Phosphate Report

Weekly review of the phosphate market

Fertecon
Agribusiness intelligence | informa

19 May 2016

- India purchases additional DAP cargoes from China, Saudi Arabia and Morocco at flat prices
- Lifosa DAP sold $20 lower into Europe at $330-335 fob for May and offered into Turkey at the same levels
- GCT sells DAP in the very low $350s fob including credit for May shipment to Turkey, about $10 lower than April
- Prices for DAP barges in NOLA slide to $310-315/ston fob
- Ma'aden and EuroChem sell more Saudi Arabian and Russian MAP for May and June shipment to Brazil
- OCP pushes back start-up of the new JPH-2 plant from June/July to August/September.

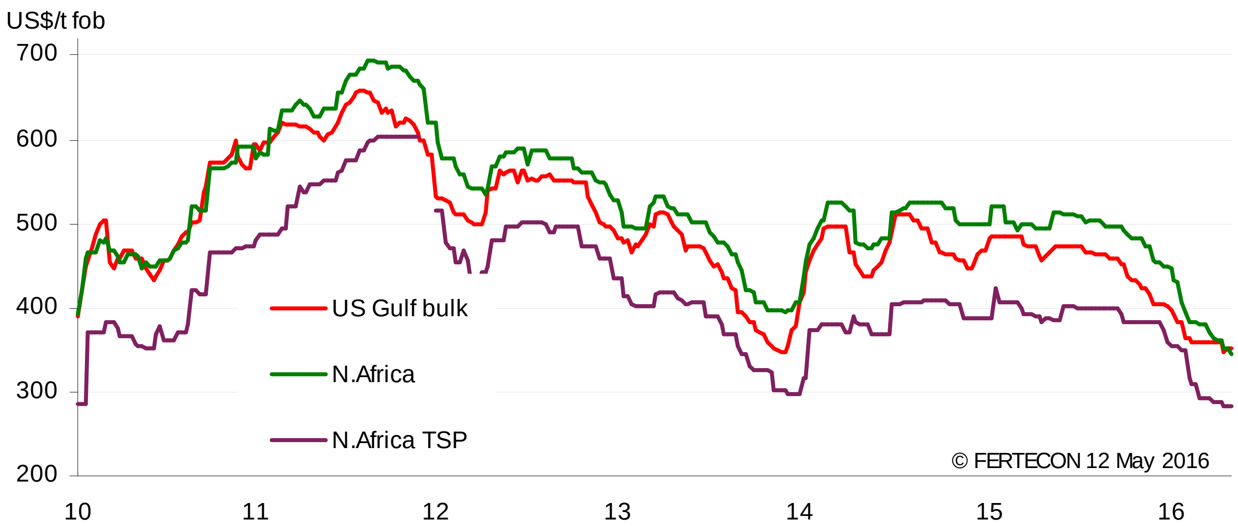
OUTLOOK

Unclear

KEY PRICES

	19 May	12 May	5 May
DAP $/t fob US Gulf	350	350-354	350-354
DAP $/t fob North Africa	341-355	341-359	345-359
DAP $/ston fob NOLA	310-315	315-330	316-330

DAP/TSP PRICES



Fertecon's phosphate prices are available to analyse and download immediately after publishing via this link.

PHOSPHATE PRICE INDICATIONS ALL PRICES IN US$

	19 May	12 May	5 May	Notes
DAP				
US Gulf fob bulk	350	350-354	350-354	
Morocco fob bulk	341-355	341-355**	345-355	
Tunisia fob bulk	347-349	357-359	357-359	
Jordan fob bulk	340-341	340-341	335-340	
Saudi Arabia fob bulk	343-344	343-344	340-344	
Black Sea fob bulk	n.m.	n.m.	n.m.	
Baltic fob bulk	330-335	330-341	330-341	
Australia fob bulk	326-340	326-340	335-340	
China fob cash	330-335	330-335	330-335	
Benelux fca bulk duty paid/free	370-375	380-385	380-385	
India cfr bulk	342-350	342-350	342-350	
US domestic st NOLA	310-315	315-330	316-330	
Ctrl Florida st for	355	355	355	
GTSP				
Bulgaria fob bulk	290	290	n.m.	
Morocco fob bulk	276-285	276-290	276-290	
Tunisia fob bulk	285-290	285-290	285-290	
Lebanon fob bulk	285-290	285-290	285-290	
Mexico fob	300	300	300	
China fob bagged	250-255	250-255	250-255	
MAP				
Black Sea fob bulk	335-350	335-350	335-350	
Baltic fob bulk	335-340	335-340	335-340	
Brazil cfr bulk	350-355	350-355	350-355	
PHOSPHORIC ACID				
US Gulf fob (P_2O_5)	600	600	600	
India cfr (P_2O_5)	715	715	715	30 days
PHOSPHATE ROCK				
Casablanca fob 70% BPL	95-125	95-125	95-125	

FERTECON PRICE DEFINITION

^ all business * No recent known business **price adjusted

NB: All prices refer to most recent concluded business or latest competitive offers. Prices are *net* of credit or other terms.

