

Ammonia Report

Weekly review of the ammonia market

12 May 2016



- Transagri awarded in the latest FACT tender for 7,500 t delivery to Cochin/India at mid-\$390 cfr
- Incitec Pivot's new ammonia plant in Waggaman, Louisiana is reported to be 97% complete
- Ammonia pipeline from Togliatti to Yuzhnyy to undergo maintenance works starting 16 May
- Two ammonia vessels load from the Fertial plants in Algeria but future liftings remain uncertain

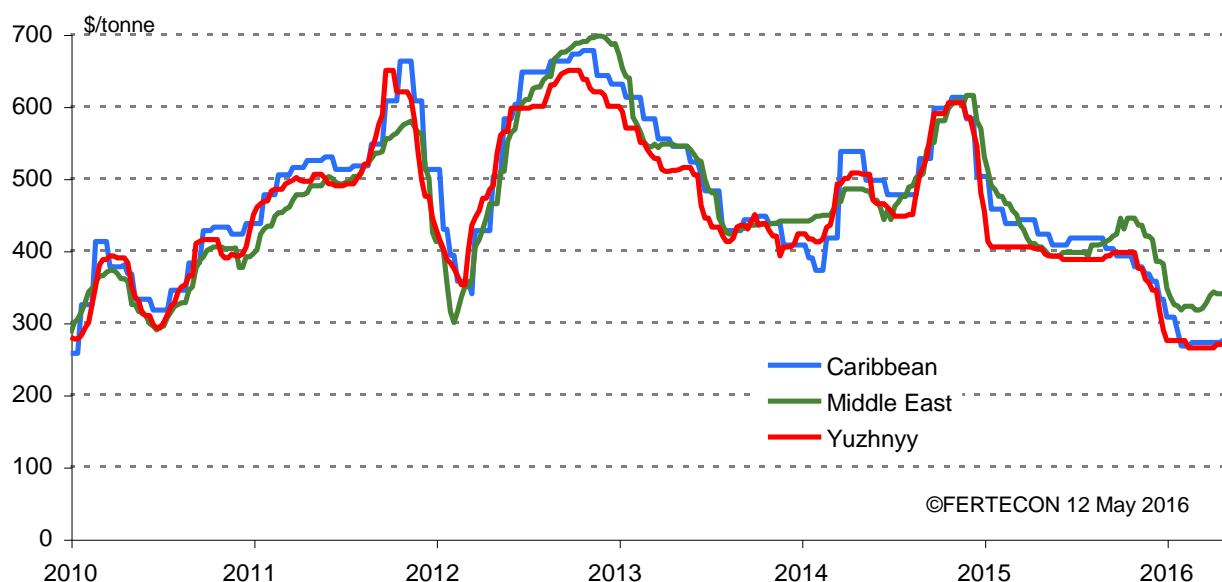
OUTLOOK

Stable to slightly firmer.

KEY PRICES

	12 May	5 May	28 April
Yuzhnyy fob \$/t	270-280*	270*	270*
Middle East fob \$/t	335-355*	325-355*	325-355*
Tampa/US Gulf cfr \$/t	320-325	320-325	310-325**

AMMONIA PRICES



Fertecon's ammonia prices are available to analyse and download immediately after publishing [via this link](#).


AMMONIA PRICE INDICATIONS All prices in US\$

	12 May	5 May	28 April
Fob prices			
Caribbean	280-285	280-285	270-285**
Middle East	335-355*	325-355*	325-355*
<i>Of which:</i>			
- Netbacks on contract/formula-priced sales	335-345*	325-345*	325-345*
- Spot fob	350-355	350-355	350-355
Yuzhnyy/FSU fob	270-280*	270*	270*
Baltic/FSU	280-290*	280-285*	280-285*
Southeast Asia	340-355	340-355	340-355
Delivered prices			
NW Europe (duty paid/duty free) *	349-364	349-359	349-359
NW Europe (duty unpaid) *	330-345	330-340	330-340
Far East	370-405	369-405	380-400
India	365-395	360-385	360-385
US Gulf/Tampa	320-325	320-325	310-325**
- Tampa	320	320	310-320**
- US Gulf (MS, LA, TX)	325	325	315-325**
FERTECON PRICE DEFINITION Prices, rounded to the nearest US\$, represent the last known spot and contract business and current indications, for 4-40,000 t cargoes, net of credit. * nominal; n.m. – no market; ^corrected ** low end relates to Apr price, high end relates to May price The full history of Fertecon's ammonia prices is available to view and download by clicking here .			

FREIGHT INDICATIONS US\$/tonne (Rates basis 1-1 unless stated)

Route	Cargo size (t)	Latest rate
Caribbean –Tampa/USG	23,500	38-42
Baltic (Ventpils) – Antwerp/Belgium	23,500	23-25
Baltic (Ventpils) – NW Europe (France)	8-15,000	42-45
Black Sea – NW Europe (excl Scandinavia)	12-15,000	75-80
Black Sea – Antwerp/Belgium	23,500	60-65
Black Sea – Morocco	23,500	42-45
Black Sea – US (1-1 Tampa)	40,000	60-65
Black Sea – US (2-3 USG)	40,000	70-75
Middle East – India (1 port W. Coast)	23,500	25-30
Middle East – India (2-3 ports W. Coast)	15,000	40-45
Middle East – India (1 port E. Coast)	15,000	50-65
Middle East – India (1 port E. Coast)	23,500	45-55
Middle East – Far East (Taiwan)	23,500	70-75
Middle East – Far East (South Korea)	23,500	75-85
Indonesia – Taiwan	15-20,000	40-45



ANALYSIS

There have been a couple of interesting developments in the ammonia market this week although most price indices remained stable with some upward adjustments to a couple of benchmarks as a result of new price information emerging this week.

Although no new spot business has been reported in the **Black Sea** or **Baltic** this week there were indications that the current Black Sea prices are now falling in \$270-280 fob price range with the high end reflecting the netback on Ameropa's recent delivery to India priced in the mid-\$360s cfr. In the absence of new price information in the Baltic, the prices have been adjusted on a nominal basis with a \$10 freight differential between Baltic and the Black Sea.

The **Middle East** market has been quiet on the spot front. Transagri has been awarded in the latest FACT tender in India at mid \$390s cfr which indicates a netback at a similar level to our previously reported spot indications. However, the contract element of the Middle East price range is estimated to be up at around \$335-345 fob. Muntajat/Qatar indicates its latest prices at \$340-342 fob, with similar or slightly higher levels estimated for Sabic's latest delivery to its customer located on the west coast of India. There has been a short-lived outage at one of the Qafco ammonia plants earlier this week but the issue has now been resolved and all plants are heard to be running. The Safco II plant in Saudi Arabia is still under maintenance and spot availability out of the Middle East remains tight.

In **Algeria**, two ammonia vessels have loaded from Ferial's Annaba and Arzew plants for deliveries to Spain but forward loadings remain uncertain as the administrative issues related to the export licences are heard to be resolved on a case-by-case basis.

The **Far Eastern** demand remains stable and delivered prices are assessed at \$370-405 cfr this week.

