higher levels.

As reported previously, the production declines are a result of the declining trade in steel and caprolactam between China and the USA as a result of tariffs. By-product amsul production has been impacted.

Lower operating rates appear to have prompted compactors to stock up on raw materials amid an expectation that Brazilian cfr levels will have to increase to cover the higher feedstock prices. As such, producers of capro amsul in the north are in a more comfortable position with supply tighter than in the south.

In the south, offer levels were circulating in the $155-160pt fob range while those in the north are reported to have achieved higher levels from buyers requiring shipment from the north owing to logistical reasons.

For compacted amsul, prices are largely stable with sales taking place in the mid-$160s pt fob for 5,000t of mixed grade product for second half May shipment. For pure capro compacted amsul, prices are put at least $5-10pt higher although the highs from last week achieved for Australia are no longer available.

SE Asia: No new sales have been reported but several sizeable inquiries have emerged. These include a major Thai buyer returning to the market for a 12-20,000t inquiry for capro amsul for May shipment with a tender due to close next week.

Separately, another 10,000t inquiry for capro amsul has been reported for Karachi, Pakistan.

Overall, the increases in Chinese fob levels have led to SE Asian cfr levels at $170pt cfr, if not higher. For now, buyers have only slowly been increasing price ideas.

Brazil: A sizeable round of business has taken place over the last week as buyers stepped in to secure tonnes amid the ongoing uncertainty over precise availability from China. A reduction in availability is widely anticipated but the extent remains as yet unclear, especially for the near term.

Several suppliers have concluded sales in the low to mid-$180s pt cfr for May/June cargoes. At least an estimated 20-30,000t of business is expected to have taken place.

Separately, anywhere from 300-500,000t of forward business for Q2/Q3 was concluded from late last year and earlier this year. It remains to be seen if or to what extent the latest changes in both the supply and price dynamics in China will impact these sales. In the past, such notable changes to the fundamentals have led to renegotiations at different stages of the supply chain, mainly in China.

USA: The rally in urea values triggered demand for granular amsul in an already tight market. The bulk of the interest has been for loaded barges with trades taking place at $425ps ton fob Nola for multiple barges, in line with the highest levels achieved last week. There are reports of a trade $5ps ton above these levels.

For first half May, offers were reported at $418ps ton fob Nola for imported granular amsul with no business concluded.

Following the activity/sales, domestic producers are now firm at list prices with AdvanSix offers at $485ps ton on the Ohio River and $490ps ton on the Upper Mississippi River.

Europe: Activity is at a low ebb and limited only to last minute hand to mouth buying. A sole barge of 1,000t was sold this week at around €175pt fob ($199pt) NW Europe netback into mainland Europe. The price is in line with last done.

While prices are holding, there has been a notable drop off in activity. A reset in values is widely anticipated in the coming weeks with the European offseason potentially leading to capro amsul being exported.

This is typical for the time of year but is not guaranteed any more in any meaningful volumes owing to low production and the resulting tightness in supply, even during the offseason.

For granular amsul, domestic values have already started to show signs of resetting. While not official new season prices have been announced with some reported to be offering at €240pt FCA, down €5-15pt from previous levels and equivalent to around €230pt ($262pt) fob NW Europe.

Profercy International Prices

All prices $pt unless otherwise stated. The price assessments published by Profercy contribute to the main fertilizer price index for the trade in fertilizer swaps and derivatives. These price assessments are highlighted in **bold** below.

	24-Apr		17-Apr	
Urea prilled bulk	**Low**	**High**	**Low**	**High**
Baltic – ice affected fob	345	355	335	350
Baltic – ice free fob	345	355	335	350
Arab Gulf fob	380	390	378	383
China fob	335	345	340	350
Shandong prilled urea RMB ex-works	1790	1810	1820	1850
Shandong prilled urea domestic fob $eqv	266	269	270	274
Brazil cfr	375	380	365	370
EC Central America cfr	380	390	375	385
WC Central America cfr	400	410	395	405
India cfr (both grades)	385	398.24	385	398.24
SE Asia cfr	415	425	415	425
Urea granular bulk (spot)	**Low**	**High**	**Low**	**High**
Arab Gulf fob US cargoes	369	443	364	387
Arab Gulf fob Brazil cargoes	353	363	353	358
Arab Gulf fob spot price	390	395	373	395
Arab Gulf full range	353	443	353	395
Iran fob spot	335	345	335	345
SE Asia fob	402	405	392	400
China fob	335	345	340	350
SE Asia cfr	415	430	405	415
Black Sea fob	360	370	355	365
Baltic fob	350	375	350	365
Egypt fob	384	395	380	390
Algeria full range	360	395	350	390
Algeria long-haul fob	360	395	350	360
Algeria short-haul fob	385	395	380	390
North Africa full range fob	360	395	350	390
Nigeria fob	360	390	345	372
France (Atlantic) cfr	400	405	400	405
France granular urea EUR/FCA	390	395	390	400
Romania/Bulgaria cfr	390	400	395	405
Caribbean fob	382	400	377	400
US Gulf export (metric fob)	420	430	410	420
US Gulf pst fob prompt/7 days	415	480	415	423
US Gulf pst fob to 30 days	405	480	400	423
US Gulf metric cfr to 30 days	441	524	435	461
Brazil cfr	375	385	375	380
WC Central America cfr	415	425	410	420

Nitrates	24-Apr Low	High	17-Apr Low	High
AN Baltic fob bulk	215	220	215	225
AN Black Sea fob bulk (north)	215	220	215	225
AN Black Sea fob bulk (south)	240	260	260	270
AN France € deld bulk	370	390	390	400
AN France € deld bulk (prilled)	360	380	380	390
CAN France € deld bulk	305	315	335	345
AN UK fot £ bagged	340	345	340	345
AN UK cpt £ bagged	370	375	370	375
CAN Germany € cif bulk	295	305	325	335
AN Brazil pt cfr	250	260	250	260
AN Central America cfr	260	270	260	270
Am. Sulphate bulk	**Low**	**High**	**Low**	**High**
NW Europe (capro) full range fob	160	200	160	200
NW Europe (capro) long-haul fob	160	165	160	170
NW Europe (capro) domestic fob	198	200	197	200
NW Europe (capro) domestic EUR fob	174	176	174	176
NW Europe gran fob full range	152	387	145	387
NW Europe gran long-haul fob USA	377	387	372	387
NW Europe gran-long haul fob (other)	152	156	145	155
NW Europe gran domestic fob	256	262	278	289
NW Europe gran domestic EUR fob	225	230	245	255
Turkey cfr duty unpaid (caprolactam)	170	175	165	175
China RMB ex-works (caprolactam)	1050	1080	1020	1080
China fob – (caprolactam)	155	160	150	155
China fob – (MMA/Steel)	140	145	135	145
China compacted/granular fob	165	175	162	178
US Gulf barge granular pst fob	415	425	410	425
Brazil caprolactam cfr sight	170	175	165	175
Brazil granular cfr sight	182	186	175	185
SE Asia cfr	170	175	165	175
UAN	**Low**	**High**	**Low**	**High**
UAN France € fot	300	335	300	335
US ec cfr	300	320	300	320
US ps ton fob Nola	350	350	350	350
US ps ton Nola/Cincinnati-Netback	340	350	327	350
UAN FSU fob Black Sea	250	260	250	260
UAN fob Baltic	250	378	250	377
UAN fob Baltic: EU duty free	336	378	335	377
UAN fob Baltic: EU low AD duty	259	296	258	295
UAN fob Baltic: Long haul	250	270	250	270
UAN Egypt fob	325	330	325	330

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