The full history of Fertecon's phosphate prices is available to view and download by clicking here

FREIGHT INDICATIONS US$/TONNE

(BULK) Route	Cargo size (t)	Latest rate
US Gulf-India	45-50,000	21-22
US Gulf-China	50-55,000	19-20
US Gulf-EC S America	25-30,000	15-22
Baltic-EC S America	25-30,000	18-26
North Africa-India	30-35,000	20-22
Jordan-India	40,000	7-8
Saudi Arabia-India	30,000	6-7

NB: All rates indicated are based on averages. Exact rates will depend on port loading and discharge rates

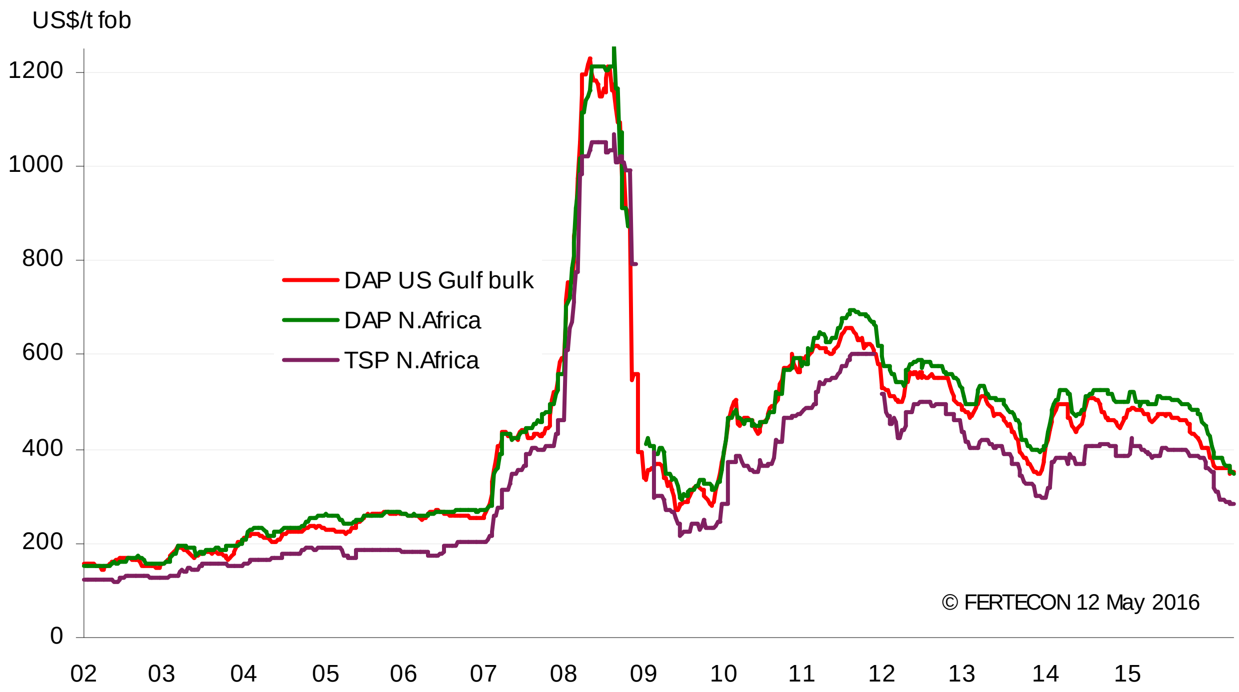
FERTECON TENDER SERVICE

Country/Holder	Product	'000 t	Date	Shipments	Remarks
India/GSFC	DAP	100	16/4	Apr/May	Offers received
India/RCF	DAP	110	3/5	May-Jun	Awarded
Bangladesh/MOA	DAP	350	3/5	May-Oct	Awarded
Bangladesh/MOA	TSP	250	3/5	May-Oct	Awarded
India/Deepak	DAP	35	6/5	May	Awarded
India/Deepak	NPS/NPK	70	6/5	May	Offers received
India/NFL	DAP	35	9/5	1-half June	Scrapped
India/RCF	NP/NPK	70	12/5	1-half June	Two offers received
Bangladesh/BCIC	MGA	50	25/5		
Nepal/AIC	DAP	30	27/5		
Bangladesh/BCIC	Phos rock	30	7/6		
Bangladesh/BCIC	MGA	10	10/7		
Bangladesh/BCIC	Phos rock	30	11/7		

EXCHANGE RATES
(local currency:US$1)

	19/05/2016	12/05/2016	19/05/2015
€ Euro	0.88656	0.87714	0.87772
£ Pound Sterling	0.68952	0.69218	0.63716
Turkish Lira	2.97543	2.95510	2.57899
Rupee India	66.91	66.6034	63.5592
Real Brazil	3.50516	3.46435	3.00316
China RMB	6.53172	6.50532	6.07783

DAP/TSP PRICES – 14 YEAR SERIES



ANALYSIS

India has again taken centre stage in the phosphate market this week with good demand for DAP adding to the order books of Chinese, Saudi Arabian and Moroccan producers. However, with availability for this market ample, new business has been agreed at unchanged prices for non-Chinese DAP although Chinese material is showing signs of slightly firmer pricing. South American markets are also little changed from last week with fresh conclusions on Russian and Saudi Arabian MAP in Brazil where prices are similarly flat. There remains demand in Argentina and it is hoped that prices next finalised in this market may provide an indication of the tone of the market going forward west of Suez.

It has been a different story elsewhere, however, with lower pricing in evidence. GCT has been obliged to drop its price for Tunisian DAP to the high $340s fob net of credit to secure new business in Turkey now that premium-priced European demand is in its seasonal lull. Similarly, EuroChem has accepted a lower $330-335 fob in Europe to find a home for uncommitted Lithuanian DAP and is now turning its attention to the Turkish market. In the US, meanwhile, prices for DAP and MAP in NOLA continue to fade as the season comes to an end, falling to $310-315/ston fob NOLA. On the export front, Mosaic is back down to $350 fob on DAP.