In **India**, aside from the above mentioned award in the latest FACT tender to Transagri at \$395 cfr, other price indications of cargoes delivered recently or scheduled for delivery very soon are ranging from mid \$360s cfr to \$380 cfr.

In the **United States**, the Incitec Pivot's new ammonia plant in Waggaman, Louisiana is now 97% complete and there are expectations of commercial production to start in Q3 2016. In terms of domestic demand for direct ammonia application, wet weather continues to disrupt activity in parts of the country. There are reports of more aggressive ammonia values in some areas where traders/dealers try to liquidate some positions.

The short term global outlook remains stable to slightly firmer.

SUPPLIERS

FSU

BLACK SEA: No new spot business has been reported in the Black Sea this week and while there are indications of recent pricing still concluded at around \$270 fob, the netback on Ameropa's recent delivery to India, reportedly priced in the mid-\$360s cfr, is estimated to be around \$280 fob.

Trammo confirmed that it has purchased Black Sea tonnes with deals concluded 7-10 days ago for 2-half of May lifting. Of this around 10,000 t has been sourced from OPZ and the remainder from NF Trading. The prices remain confidential but are expected to be at or around previously reported level of \$270 fob.

The Togliatti – Yuzhnyy pipeline will be undergoing maintenance works starting around 16 May and lasting for at least a couple of days, maybe longer. It is understood that the pipeline will not be completely out of action but that the throughput will be significantly reduced and therefore Ameropa's vessels may experience some further delay in loading.

The known ammonia vessel line-up for May so far is tabulated below.

Vessel	Trader	'000 t	Destination	Load date
APRIL		205.5		
MAY		238.7		
<i>Navigator Grace</i>	Trammo	15	Turkey (Korfez) & Israel (Haifa)	30 April – 1 May
<i>Clipper Mars</i>	Ameropa	40	EC India (Paradeep)	5-6 May



<i>Clipper Odin</i>	Ameropa	25	Tunisia (Gabes)	10-11 May
<i>Sylvie</i>	Trammo	23.5	Morocco (Jorf Lasfar)	13-15 May
<i>Navigator Grace</i>	Trammo	15	Turkey (Mersin & Ceyhan)	14-15 May
<i>Gas Grouper</i>	Ameropa	23.4	Belgium (Antwerp)	Arr 7 May, Will load soon
<i>Solaro</i>	Ameropa	25	Morocco (Jorf Lasfar)	Arrived 6 May, to load 18-19 May
<i>Gas Cobia</i>	Ameropa	23.4	Belgium (Antwerp)	23-24 May
<i>Gas Manta</i>	Ameropa	23.4	TBC	ETA 21 May to load end May
<i>Clipper Odin</i>	Ameropa	25	TBC	End May/ early June

BALTIC: Our Baltic price indication is increased by \$5 on the high end to \$280-290 fob to follow Yuzhnyy, using the \$10 freight differential between the two supply locations.

Known loadings out of the Baltic ports for May are tabulated here:

Vessel	Trader	'000 t	Destination	Load date
APRIL		68		
MAY		12		
<i>Coral Ivory</i>	Yara	4	Sweden (Köping)	30 April – 1 May (Ventspils)
<i>Coral Ivory</i>	Yara	4	Germany (Rostock)	7-8 May (Ventspils)
<i>Coral Ivory</i>	Yara	4	Sweden (Köping)	11 May (Ventspils)

EUROPE

POLAND: Yara's vessel, the *Temse* lifted ammonia cargo from the Police plant in Poland on 9-10 May for delivery to Rostock, Germany. We have previously reported on Yara's 4,000 t spot purchase from the plant.

UNITED KINGDOM: The last ammonia liftings out of the United Kingdom are tabulated below. There are no vessels scheduled for May while the ammonia plant at Hull is under maintenance.

Vessel	Trader	'000 t	Destination	Load date
MARCH		20		
APRIL		18		
<i>Temse</i>	Yara	8	Germany (Rostock)	6-7 April (Hull)
<i>Antarcticgas</i>	Yara	10	Germany (Rostock)	17-18 April (Hull)

MEDITERRANEAN

TURKEY: Monthly exports of ammonia in March were, at 5,069 t down by a small volume of 424 t or 7.7% m-o-m from 5,493 t shipped in February. This brought the total Q1 2016 exports to 10,589 t which is significantly down y-o-y from the 46,903 t exported during Q1 2015. (Source: GTIS/State Institute of Statistics)

The *Navigator Gusto* is heading for Gemlik with an eta 13 May for loading from the **Gemlik Gubre** plant.

CARIBBEAN

TRINIDAD: The known vessel line-up for lifting out of Point Lisas in May is tabulated below.



Vessel	'000 t	Destination	Load date
APRIL	378.7		
MAY	389.7		
<i>Marola</i>	24.8	United States (Tampa)	1-3 May
<i>Sombeke</i>	25.4	Belgium (Antwerp)	3-4 May
<i>Almajedah</i>	15.4	Brazil (Santos)	3-4 May
<i>Libramont</i>	25.4	United States (incl Freeport)	3-5 May
<i>Touraine</i>	25	United States (US Gulf)	6-7 May
<i>Clipper Neptun</i>	40	United States (Tampa)	9-10 May
<i>Kaprijke</i>	25	TBC	11-12 May
<i>Navigator Galaxy</i>	15	TBC	13 May
<i>Clipper Sky</i>	40	TBC	13 May
<i>Marola</i>	24.8	TBC	15 May
<i>Clipper Venus</i>	40	TBC	15 May
<i>Sanko Independence</i>	23.5	TBC	24 May
<i>Libramont</i>	25.4	TBC	2-half May
<i>Clipper Neptun</i>	40	TBC	2-half May

AFRICA

ALGERIA: It is heard that the administrative obstacles which were delaying vessel loading from the **Fertial** plants are being dealt with on a case-by-case basis and both the *Andesgas* and the *Queen Isabella* have lifted ammonia from Annaba and Arzew respectively for delivery to Spain. The situation remains uncertain going forwards.

Sorfert is reportedly working on two new spot sales for June loading.

Yara's vessel, the *Pertusola* lifted 6,500 t ammonia from the Sorfert plant at Arzew for delivery to Ravenna, Italy. The vessel will return to Arzew to load further 11,850 t from Sorfert.

Trammo loaded 23,000 t from Sorfert on 7-9 May on the *Brussels* for delivery to Morocco. The vessel is likely to load another 23,000 t later this month.

The *Marycam Swan* has an eta 18 May at Arzew, to load 10,000 t for Trammo.

The latest known line-up for ammonia loading from Algeria is below.

ALGERIA: 2016 AMMONIA EXPORT SHIPMENTS					
Vessel	Supplier	'000 t	Destination	Load Port	Load Date
APRIL		129.9			
MAY		91.8			
<i>Andesgas</i>	Fertial	10	Spain (Aviles)	Annaba	4-5 May
<i>Pertusola</i>	Sorfert	6.5	Italy (Ravenna)/Yara	Arzew	6-7 May
<i>Brussels</i>	Sorfert	23.5	Morocco (Jorf Lasfar)/Trammo	Arzew	7-9 May
<i>Queen Isabella</i>	Fertial	7	Spain (Sagunto)	Arzew	9-10 May
<i>Marycam Swan</i>	Sorfert	10	Spain/Trammo	Arzew	18 May
<i>Pertusola</i>	Sorfert	11.8	TBC/Yara	Arzew	2-half May
<i>Brussels</i>	Sorfert	23	TBC/Trammo	Arzew	2-half May

LIBYA: Yara's vessel, the 10,000 t ammonia capacity *Antarcticgas* is expected at Marsa el Brega on 14 May for loading from the **Lifeco** plant.