The traditionally strong Q3 peak shipping season to Asia, Latin America and Turkey is on the horizon and while demand in India, Pakistan, Brazil, Argentina and Turkey should rise as the market moves into June and through Q3, equally, there is plentiful supply to cater for their requirements with the US and Chinese domestic seasons over. The extent and timing of fill demand in the US will play a pivotal role going into the summer, however, the amount that India ends up purchasing over the northern hemisphere summer months will have a larger impact. There is some concern about the size of Q3 demand in this market given the 1.5 million t DAP that have already been booked and the rupee falling in value this week, making imports more costly. However, importers' margins remain healthy and DAP demand will be all the stronger the longer a deal on phosphoric acid pricing remains absent. The flip side of this though is that OCP will have the capability to increase granulation. The intensity of demand in Turkey over the coming months also remains to be seen given the unusually large amount that has already secured for this time of year.

MARKETS

EUROPE

BENELUX: There is little or no interest in DAP today and prices have softened further with Lithuanian material offered down to $370-375 fca by EuroChem.

Demand for TSP is weak with prices on offer reported in the range $303-305 fca Ghent, equivalent at current exchange rates to €267-270.

BULGARIA: Agropolychim is reportedly offering TSP at around €285-286 fca levels, while DAP/MAP is reportedly available at €335-340 fca.

CZECH/SLOVAC REPUBLICS: The last price reported indicated for PhosAgro DAP/MAP was around $375 fca Szczecin duty paid but with traders talking of plentiful supply in the summer from traditional sources as well as potentially from Mexico and Saudi Arabia, no-one is in a rush to buy.

FRANCE: Demand for DAP is thin but some modest tonnage has been agreed. OCP has reportedly offered Moroccan DAP at $350 fob, which would equate to around $380 fca, while a small volume of DAP was sold early in the week at $385 fca.

TSP prices are weak with the latest competitive offer reported in the range $303-305 fca. Koch bought 25,000 t TSP from OCP at $285 fob, reportedly for shipment to Rouen and Ghent from Morocco.

There is no demand for NPKs and producers have not as yet put any new season price in place.

GERMANY: DAP price levels have remained at around $390 fca seaport, but have increased slightly in euros owing to a higher exchange rate than a fortnight ago. Farmers are reported to have cut in their phosphate demand, also in a bid to make savings.

NPK markets are quiet, with 15-15-15 cif inland so far remaining unchanged at €320-330 cif inland, still for the current season.

HUNGARY: A buyer is in the market for 5-10,000 t MAP for Hungary and other regional markets including Croatia, Slovakia and Romania. An offer from OCP is reported at $380 cif Hungary Danube port for June shipment from Morocco, estimated to reflect $355 cfr Constantza. EuroChem's asking price is reported to be slightly higher than OCP's once the 6.5% duty is taken into account. The last price reported indicated for PhosAgro MAP/DAP was around $375 fca Szczecin duty paid. Meanwhile, Nitron is reported to be offering MAP at €400 cpt big bags for supply from Szczecin, estimated to netback €345-350 fca Szczecin in bulk, equivalent to $389-395 at current exchange rates.

IRELAND: Importers have no need at this stage to replenish DAP stocks.

27-6-6 is selling at €340 delivered to merchant, maintaining its usual premium over CAN prices.

ITALY: There is no market for DAP and while list prices are still indicated at €360-365 fca bagged, there has not been enough activity to test this level.

POLAND: Demand for phosphates is slowing down with sales now thought to be largely finished. Import prices of DAP are heard to be around $385-395 fca with MAP 12-52-0 as high as $400. However, there are indications that PhosAgro was offering DAP/MAP at $375 fca Szczecin. Interest is slowing down and some traders expect forward prices for June to be closer to the low end of the above quoted range of $385 fca.

Fertilizer application continues mainly for potatoes and beets sidedress and there is still moderate demand for the third application on rape fields. Crops such as wheat and rape are reportedly looking good.

SPAIN: The market for DAP continues to be soft, with EuroChem product still available in Castellon at €365 fca ex-warehouse. However, EuroChem has accepted lower prices to place Lifosa DAP in Europe for May loading, concluding about 20,000 t at $330-335 fob for markets including France, Germany and Spain. OCP earlier sold 10,000 t for May shipment at $365 fob which, with $18 freight and €10 discharge costs, is estimated to amount to €348 fca ex-store.

The NPK market has not been seeing much activity, also affected by low corn prices and an expected drop in acreage. Sorghum and sunflowers are understood to be seen as more attractive alternatives. Prices for 15-15-15 were assessed at €300-309 fca, although Fertiberia is thought to have higher prices.

TURKEY: Igsas is reported to have bought 3 x 6,000 t DAP from GCT at $350 fob including 90 days' credit and a distributor in the south a further 6,000 t from the producer in the low $350s fob including 90 days' credit, all for prompt shipment from Tunisia. This represents about a $10 decline on prices accepted for April loading. Freight 6,000 t from Gabes is put at about $10.

EuroChem is offering 25-30,000 t Lithuanian DAP at $330-335 fob with freight from Klaipeda-Iskenderun indicated at $18-20.

Toros is reported to have bought 10,000 t MAP from OCP recently for May loading in Morocco while it is understood that GubreTas and OCP also finally agreed on 10,000 t MAP instead of DAP for May shipment from Morocco following the buyer's early April enquiry. The prices are variously reported from the mid $340s fob to the mid $350s fob.