MIDDLE EAST

IRAN: It is now known that the *Gas Line*, which loaded at **BIK** at the end of April is heading for India and was seen near Paradeep today, 12 May.

The *Gas Cat*, which loaded 18,500 t ammonia from BIK on 3-6 May, is heading for delivery to east coast India for CIL at Vizag and Kakinada.

The *Everrich 6* is expected to arrive at **Bandar Assaluyeh** around 16 May for loading, most likely for Transagri's delivery to FACT at Cochin, west coast India to cover the newly awarded import tender at mid-\$390s cfr.

QATAR: **Muntajat** is busy supplying its long-term contract customers and has no available spot tonnes in the near term.

All **Qafco** ammonia plants are running although there has reportedly been a short outage on the Qafco 2 ammonia plant earlier this week but the issue which caused a stoppage is understood to have been resolved. The producer is not planning any ammonia maintenance turnarounds in the near future.

Muntajat estimates its latest netback on cfr deliveries to long-term contract customers to be around \$340-342 fob.

The *Almarona* has loaded a part cargo of around 7,000 t from Mesaieed and is currently topping up 8,000 t in Saudi Arabia under a swap with Trammo.

SAUDI ARABIA: The **Safco II** ammonia plant remains down for turnaround.

Sabic's vessel, the *Rose Gas*, which loaded ammonia from Al Jubail on 5-6 May and discharged a part cargo of 12,000 t ammonia for GSFC at Sikka, west coast India on 10 May has been reportedly priced at around \$380 cfr level.

The *Al Barrah* arrived at Ras al Khair on 10 May and is waiting to load for delivery to the Far East.

The *SCF Tomsk* is heading for the Middle East to load for Trammo in the 2-half of the month.

The latest Middle East line-up is tabulated below.

Vessel	Supplier/Origin	'000 t	Destination	Price \$/t	Load date
MARCH		252.9			
APRIL		173.5			
<i>Almarona</i>	Muntajat/Qatar	15	WC India: Zuari/Goa & MCFL/Mangalore EC India: SPIC/Tuticorin	I-t contract	3-4 April
<i>Everrich 6</i>	Transagri/ex-Iran (Assaluyeh)	5.4	WC India: Iffco/Kandla	\$350 cfr	2-4 April
<i>Sanko Innovator</i>	Trammo/ex-Oman (Sur - 8.4) & S.A. (RAK- 15)	23.3	Taiwan (Mailao) & China (Caojing)	SA: \$340	Oman: 31 Mar - 1 Apr S. Arabia: 6-7 Apr
<i>Gas Line</i>	CIFC-Raintrade/Iran (BIK)	17	EC India: CIL/Kakinada	\$361 cfr	4-6 April
<i>Cambridge</i>	Muntajat/Qatar	23	EC India: PPL/Paradeep & SPIC/Tuticorin	I-t contract	6-7 April
<i>Everrich 6</i>	Transagri/ex-Iran (Assaluyeh)	5.4	WC India: Deepak Fertilisers/JNPT-Mumbai	n/a	15-16 April
<i>Rose Gas</i>	Sabic/S.A. (RAK)	23	WC India: GSFC/Sikka (8) & Hindalco/Dahej (6)	\$385 cfr	15-18 April
<i>Almarona</i>	Muntajat/Qatar	15	WC India: Zuari/Goa & MCFL/Mangalore EC India: CIL/Kakinada	I-t contract	17-18 April
<i>Gas Columbia</i>	Muntajat/Qatar (Mesaieed)	23.4	Madagascar (Toamasina) & EC India: SPIC/Tuticorin	I-t contract	24-24 April
<i>Gas Line</i>	CIFC-Raintrade/Iran (BIK)	23	EC India (Paradeep?)	n/a	29-30 April



MAY		136.8			
<i>Al Jabirah</i>	Sabic/S.A. (Al Jubail)	23.4	Taiwan (Taichung)	I-t contract	2-3 May
<i>Everrich 6</i>	Transagri/ex-Iran (Assaluyeh)	5.4	WC India: Deepak Fertilisers/JNPT-Mumbai	n/a	3-4 May
<i>Gas Cat</i>	Raintrade/Iran (BIK)	18.5	EC India: CIL/Kakinada & Vizag	n/a	3-6 May
<i>Rose Gas</i>	Sabic/S.A. (Al Jubail)	23	WC India: GSFC/Sikka (12)	Part cargo \$380 cfr?	6-7 May
<i>Almarona</i>	Muntajat/Qatar (7) & S.A.(Al Jubail - 8)	15	TBC	I-t contract	10-11 May
<i>Al Barrah</i>	Sabic/S.A. (RAK)	23	Far East	I-t contract	Arr. 10 May, expected to load 15 May
<i>Everrich 6</i>	Transagri/ex-Iran (Assaluyeh)	5.5	WC India: Deepak Fertilisers/JNPT-Mumbai	\$395 cfr	16 May
<i>SCF Tomsk</i>	Trammo/ex-Oman (13) & S.A. (10)	23	TBC	\$355	2-half May

RAK = Ras Al Khair, S.A. = Saudi Arabia

ASIA/OCEANIA

AUSTRALIA: Exports of ammonia in Q1 2016 were, at 109,371 t, down by 82,865 t or 43.1% y-o-y from 192,236 t during Q1 2015. This was mainly due to lower exports during the first two months of this year. The largest proportion of this decline comes from significantly lower exports to South Korea (122,016 t in Q1 2015 compared to just 41,344 t in Q1 2016). However, m-o-m the Australian exports are up with March reaching 72,098 t, more than four times the February export volume of just 15,767 t. (Source: GTIS/Australian Bureau of Statistics)

The *Nordic River*, which loaded in Dampier on 5-6 May will deliver ammonia to Taichung, Taiwan around 14 May.

The *Viking River* is expected at Dampier around 19 May for loading.

The recent known ammonia loadings are tabulated below:

AUSTRALIA: 2016 AMMONIA SHIPMENTS			
Vessel	'000 t	Destination/Supplier	Load Date/Port
APRIL	62		
MAY	50		
<i>Nordic River</i>	25	Taiwan (Taichung)/Yara	5-6 May (Dampier)
<i>Viking River</i>	25	S. Korea (Yosu)/Yara	19 May (Dampier)

INDONESIA: The *Gaz Millennium* appears to have loaded ammonia in Bontang on 9-10 May but destination is not yet confirmed.

Trammo's vessel, the *Sanko Innovator* is expected in Bontang around 18 May for loading.

Mitsui's smallest vessel, the 2,300 t capacity *Gaschem Dollart* is heading for Palembang with eta 14 May for loading.

The ammonia vessel line-up for May so far is tabulated below.