TURKEY: DAP PURCHASES 2016 ('000 t)

Buyer	Supplier	DAP	Arrival
Alp Ates	Keytrade/EuroChem	31	Jan/Feb
GubreTas	OCP/Morocco	22	Feb
Gemlik Gubre	GCT/Tunisia	10	Feb
Guneysan	Keytrade/JPMC	4	Feb
Igsas	PhosAgro/Russia	16	Feb
Ege Gubre	JPMC/Jordan	10	Feb/Mar
GubreTas	JPMC/Jordan	10	Feb/Mar
TBC	GCT/Tunisia	6	Mar
Various	Ameropa/PhosAgro	7	Mar
Gemlik Gubre	GCT/Tunisia	25	Mar
Igsas	GCT/Tunisia	20	Apr
TBC	JPMC/Jordan	5	Apr
TBC	JPMC/Jordan	4	Apr
Igsas	GCT/Tunisia	6	Apr/May

Igsas	GCT/Tunisia	6	Apr/May
TBC	JPMC/Jordan	3	Apr/May
Igsas	GCT/Tunisia	15	Apr/May
Various	Ameropa/Jordan	8	Apr/May
Gemlik Gubre	PhosAgro/Russia	15	May/Jun
Various	Ameropa/Jordan	8	May/Jun
Igsas	GCT/Tunisia	6	May/Jun
Igsas	GCT/Tunisia	6	May/Jun
Igsas	GCT/Tunisia	6	May/Jun
Distributor	GCT/Tunisia	6	May/Jun
Total		**255**	

UNITED KINGDOM: There is only modest interest in NPKs today. Offers from blenders remain competitive with 20-10-10 available at £228-230 bagged delivered farm with 25-5-5 trading at the usual £10 discount. The normal premium of £10-12 applies to producer product.

There were reports that TSP was offered at prices in line with the $303-305 fca available in France and Benelux. There are no reports of any commitments being entered into as yet. MOP is available at £230-235 delivered farm.

There is no market today for imported DAP while local DAP prices are unchanged at £330-332 bagged delivered farm.

ASIA

BANGLADESH: It is anticipated that Xiangfeng will load 35,000 t/m DAP in China in June and July to cover awards under the MOA's 3 May tender.

GCT is planning to load a handysize TSP cargo in Tunisia late/end May and another late/end June to cover Noapara Trader's awards under the MOA's 3 May tender.

BADC will receive in June/July its first handysize cargo of TSP from GCT, priced under formula, that forms part of the government-to-government deal for 200,000 t firm and 50,000 t option for 2016 shipment from Tunisia

OCP has four handysize cargoes of TSP to load in Morocco over the coming months to supply awards under the MOA's 3 May tender in addition to shipments to BADC under a government-to government agreement.

INDIA: The DAP market has been active again this week with new purchases reported bringing the total amount identified so far for 2016-17 arrival to 1.5 million t. The robust degree of demand has not permitted prices to rise, however, with supply ample to balance the market.

GSFC is reported to have bought 50,000 t DAP from OCP for prompt shipment from Morocco. There are unconfirmed reports that a price in the mid $350s cfr has been agreed for the tonnage. The producer is understood to have a COA at $14 and is said to be targeting up to 500,000 t DAP for this market this year, including the 2 x 50,000 t to Kribhco identified last week.

Sabic is reported to have sold about 35,000 t DAP in the low $350s cfr for June shipment from Saudi Arabia.

Tata is reported to have bought 55,000 t DAP from Ameropa in the mid/high $340s cfr that has just sailed from China on 58,086 dwt *Ever Success*.

IPL is understood to have bought about 50,000 t Chinese DAP from a trader in the mid $340s cfr for end May/early June delivery to the east coast from the *Reborn*.

RCF has awarded Fertrade 35,000 t Chinese DAP for shipment to Krishnapatnam by 25 May under its 3 May tender. Price details are sketchy although it is reported that the cargo was purchased below $350 cfr.

Deepak has awarded 35,000 t DAP to a trader based on supply from China under its 6 May tender. There are unconfirmed reports that Swiss Singapore took the business at $347 cfr including 120 days' credit, netting the low $340s cfr, for May loading.

IPL is reported to have purchased 40,000 t Chinese DAP from Rare Earth in the low $340s cfr for May loading although this is unconfirmed.

Xiangfeng is reported to have sold a DAP cargo for June shipment from China although details are sketchy.

Sabic is expected to nominate its first May shipment of 30-35,000 t DAP from Saudi Arabia imminently, with it reported that Zuari purchased the cargo. The supplier reported a price in the $350s cfr was concluded for the cargo.

GSFC is reported to have been the buyer of Sabic's earlier reported second Saudi Arabian DAP cargo for 2-half May loading, with 35-40,000 t expected to ship before the end of this month.

It is understood that *Shang Yuan Men* will deliver 42,850 t Jordanian DAP to Zuari, basis discharge of around 12,000 t at New Mangalore on 19 May and the balance 30,850 t at Mundra on 24 May under its deal with Transglobe reported last week at about $350 cfr including credit for May shipment.

The *Nikolaos* sailed from China on 17 May, reportedly with 50,000 t DAP for IPL to cover an earlier purchase from Koch in the low $340s cfr that was earlier identified as a deal with Dreymoor.

Deepak is reported to have scrapped the 30,000 t NPK 16-16-16 and 40,000 t NP+S 20-20-0+13S components of its 6 May tender. However, the buyer has approached suppliers for 35,000 t NP+S 20-20-0+13S for prompt shipment requesting offers basis cfr Krishnapatnam and cfr Kandla/Rozi.