INDONESIA: 2016 AMMONIA EXPORT SHIPMENTS			
Vessel	'000 t	Destination/Supplier	Load Date/Port
APRIL	119.5		
MAY	100.6		
<i>Gas Quantum</i>	22.8	EC India (PPL/Paradeep -14.5) & WC India (JNPT/Mumbai – 8.2)/Mitsui	30 April – 1 May (Bontang)



<i>Gaz Serenity</i>	15	Japan/Mitsui	1-3 May (Bontang)
<i>SCF Tobolsk</i>	22	S. Korea (Ulsan – 15 & Incheon - 7)/Trammo	3-5 May (Bontang)
<i>Gaz Millennium</i>	15	TBC/Mitsui	9-10 May (Bontang)
<i>Gaschem Dollart</i>	2.3	TBC/Mitsui	14 May (Palembang)
<i>Sanko Innovator</i>	23.5	China (Caojing)/Trammo	18 May (Bontang)

MALAYSIA: Customs' data for February has been released and shows monthly exports of 20,680 t, down by 11,158 t or 35% m-o-m from the 31,838 t shipped in January. This brought total exports for January-February to 52,518 t, posting a y-o-y increase of 11,139 t or 26.9% compared to January-February 2015 total exports of 41,379 t. During the first two months of this year Malaysian ammonia has been destined for Thailand (33,402 t), South Korea (16,000 t) with smaller volume shipped to Vietnam (1,702 t) and Singapore (1,346 t). (Source: GTIS/Department of Statistics Malaysia)

The *Bunga Kemboja*, which was seen heading for Bontang, Indonesia last week, has now arrived at Kerteh instead for loading.

The latest ammonia loading schedule for Malaysian ports is below.

MALAYSIA: 2016 AMMONIA EXPORT SHIPMENTS			
Vessel	'000 t	Destination/Supplier	Load Date/Port
MARCH	32.5		
APRIL	33		
<i>Bunga Kemboja</i>	16.5	Thailand (PTT Asahi & NFC)/ Petronas & Mitsubishi	13-15 April (Kerteh)
<i>Bunga Kemboja</i>	16.5	EC India (PPL-Paradeep)/CIFC	26-27 April (Kerteh)
MAY	16.5		
<i>Bunga Kemboja</i>	16.5	TBC	11-12 May (Kerteh)

NORTH AMERICA

CANADA: Exports of Canadian ammonia were, at 130,191 t in March, up by 25,722 t or 24.6% m-o-m from the 104,469 t in February. This brought Q1 2016 to 326,414 t, up by 33,017 t or 11.3% y-o-y from the 293,397 t shipped during the same period of 2015. Canadian ammonia exports are destined entirely for the United States. (Source: GTIS/Statistics Canada)

MARKETS

AFRICA

MOROCCO: Trammo's vessel, the *Brussels* has arrived at Jorf Lasfar on 11 May with a cargo of Algerian ammonia and is currently waiting to discharge for **OCP**.

The latest line-up for ammonia deliveries into Jorf Lasfar is below:

MOROCCO: KNOWN 2016 AMMONIA IMPORTS			
Vessel	'000 t	Supplier/Origin	Discharge
APRIL	35		
MAY	95.4		
<i>Brussels</i>	23.5	OCP/ex-Yuzhnyy	2-4 May
<i>Brussels</i>	23.5	Trammo/ex-Algeria	11-12 May
<i>Sylvie</i>	23.4	Trammo/ex-Yuzhnyy	2-half May
<i>Solaro</i>	25	Ameropa/Yuzhnyy	2-half May



TUNISIA: Ameropa will deliver a cargo of Black Sea ammonia to **GCT** at Gabes on the *Clipper Odin* around 15 May.

The latest known ammonia deliveries into Gabes are tabulated below.

TUNISIA: KNOWN 2016 AMMONIA IMPORTS			
Vessel	'000 t	Supplier/Origin	Discharge
APRIL	25		
MAY	25		
<i>Clipper Odin</i>	25	Ameropa/Yuzhnyy	15 May

EUROPE

BELGIUM: Eurochem is heard to have bought a spot cargo from Trammo for 2-half May delivery. It is expected that the cargo will be sourced from Algeria, possibly arriving on the *Brussels*. The sale price remains confidential.

The latest schedule of known ammonia arrivals into Antwerp is tabulated below.

BELGIUM: KNOWN 2016 AMMONIA IMPORTS			
Vessel	'000 t	Supplier/Origin	Discharge
APRIL	103.2		
MAY	141.6		
<i>Wilhelm Schulte</i>	5.5	OCI/ex-Poland	30 April – 1 May
<i>Wilhelm Schulte</i>	9.5	OCI/ex-France	5-6 May
<i>Temse</i>	8	Yara/ex-Baltic	6-7 May
<i>Gas Manta</i>	23.4	Ameropa/Black Sea	9-10 May
<i>Gas Grouper</i>	23.4	Ameropa/Black Sea	Mid-May
<i>Gas oObia</i>	23.4	Ameropa/Black Sea	2-half May
<i>Sombeke</i>	25.4	PCS/Trinidad	17 May
<i>Brussels</i>	23	Trammo/ex-Algeria	2-half May

FRANCE: According to customs data, monthly ammonia imports into France were, at 49,183 t in March, down by 4,830 t or 8.9% m-o-m from 54,013 t which arrived during February. Total imports in Q1 2016 are also down at 170,699 t compared to 204,753 t delivered during Q1 2015 (34,054 t or 16.6% drop y-o-y). During January-March ammonia arrivals were sourced predominantly from Algeria (60,797 t) followed by the Netherlands (42,590 t), Germany (32,336 t) and Trinidad (14,364 t) with the remainder sourced from other origins. (Source: GTIS/DNSCE)

MEDITERRANEAN

TURKEY: Ammonia imports into Turkey reached 146,869 t in Q1 2016, posting y-o-y increase of 15,837 t or 12.1%. The vast majority of ammonia supplied to Turkey was sourced from the FSU (125,365 t) followed by nearly 20,000 t arriving from Egypt and further negligible volumes supplied from other exporting countries. Monthly imports in March were, at 44,798 t, down by 8,471 t or 15.9% from the 53,269 t in February. (Source: GTIS/State Institute of Statistics)

ASIA/OCEANIA

INDIA: West Coast – In the latest **FACT** import tender, which closed on 2 May, for 7,500 t ammonia delivery to Cochin on or before 20 May, an award has been made to Transagri at mid-\$390s cfr. The volume is heard to be slightly lower, at 5,500 t and the *Everrich 6* is expected to load the cargo from Iran in the next few days to fulfil the requirement.

Sabir's vessel, the *Rose Gas* delivered 12,000 t ammonia to **GSFC** at Sikka on 10 May with price reported at around \$380 cfr level.

It is understood that Muntajat will deliver 4,000 t ammonia to **Hindalco** at Dahej on 19 May.



Ameropa's vessel the *Gas Snapper* will deliver 23,321 t of Black Sea ammonia to **Iffco** at Kandla on 13 May. The price is believed to be at around mid-\$360 cfr level.