2016-17 fertilizer year DAP imports are as follows:

Buyer	**Supplier/Origin**	**'000 t**	***Vessel***	**Arrival**
April	**To date**	**182**		
Hindalco	Sabic/Saudi Arabia	33	*Gloria Galaxy*	1 May
IPL	JPMC/Jordan	20	*Loyalty*	2 May
Mosaic	Mosaic/US	38	*Stony Stream*	2 May
IPL	Dreymoor/China	25	*Huayang Legend*	5 May
Chambal	Aries/Kailin	32	*Apollo Bulker*	10 May
Chambal	PhosAgro/Russia	11	*Nordic Visby*	10 May
IPL	Trammo/China	54	*Megas*	18 May
Chambal	YUC/China	40	*LMX Phoebe*	21 May
Zuari	Quantum/Australia	45	*LA Guimorais*	May
IPL	Fertrade/China	50	*Shao Shan 8*	May
IPL	Koch/China	50	*Nikolaos*	May
Mosaic	Mosaic/US	60	*TBN*	May
Deepak	PhosAgro/Russia	40	*Anangel Dawn*	May
Chambal	PhosAgro/Russia	15	*Top Rich*	End May
Zuari	Sabic/Saudi Arabia	35	*TBN*	May
GSFC	Sabic/Saudi Arabia	35	*TBN*	May
Kribhco	Ma'aden/Saudi Arabia	30-35	*TBN*	May
IPL	Ma'aden/Saudi Arabia	25-30	*TBN*	May
TBC	Ma'aden/Saudi Arabia	25-30	*TBN*	May
NFL	Aries/Kailin	50	*Christina IV*	End May
Tata	Dreymoor/China	40	*Cos Cherry*	May
Zuari	Transglobe/Jordan	43	*Shang Yuan Men*	May
May	**To date**	**801**		
TBC	PhosAgro/Russia	60	*TBN*	June
Kribhco	OCP/Morocco	100	*TBN*	June
GSFC	OCP/Morocco	50	*TBN*	June
TBC	Sabic/Saudi Arabia	35	*TBN*	June
TCL	Ameropa/China	55	*Ever Success*	June
IPL	Trader/China	50	*Reborn*	June
RCF	Fertrade/China	35	*TBN*	June
IPL	Rare Earth/China	40	*TBN*	June

Deepak	Swiss Singapore/China	35	*TBN*	June
TBC	Xiangfeng/China	50	*TBN*	June
June	**To date**	**510**		
Total	**Estimate to date**	**1,498**		

NEPAL: MMTC has issued an e-tender, closing on 25 May and valid to 21 June, for 30,000 t bagged DAP for delivery to Biratnagar/Birgunj/Bhairahawa at the Indo-Nepalese border. This tender is expected to provide cover for MMTC in the AIC tender of 27 May.

PAKISTAN: No new DAP business has been reported this week. Competitive offers are reported in the mid $340s cfr.

Engro and Ma'aden have yet to agree on a price for the 25,000 t Saudi Arabian DAP slated for delivery to this market.

JBL and Pacific Chartering are still reported to be checking the DAP import market with a view to purchasing one-to-three handysize cargoes for shipment over the coming months although no purchases have been reported.

The 32,723 dwt *Martin Island* arrived at Karachi on 17 May, reportedly with 27,500 t DAP to cover Fauji's earlier reported award to Sabic at $350 cfr.

DAP business reported so far for 2016 arrival is as follows:

Buyer	Supplier/Origin	'000 t	Vessel	Arrival
United Agro	Quantum/Australia	26.5	*Bright Hope*	Feb
Chawla	Quantum/Australia	26.0	*JF Rhone*	Mar
Engro	Quantum/Australia	55.0	*JS Rhone*	Apr
Engro	Sabic/Saudi Arabia	25.0	*Calm Bay*	Apr
Fauji	Sabic/Saudi Arabia	27.5	*Martin Island*	May
Chawla	Quantum/Australia	25.0	*Eastern Cape*	May
Engro	Dreymoor/China	45.0	*Courageous*	May/Jun
Engro	Ma'aden/Saudi Arabia	25.0	*TBN*	Jun
	TOTAL	**255.0**		

SOUTH KOREA: Customs figures show the import of 22,500 t DAP in April, with 16,100 t from China and 6,400 t from Vietnam.

VIETNAM: Some traders see DAP prices under pressure although there does not seem to have been much change in the market. Bulk DAP from Yihua is still quoted at $350 cfr and at the higher end bagged Tangfeng DAP is said to be offered at $365 cfr, with buyers trying for $360.

Published figures show the import in April of 41,300 t of DAP, with 30,800 t shown coming from China, including 19,700 t cross border, 6,450 t from Korea and 4000 t from Morocco. April NPK imports of 31,700 t include 11,600 t from Russia and 6,600 t from Korea.

NORTH AMERICA

UNITED STATES: Buyers of NOLA DAP and MAP barges appear to have been on the sidelines this week as spring season sales come to an end, continuing to make prices difficult to pinpoint. They are, however, assessed lower at $310-315/ston fob NOLA. The lower end reflects an offer for an imported DAP barge which may have traded although the transaction could not be confirmed and the upper end an offer for domestic DAP but not made by Mosaic.

Mosaic's offer for DAP barges for May/June shipment for summer fill is $330/ston fob NOLA.

The producer is still quoting a central Florida price of $355/ston for DAP with a premium of $10-15/ston for MAP.