West and East Coast – We have previously reported that Mitsui's vessel, the *Gas Quantum* will deliver 8,275 t ammonia to **Deepak Fertilisers** at the JNPT terminal at Mumbai on 15 May. It is now known that prior to this delivery, the vessel will discharge 14,499 t for **PPL** at Paradeep today, 12 May with price believed to be at around \$375 cfr level.

East Coast – The *Gas Cat* will deliver around 18,500 t of Iranian ammonia to **CIL** at Vizag and Kakinada around 15 May.

The latest known ammonia arrivals list for Indian ports is tabulated below:

Buyer/Location	Supplier	'000 t	\$/t cfr unless stated	Discharge	Vessel
APRIL		180.4			
MAY		196			
West Coast		83.5			
Iffco/ Kandla	Trammo/ex-Indonesia	23	n/a	Mid-May	<i>SCF Tomsk</i>
GSFC/Sikka	Sabic/S. Arabia	12	~\$380	10 May	<i>Rose Gas</i>
Hindalco/Dahej	Muntajat/ex-TBC	6	l-t contract	19 May	<i>TBC</i>
Deepak Fertilisers/ JNPT-Mumbai	Transagri/ex-Iran	5.4	n/a	8 May	<i>Everrich 6</i>
Deepak Fertilisers/ JNPT-Mumbai	Mitsui/ex-Indonesia	8.3	spot formula	15 May	<i>Gas Quantum</i>
Iffco/Kandla	Ameropa/ex-Black Sea	23.3	~\$365	13 May	<i>Gas Snapper</i>
FACT/Cochin	Transagri/ex-Iran	5.5	~\$395	~20 May	<i>Everrich 6</i>
East Coast		112.5			
CIL/Kakinada	CIFC-Raintrade/ ex-Iran	8	n/a	Mid-May	<i>Gas Line</i>
CIL/Kakinada & Vizag	CIFC-Raintrade/ ex-Iran	18.5	n/a	15 May	<i>Gas Cat</i>
Iffco/Paradeep	Ameropa/ex-Black Sea	40	n/a	25 May	<i>Clipper Mars</i>
PPL/Paradeep	Mitsui/ex-Indonesia	14.5	~\$375	12 May	<i>Gas Quantum</i>
PPL/Paradeep	CIFC/ex-Malaysia	16.5	\$375	Early May	<i>Bunga Kemboja</i>
PPL/Paradeep	CIFC-Raintrade/ ex-Iran	15	n/a	Mid-May	<i>Gas Line</i>

SOUTH KOREA: LFC (formerly SFC) is understood to have settled its next couple of contract deliveries with Trammo for mid-May and Koch for end of May delivery with prices reported at \$370-384 cfr range. No new spot deals have been concluded this week.

Trammo delivered a part cargo of Indonesian ammonia to **Namhae** at Yosu on 6-7 May on the *SCF Tomsk*.

The latest known ammonia deliveries are provided in the table below.

Buyer/Location	Supplier	'000 t	Discharge	Vessel
APRIL		109		
MAY		93.4		
Namhae/Yosu	Mitsubishi/ex-Indonesia	8	1-3 May	<i>Gaz Millennium</i>
Namhae/Yosu	Mitsubishi/ex-Indonesia	8.4	6-7 May	<i>SCF Tomsk</i>
Namhae/Yosu	Yara/ex-Australia	25	2-half May	<i>Viking River</i>



LFC*/Ulsan	Mitsubishi/ex-Indonesia	15	4-6 May	SCF Tomsk
LFC*/Ulsan	Trammo/ex-Indonesia	15	Mid-May	SCF Tobolsk
LFC*/Ulsan	Koch/ex-Baltic	15	End May	Clipper Orion
Hanwha/Incheon	Trammo/ex-Indonesia	7	11-12 May	SCF Tobolsk

* Lotte Fine Chemical (formerly Samsung Fine Chemicals)

NORTH AMERICA

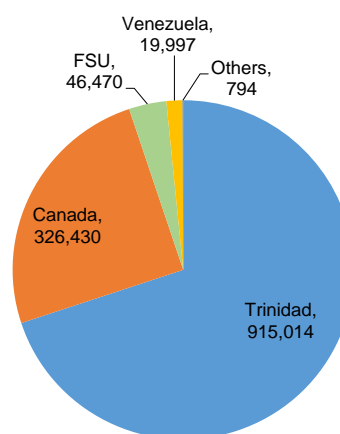
UNITED STATES: In the **domestic market** for direct application of ammonia, light volume of ammonia moved to corn and spring wheat plowdown in central and east North Dakota. Demand was light for ammonia going to corn preplant in central and south Minnesota. Wet conditions continued to delay ammonia application to corn over most of Ohio and Indiana. Demand for ammonia going to corn preplant in central and south-central Illinois was light. A few loads of ammonia went to milo preplant in east Colorado and west Kansas. Light volume ammonia moved to corn sidedress in central Texas. Demand was light for ammonia going to cotton preplant in north and central Missouri.

Ammonia imports into the US during Q1 2016 were just short of 1.31 million t, down by 40,312 t or around 3.0% from 1.35 million t during Q1 2015. Monthly imports in March reached 496,672 t, an 87,296 t or 21.3% m-o-m increase from 409,376 t in February. (Source: GTIS/U.S. Department of Commerce, Bureau of Census).

US Ammonia Imports in Q1			
	2014	2015	2016
Trinidad	817,515	874,410	915,014
Canada	207,868	293,397	326,430
FSU	0	134,740	46,470
Venezuela	85,093	45,914	19,997
Others	6,063	556	794
Total	1,116,539	1,349,017	1,308,705

Source: GTIS/U.S. Department of Commerce, Bureau of Census

US Ammonia Imports Q1 2016



LATIN AMERICA

BRAZIL: Monthly ammonia imports into Brazil in April reached 34,286 t, more than doubling March arrivals of 15,350 t which were reduced due to the annual maintenance closure at the Tiplam ammonia import terminal. This brought total imports during January-April to 118,987 t, an increase of 19,513 or 19.6% y-o-y from 99,474 t imported during the first four months of 2015. Ammonia imports to Brazil were sourced entirely from Trinidad. (Source: GTIS/SECEX – Foreign Trade Secretariat)

The latest known ammonia vessel arrivals into Santos terminal are tabulated below.

Vessel name	Supplier	'000 t	Origin	Discharge date/ Estimated arrival
APRIL		45.9		
MAY		15.4		
Almajedah	Yara	15.4	Trinidad	16-17 May

CHILE: According to customs' data, ammonia imports into Chile during Q1 2016 have been relatively stable reaching 95,111 t compared with 96,611 t during January-March 2015. Monthly imports in March were, at 23,340 t sourced solely



from Venezuela and show a m-o-m drop of 25,042 t or 51.8% from the 48,382 t in February. (Source: GTIS/Chile Customs – Servicio Nacional de Aduana)

COMPANY NEWS

NORWAY: In an announcement dated 11 May it has been reported that **Yara International ASA** Annual General Meeting on 10 May approved a dividend of NOK 15.00 per share and a new Power of attorney to the Board regarding acquisition of own shares. All shareholder-elected Board members and all Nomination Committee members were re-elected for a period of two years.

The dividend of NOK 15.00 per share will be paid on 24 May 2016 to shareholders as of 10 May 2016, and the Yara share will be traded ex-dividend from 11 May 2016. American Depositary Receipts (ADRs) will also be traded ex-dividend from 11 May 2016, with a dividend payment date of 1 June 2016.

The Annual General Meeting approved the cancellation of 1,190,000 of the Company's own shares and the redemption of 675,539 shares owned by the Norwegian State. The number of shares in the company will consequently be reduced to 273,217,830.

The Annual General Meeting approved a new Power of attorney to the Board regarding acquisition of own shares. The Board is thereby given authorization to acquire up to 5 percent of Yara's shares before the next Annual General Meeting. Yara has renewed its agreement with the Norwegian State according to which the State's shares will be redeemed on a pro-rata basis to ensure that the State's ownership is unchanged in the event repurchased shares are cancelled.

AUSTRALIA / UNITED STATES: In the release of its financial results for the six months ended 31 March 2016, **Incitec Pivot Limited** (IPL) reported Net Profit After Tax (NPAT) of AUD31.5 million. NPAT excluding individually material items (IMI) was AUD137.1 million, 6.4% below that of the previous corresponding period. Some of the highlights of the report are below:

Dyno Nobel Americas EBIT is down 14.9% driven primarily by lower fertiliser prices impacting the Agriculture & Industrial Chemicals segment. Explosives margins grew 1.9% despite industry headwinds.

Dyno Nobel Asia Pacific EBIT is down 4.8% reflecting challenging markets, gas supply curtailments, softer mining demand and customer cost focus.

Moranbah manufactured a record 174,000 t of ANE (ammonium nitrate (AN) prill and AN emulsion expressed as AN solution equivalent in metric tonnes) in the period despite gas supply curtailments.

Incitec Pivot Fertilisers (IPF) distribution margins recovered despite falling global prices and subdued demand. Dry conditions in Northern Victoria, South Australia and Queensland, coupled with buyers deferring purchases as fertiliser prices declined and increased competition, underpinned a 24.6% fall in volumes in the first half. This was reflected in revenue and EBIT.

The Gibson Island manufacturing performance improved leading up to its March/April turnaround. The turnaround was completed in April 2016 and 90% uptime is targeted through 2017. Total turnaround cost of approximately AUD35.5 million represented an AUD9.5 million improvement to earlier guidance.

Southern Cross International (SCI) achieved three record production months and produced 501,000 t of ammonium phosphates at Phosphate Hill, notwithstanding the train derailment. Gas contracts secured for Phosphate Hill is reducing supply costs from 2017 to 2028.

The construction and commissioning of IPL's world scale ammonia plant in **Waggaman**, Louisiana, United States is on track and on budget. The project is 97% complete and beneficial production continues to be expected in Q3 2016. Production offtake is fully committed through to 2026, delivering material new earnings growth from financial year 2017. Total spend to date is at \$712 million in line with budget at project announcement (excludes capitalised interest). Forecast total project capital expenditure remains \$850 million and the underlying investment thesis is intact.

Overall, IPL reports that its robust balance sheet includes flat net debt and lower leverage versus previous corresponding period despite market conditions and AUD128.6 million spend on the Waggaman plant during the period.



CANADA: Potash Corporation of Saskatchewan Inc. (PotashCorp) announced that the thirteen nominees listed in the management proxy circular for the 2016 Annual and Special Meeting of Shareholders were elected as directors of PotashCorp on 10 May at the shareholder meeting held in Saskatoon, Saskatchewan.

At the meeting, shareholders also voted to approve the appointment of Deloitte LLP as auditors of the company (97.56% voted in favour), to approve the adoption of PotashCorp's 2016 Long-Term Incentive Plan (80.49% voted in favour), to approve the advisory resolution accepting PotashCorp's approach to executive compensation (92.50% voted in favour), and against a shareholder proposal (68.36% voted against).

NATURAL GAS

QUICK GLANCE (change from last week)

Henry Hub (day ahead): \$2.17 (up) TTF: €12.85 (up) Brent: \$48.03 (up)

WEST EUROPE: The NBP day-ahead price closed at 30.65 p/therm on 11 May up from 28.35 p/therm on 4 May. A price of 30.65 p/therm equates to \$4.42/mmBtu at the £/\$ exchange rate of 1:1.44251 from 11 May.

The June 2016 contract on ICE natural gas futures for the NBP closed at 29.67 p/therm on 11 May up from 28.07 p/therm on 4 May. The average 6-month forward strip (Jun-Nov 2016) is 31.65 p/therm, which equates to \$4.57/mmBtu at the £/\$ exchange rate of 1:1.44251 from 11 May.

The Dutch TTF day-ahead price closed at €12.85/MWh on 11 May up from €12.19/MWh on 4 May, according to Tankard. The Tankard indices are trade-backed volume-weighted average price indices, calculated from trades arranged by ICAP, Marex Spectron and Tullett Prebon.

A price of €12.85/MWh equates to \$4.29/mmBtu at the exchange rate of €/£ 1:1.13804 on 11 May. In May so far, the TTF day-ahead average is estimated at \$4.25/mmBtu, which compares with \$4.01/mmBtu in April and \$3.99/mmBtu in March. The February average was \$4.02/mmBtu and January was \$4.38/mmBtu.

The average six-month ICE futures price for TTF for Jun-Nov 2016 is €13.53/MWh on 11 May, and equating to \$4.51/mmBtu using the €/£ exchange rate of 1:1.13804 from 11 May.

Crude – The Brent crude oil contract for July 2016 settled at \$47.60/bbl on 11 May up from \$44.62/bbl on 4 May. The average price for the 3-month strip (Jul-Sep 2016) is \$48.03/bbl compared with \$46.06/bbl a week before, while the 12-month average (Jul 2016-Jul 2017) is \$49.54/bbl against \$46.75/bbl.

In its May Short-term Energy Outlook (STEO), the EIA is forecasting Brent crude oil prices to average \$41/bbl in 2016 (up \$6 from the April report) and \$51/bbl in 2017 (up \$10 from the prior STEO), with annual average West Texas Intermediate (WTI) prices in 2016 expected to average slightly less than Brent price and roughly the same in 2017. In its comments, EIA said the current values of futures and options contracts suggest a very high degree of uncertainty in the oil price outlook. "WTI futures contracts for August 2016 delivery that were traded during the five-day period ending May 5 averaged \$46/b, and implied volatility averaged 41%. These levels established the lower and upper limits of the 95% confidence interval for the market's expectations of monthly average WTI prices in August 2016 at \$32/b and \$65/b, respectively. The 95% confidence interval for market expectations widens over time, with lower and upper limits of \$26/b and \$83/b for prices in December 2016", the report reads.

UKRAINE: After the completion of the 2015/16 heating season, natural gas stocks in Ukraine's underground storage facilities have increased by roughly 0.4 bcm, Ukrtransgaz reported. As of 6 April, 8.438 bcm of gas were stored in underground storage facilities while the total on 8 May amounted to 8.838 bcm. The total in early May is also up on the year, Ukrtransgaz added, without providing a comparative figure.