Import cargoes reported for July 2015-April 2016 arrival are as follows ('000 t):

Supplier/Origin	DAP	MAP	TSP	NP+S+Z	Vessel	Arrival
Helm/Morocco	-	-	30	-	*TBC*	Jul
Indagro/Kailin, China	23	10	-	-	*Intrepid Eagle*	Aug

Keytrade/PhosAgro, Russia	-	40	-	-	*Pola Murom*	Aug
Koch/PhosAgro, Russia	-	40	-	-	*Diana*	Aug
Helm/Morocco	-	-	31	-	*Coreship Ol*	Aug/Sep
Koch/Kailin, China	60	-	-	-	*Delmar*	Sep
Koch/Morocco	-	35	-	15	*Pegasus*	Sep
Koch, United Suppliers/Morocco	10	75	-	15	*TBC*	Sep/Oct
EuroChem/Russia	-	20	-	-	*Wulin*	Oct
YUC/China	35	20	-	-	*Ocean Gem*	Oct
YUC/China	5	50	-	-	*Medi Taipai*	Oct
Koch/Kailin, China	30	-	-	-	*TBC*	Oct
United Suppliers/PhosAgro	17	16	-	-	*Astakos*	Nov
Koch/PhosAgro	16	17	-	-	*Swan River*	Dec
Koch/PhosAgro	33	-	-	-	*Astra*	Dec
United Suppliers/PhosAgro	16	17	-	-	*TBC*	Dec
EuroChem/Russia	-	10	-	-	*SITC Taishan*	Dec
Gavilon/Morocco	25	30	-	-	*Ocean Tomo*	Jan
Helm/Morocco	-	-	30	-	*TBC*	Jan
EuroChem/Russia	-	11	-	-	*Atlantic Elm*	Feb
EuroChem/Russia	8	30	-	-	*Scarabe*	Feb
Koch/Morocco	30	20	-	-	*TBC*	Feb
Koch/Morocco	30	20	-	-	*Triton Hawk*	Mar
EuroChem/Russia	30	20	-	-	*Naess Courageous*	Mar
EuroChem/Russia	7	25	-	-	*TBN*	Mar
Gavilon/Morocco	25	30	-	-	*TBN*	Mar
Helm/Morocco	-	-	30	-	*TBN*	Mar
Koch/PhosAgro	16	17	-	-	*TBN*	Mar
Koch/Morocco	30	20	-	-	*TBN*	Apr
Helm/Morocco	-	-	17-18	-	*TBN*	Apr
PhosAgro/Russia	10	20-25	-	-	*Indigo Spica*	May
EuroChem/Russia	-	7-10	-	-	*TBN*	Jun
Total	**456**	**600-608**	**138-139**	**30**		

LATIN AMERICA

ARGENTINA: No new DAP and MAP business has been reported this week, leaving prices to mark time in the very low $360s cfr. Suppliers are reported to have been aiming to lift prices to the mid/high $360s cfr while buyers' price ideas are reported lower in the mid/high $350s.

The buying group Bunge/ACA is in the market for 15,000 t each DAP and MAP for 1-half June shipment but excluding Chinese material.

OCP will load 45,000 t Moroccan DAP/MAP for Indagro this month that slipped from April. It is believed that the tonnage will be used by the trader to cover its award for 13,000 t MAP and 9,000 t DAP at $360 cfr under Profertil's 5 May tender plus sales of more than 15,000 t MAP/DAP at $362 cfr, all reported last week.

BRAZIL: The phosphate market remains relatively quiet and prices flat. MAP is indicated at $350-355 cfr while 11-44-0 MAP is reported to be on offer at about $300 cfr against bids at $290.

EuroChem is reported to have sold a handysize MAP cargo in the mid/high $350s cfr for June shipment from Russia.

A major buyer has bought 35,000 t Saudi Arabian MAP from Ma'aden, priced under formula, for May shipment. The *Ocean Glory* arrived in Saudi Arabia on 17 May to load the cargo.

Importers have now booked a total of 150,000 t MAP/NP+S from OCP for May shipment from Morocco.

Competitive offers for TSP remain at about $285 cfr although no new business has been reported.

OCP in recent weeks sold 60,000 t TSP at $285-290 cfr for May shipment from Morocco.

The 34,340 dwt *Steven C* is due to arrive in Vitoria on 21 May to discharge 4,000 t fertilizers having moved from Itaqui where it arrived on 11 May to unload 3,000 t fertilizers for Fertipar. The vessel sailed from Tunisia in late April.

The *Common Spirit* was due to arrive in Santos on 17 May to unload 6,500 t MAP and in Rio Grande today, 19 May, to discharge 29,707 t MAP for Yara and 5,500 t DAP. The vessel sailed from Saudi Arabia on 21 April, covering the earlier reported purchase from Ma'aden, priced under formula.

The 33,375 dwt *Princesse Oui* is due to arrive in Antonina today, 19 May, with 27,570 t MAP/MES having sailed from the US on 3 May, shipped by Mosaic.

The 36,976 dwt *Royal Justice* is due to arrive in Antonina on 30 May with 27,235 t DAP/MES having sailed from the US on 12 May, shipped by Mosaic.

Further to last week, the 33,152 dwt *King Island* is due to arrive in Rio Grande on 1 June with TSP from China with receivers including Piratini (7,350 t), Mosaic (3,300 t), Unifertil (2,200 t), Unifertil (2,200 t), Coxilha (1,650 t), Josapar (1,100 t), 3 Tentos (550 t).

Vessels scheduled for Paranagua:

Vessel	ETA	Product	'000 t	Seller	Origin
May					
Basic Rainbow	2 May	TSP/Feed	25.0	OCP	Morocco
Hedvig Bulker	3 May	MAP	31.0	OCP	Morocco
Crux	8 May	MAP	11.2	OCP	Morocco
Orient Tiger	9 May	TSP	32.3	OCP	Morocco
Shou Chen Shan	11 May	MAP	26.0	OCP	Morocco
Golden Hawk	12 May	MAP	16.5	Ameropa	Saudi
Cielo Di Valparaiso	13 May	MAP/NP	38.2	Mosaic	US
Alentejo	15 May	Nitrate/NPK	18.6	TBC	Russia
Princesse Oui	19 May	MAP/NP	27.6	Mosaic	US
Cielo Di Angra	21 May	MAP/NP	34.0	Mosaic	US
Pola Murom	27 May	SSP/TSP	25.0	Nitron	Spain
Royal Justice	30 May	DAP/NP	27.5	Mosaic	US

CHILE: Fertinal is reported to have sold another 30-35,000 t DAP, MAP and TSP, priced under formula, for early/mid-July loading in west coast Mexico.

It is now understood that it will load about 12,000 t each DAP, MAP and TSP, priced according to a formula, in Mexico in 1-half June against the purchase identified last week.

The producer is reported to have shipped 30,000 t DAP/MAP/TSP on the *BBC Neptune* from west coast Mexico in mid May, covering its earlier reported deal.

COLOMBIA: It is now reported that the *Siskini Arrow* will load 10,000 t DAP/MAP in Mexico in early June for this market rather than Central America, covering the reported purchase by Incofe from Fertinal at about $350 fob that was identified earlier.

SUPPLIERS

EUROPE

BULGARIA: TSP from Agropolychim is reported to be available in the domestic market at €285-286 fca.

LITHUANIA: EuroChem has accepted lower prices to place Lifosa DAP in Europe for May loading, concluding about 20,000 t at $330-335 fob for markets including France, Germany and Spain. This leaves it with 10-15,000 t DAP available for May shipment due to a 2-half May turnaround at the plant and the producer is open for June when output is expected to be back up to 70-75,000 t. EuroChem is offering 25-30,000 t DAP to Turkey at $330-335 fob.

FSU

RUSSIA: **EuroChem** is reported to have sold a handysize Kingisepp MAP cargo at a price estimated to netback to the high $330s fob for June shipment to Brazil, leaving it with about half its 60,000 t June production to place.

From Belorechensk, the producer is planning to manufacture 40,000 t MAP and 20,000 t NP 20-20-0 in June. It has sold 10,000 t into East European markets at $345-350 fob with the balance allocated for the domestic market. About 15,000 t NP will load for the local market next month, leaving 5,000 t available for export

EuroChem's DAP/MAP commitments for May shipment are reported as follows:

May

- 30,000 t MAP to Helm for Brazil ex-Kingisepp
- 25,000 t MAP to Fertipar Brazil ex-Kingisepp
- 25,000 t MAP to Ameropa for Brazil ex-Belorechensk
- 7-10,000 t MAP to the US ex-Belorechensk

PhosAgro's DAP/MAP/NP/NPK commitments for May and June shipment are reported as follows:

May

- 50,000 t DAP on the *Shao Shan 8* to Fertrade for India
- 35,000 t DAP/10-26-26 on the *Top Rich* to Chambal in India
- 15,000 t DAP on the *IVS Kinglet* to Nitron for Argentina/Uruguay
- 15,000 t MAP on the *Interlink Verity* to Nitron for Argentina/Uruguay
- 90,000 t MAP for domestic and regional markets, and Baltic States
- 110-120,000 t NPKs for domestic and regional markets, and Baltic States

June

- 60,000 t DAP to India

AFRICA

MOROCCO: OCP is reported to have sold 50,000 t DAP to GSFC netting the very low $340s fob for prompt shipment to India. The producer is understood to have a COA at $14 and is said to be targeting up to 500,000 t DAP for this market this year, including the 2 x 50,000 t to Kribhco identified last week.

The producer sold 10,000 t DAP to Spain in recent weeks at $365 fob for May loading.

OCP is reported to have sold 10,000 t MAP to Toros recently for May shipment to Turkey while it is understood that GubreTas finally agreed on 10,000 t MAP instead of DAP for May loading for this market following the buyer's early April enquiry. The prices are variously reported from the mid $340s fob to the mid $350s fob.

The producer has now concluded 150,000 t MAP/NP+S with Brazilian importers for May loading.

OCP has pushed back the start-up of the new JPH-2 plant from June/July to August/September.

OCP's May and June DAP/MAP/NP/NPK commitments are reported ('000 t) as follows:

	May	June
Est. Production	**500**	**500**
Croatia	6	-
Spain	10	-
Turkey	20	-
Africa	260	-
Bangladesh	25	-
India	100	50
Argentina – carry from April	45	-
Brazil	150	-
Total	**616**	**50**

On TSP, OCP is now reported to have sold a total of 50,000 t at $285 fob for May loading for Europe including the 25,000 t identified last week for Koch for France and Belgium. It earlier booked 60,000 t reflecting $276-282 fob for May shipment to Brazil. The producer also has four handysize volumes to load for Bangladesh over the coming months to supply Bulk Trade's awards under the MOA's 3 May tender that were concluded at a price estimated to netback to the low/mid $280s fob in addition to shipments to BADC under a government-to government agreement.

TUNISIA: GCT is reported to have sold 3 x 6,000 t DAP to Igsas at $350 fob including 90 days' credit and a further 6,000 t to a distributor in the south in the low $350s fob including 90 days' credit, all for prompt shipment to Turkey. This represents about a $10/t decline on prices accepted for April loading. Freight for 6,000 t from Gabes is put at about $10.