RUSSIA / EGYPT: In the beginning of May, Russian Rosneft Trading SA delivered its first LNG cargo to Egyptian Natural Gas Holding Company in the port of Ain Sukhna as part of a contract fixed in August 2015, local media reported. Details about the size of the cargo were not available at the time of writing.

CHINA: Thermal coal prices at Qinhuangdao for the 5,500kcal grade remain flat at Rmb385-395/t (just below \$60/t), which they have done since early March. The average price in April is estimated at Rmb390/t (\$60.22/t), up only slightly from the March average of Rmb389/t (\$59.72/t) and compared with Rmb413/t (\$67.40/t) in the same month last year.



AUSTRALIA: The Newcastle market for Q3 2016 is \$51.05/t up from \$50.70/t last week; Q4 2016 is \$51.15/t up from \$50.70/t, 2017 is \$50.35/t up from \$50.25/t, 2018 is \$50.30/t against \$50.10/t last week, and 2019 is \$50.20/t.

UNITED STATES: The Henry Hub day-ahead price closed at \$2.17/mmBtu on 11 May up from \$2.01/mmBtu on 4 May.

In May so far, the Henry Hub has averaged \$1.99/mmBtu, against an April average of \$1.91/mmBtu. This compares with a March average of \$1.72/mmBtu, which was down from February at \$1.98/mmBtu and also lower than the \$2.28/mmBtu in January. The December average was \$1.93/mmBtu, November was \$2.09/mmBtu and October was \$2.34/mmBtu.

On NYMEX natural gas futures, the June 2016 contract settled at \$2.173/mmBtu on 11 May up from the \$2.141/mmBtu on 4 May. The average for the next three months – Jun-Aug 2016 – is \$2.283/mmBtu, while the average for the next 12 calendar months (Jun 2016-Jun 2017) is \$2.704/mmBtu.

The EIA Weekly Natural Gas Storage Report for the week ending 29 April showed a net injection of working gas stocks into underground storage of 68 bcf. The net injection compares with a median expectation of market analysts of a net injection of 67 bcf. It further compares with the year-ago injection of 77 bcf and the five-year-average injection of 64 bcf. Natural gas stocks on 29 April were 2,625 bcf, which is 840 bcf (47%) above a year ago and 836 bcf (47%) above the five-year average.

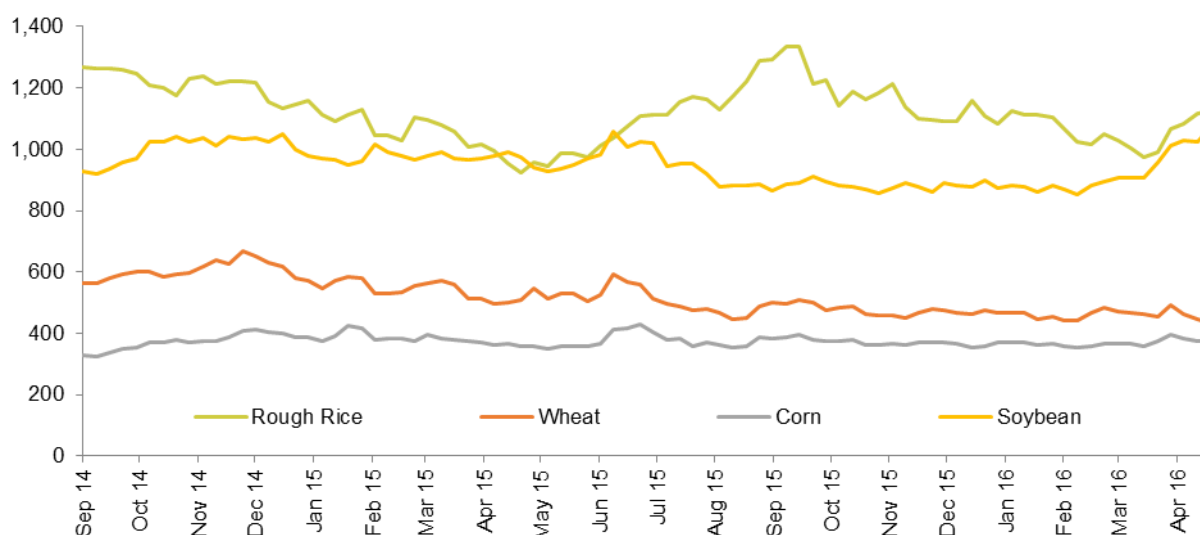
In its May Short-term Energy Outlook (STEO), EIA expects the Henry Hub natural gas spot price to average \$2.25/mmBtu in 2016 (down from \$2.18/mmBtu in the April report) and \$3.02/mmBtu in 2017 (flat from the prior report), having averaged \$2.63/mmBtu in 2015.

Regarding the WTI, the CME June 2016 contract closed at \$46.23/bbl on 11 May up from \$43.78/bbl on 4 May. The forward 3-month strip (Jun-Aug 2016) is \$46.91/bbl against \$44.35/bbl a week before, while the 12-month forward average (Jun 2016-Jun 2017) is \$48.50/bbl compared with \$45.90/bbl.

US coal – The CAPP June 2016 contract closed at \$43.63/ston on 11 May up from \$43.50/ston on 4 May. The 3-month forward strip (Jun-Aug 2016) is \$44.40/ston, while the Jun-Dec 2016 forward average is \$45.03/ston.

AGRICULTURE

WEEKLY CBOT CROP PRICES (¢/bu)





CROP FUTURES

CME CROP PRICES (cents/bushel)					
Product	July 2016	Weekly Change	September 2016	December 2016	May 2015
Corn	374.0	-2.6	377.4	380.2	356.0
Wheat	442.2	-15.4	459.6	484.2	510.0
Soybean	1,078.2	+44.2	1,080.2	1,066.0	975.0
Rough Rice	1,149.0	+4.5	1,164.5	1,174.0	922.0

Prices are Wednesday's closing rates for the quarters indicated. The 2015 price is the forward price reported one year ago.

CORN:	WHEAT:
Cooler, dry weather is forecast for the US Midwest which is expected to aid the corn crop, However higher crude oil prices helped counter the softening.	Scattered showers are forecast for some regions of the US Southern Plains which is bearish for values, as it supports the crop, thus causing a 15 cent drop.
SOYBEAN:	RICE:
Brazil's vegetable association lowered its soybean crop estimate for the country from 99.7 million t to 98.6 million t, support prices.	Uncertainty over the outcome of the this year rice crop, driven largely by a delay in the rainy season, helped rice prices increase slightly this week.

REGIONAL MARKETS

UNITED STATES / GLOBAL: Corn and wheat ending stocks will reach record numbers not seen since the mid-1980's according to the USDA's latest WASDE report.

US wheat ending stocks for 2016/17 are projected to rise to 27.99 million t, up from 2015/16's 26.61 million t, the highest since the 1987/88 crop year, the latest World Agricultural Supply and Demand Estimates (WASDE) stated.

Although US wheat production is projected down by 3% 54.37 million t, total wheat supplies for 2016/17 are still projected up 6% to 26.61 million t from 2015/16 on higher beginning stocks and imports, said the USDA.

For global wheat, supplies are projected to rise 2% from 2015/16 as increased beginning stocks more than offset a decline in production from the previous year's record. Total wheat production is projected at 727.0 million t, the second highest total on record.

Large crops are expected in most key competing countries and favourable spring growing conditions suggest that yields will be well above trend in the EU (output at 156.50 million t, Russia (63 million), and Ukraine (24 million).

As with wheat, US corn ending stocks for 2016/17 are projected at 55.68 million t, up from the 2015/16 projection of 45.79 million t. US corn production for 2016/17 is projected at 366.54 million t, up from the 345.49 million t of 2015/16 and higher than the previous record in 2014/15 (362.09 million).

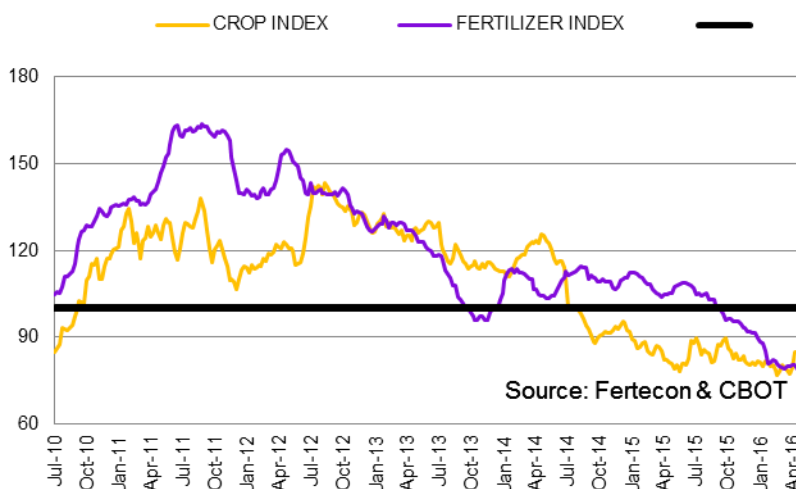
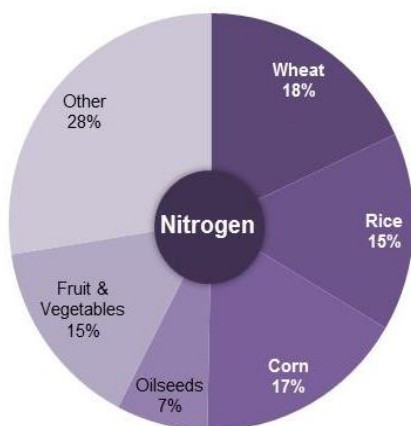
Corn production is also higher for most of the world's major producing countries with production rebounds for South Africa (13 million t) and EU (64.28 million t), and higher area in Argentina (34 million t), Russia and Ukraine (26 million t). Brazil corn production for 2016/17 is expected to decline slightly to 82 million t (81 million t). Global corn production for 2016/17 is projected at 1,011.1 million t, up 42.2 million from in 2015/16, and just short of the record 1.013 billion in 2014/15



NITROGEN USE BY CROP

FERTECON FERTILIZER & CROP INDICES

Source: IFA



Using 6 January 2010 as the starting point (Jan 2010=100), the FERTECON indices aim to assess relative fertilizer affordability and illustrate the comparative movement of fertilizer prices (a basket of urea, DAP and MOP) against crop prices. The denotation is that the higher the crop index is relative to the fertilizer index, the more affordable fertilizers are to farmers – and vice versa.

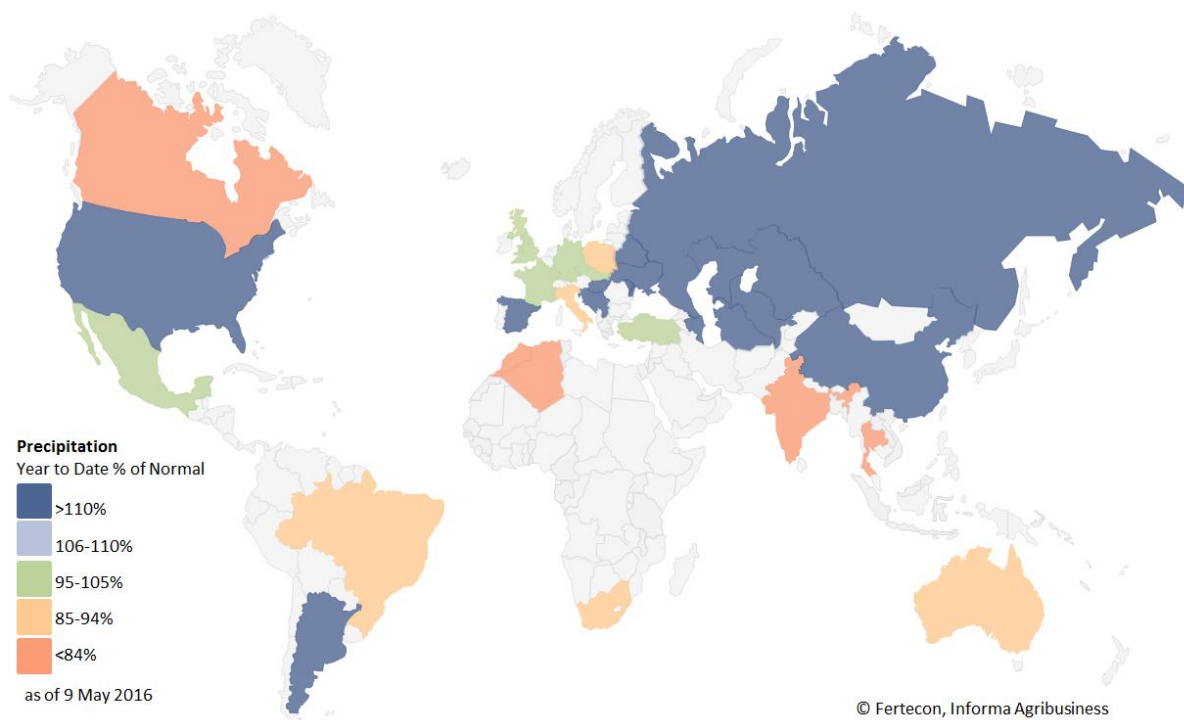
WEATHER & LAND CONDITIONS

SOUTHEAST ASIA: In Southeast Asia rains showed an increase in the Maritime Continent especially from Sumatra across Borneo and into the Philippines. This may have been prompted by the northward movement of the monsoon trough into that region. Temperatures remained above normal.

In Indochina rains were active in northern Thailand, northeast and eastern Burma as well as portions of Laos and Cambodia. Temperatures were above normal in most areas.

LATIN AMERICA: Rains this past week in Argentina was generally focused in Buenos Aires and La Pampa and to portions of Santa Fe and Cordoba. This activity may have slowed harvest in some spots but it was not regionally significant. Temperatures remained seasonal to below normal through the week.

In Brazil rains were active in Parana and portions of Mato Grosso do Sul. Elsewhere the activity remained light where it occurred. Temperatures were seasonal to above normal with the warmest conditions affecting the centre west and north. Soy harvest continues as does the concern for the winter corn crop due to the ongoing dryness and earlier heat.



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