On TSP, the producer is planning to load a handysize cargo for Bangladesh late/end May and another late/end June to supply Noapara Trader's awards under the MOA's 3 May tender that were concluded at a price estimated to netback to the high $280s fob. It is also scheduled to load a handysize cargo for BADC in June, priced under formula, the first shipment under the government-to-government deal for 200,000 t firm and 50,000 t option for 2016 shipment to Bangladesh.

January-April DAP exports were 217,928 t, reflecting a three-and-a-half-fold increase on exports of 61,977 t in the first four months of 2015. Turkey, France and Italy took 91,000, 52,000 t and 51,000 t, respectively, while the balance was mostly shipped to Spain, Romania, Ireland, Albania, Lebanon and Libya in that order.

April saw 24,500 t load for Turkey, 13,500 t for Italy and 2,000 t each for France and Albania.

GCT's May DAP commitments are as follows ('000 t):

	May
Est. Production	**60**
Turkey	24
Total	**24**

MIDDLE EAST

SAUDI ARABIA: **Sabic** has sold about 35,000 t DAP netting the low/mid $340s fob for June shipment from Saudi Arabia, leaving it with another similar-sized cargo to place for shipment next month for which it has raised its asking price to $350 fob.

Sabic is expected to nominate its first May shipment of 30-35,000 t DAP to India imminently, with it reported that Zuari purchased the cargo. The supplier reported a price reflecting the low/mid $340s fob was concluded for the cargo.

GSFC is reported to have been the buyer of Sabic's earlier reported second DAP cargo for 2-half May loading, with 35-40,000 t expected to ship before the end of this month.

The 32,723 dwt *Martin Island* sailed on 3 May reportedly with 27,500 t DAP for Pakistan to cover Sabic's earlier reported award under Fauji's 13 May tender at a reported price estimated to netback to about $340 fob.

DAP/MAP commitments for May and June shipment are reported as follows ('000 t):

	May	June
Est. Production	**240**	**240**
India – Ma'aden	85	-
India – Sabic	70	35
Pakistan – Ma'aden	25	-
Pakistan – Sabic	25	-
Brazil – Ma'aden	35	-
Total sales	**240**	**35**

ASIA

CHINA: DAP prices are flat with business for panamax volumes in India reflecting the mid $330s fob and awards for 35,000 t parcels as low as about $330 fob.

Yihua is reported to be comfortable for May but open for June and asking $337 fob.

A trader is understood to have sold about 50,000 t Yihua DAP to IPL reflecting in the mid $330s fob that is loading on the *Reborn* in Nantong for east coast India.

The *Nikolaos* sailed from China on 17 May, reportedly with 50,000 t Yihua DAP for east coast India to cover an earlier sale by Koch to IPL reflecting the low $330s fob that was earlier identified as a deal with Dreymoor.

Dreymoor is reported to have shipped 45,000 t Yihua DAP on the 52,346 dwt *Courageous* for Pakistan, covering its earlier reported sale to Engro at a price estimated to netback to the mid $330s fob before trader margin.

The producer is also reported to be shipping 10-15,000 t DAP to Japan this month.

Fertrade has taken an award for 35,000 t DAP for shipment to east coast India by 25 May under RCF's 3 May tender. Price details are sketchy although it is reported that the cargo was booked at a price that would reflect the low $330s fob. There are reports that Yihua DAP will cover the sale.

A trader has been awarded 35,000 t DAP under Deepak's 6 May tender in India. There are unconfirmed reports that Swiss Singapore took the business at a price estimated to netback to about $330 fob for May loading. There are reports that Yihua DAP will cover the sale.

Xiangfeng is reported to be comfortable into July having sold a DAP cargo for June shipment to India although details are sketchy and with expectations that it will ship 35,000 t/m to Bangladesh in June and July to cover its award under the MOA's 3 May tender.

Ameropa is reported to have sold 55,000 t DAP to Tata at a price estimated to netback to the mid $330s fob that has recently loaded from Fangcheng on the 58,086 dwt *Ever Success* for India.

Rare Earth reported to have sold 40,000 t **Dayukou** DAP to IPL for May loading for India at a netback of around $330 fob although this is unconfirmed.

No new business has been reported for **Kailin** although the producer is making regular shipments to Chambal under their MOU and Agven is looking to ship a DAP cargo for June delivery to Pakistan.

Similarly, no new sales have been reported for **YUC** although the producer is understood to have a busy shipping schedule for Bangladesh in the coming months with it reported to have been awarded 210-245,000 t DAP under the MOA's 3 May tender.

SOUTH KOREA: Customs figures show the export of 13,000 t in April, nearly all shown going to Vietnam.

VIETNAM: Unofficial figures show the export of 21,400 t NPK and 12,200 t DAP in April. NPK exports include 13,700 t shown going to Philippines and 3,300 t to Cambodia. DAP exports include nearly 12,000 t to Korea. April exports of fused magnesium phosphate were 5,200 t, with 4,800t of this going to Malaysia.

NORTH AMERICA

UNITED STATES: No new DAP business has been reported this week but the price is weaker with Mosaic asking $350 fob for May/June shipments.

Mosaic's export commitments for May shipment are reported to include:

- 20,000 t DAP/MAP to various markets in Latin America at $358-360 fob
- 15,000 t DAP/MAP to various markets in Latin America markets at $350 fob for the DAP and up to $360 fob for the MAP
- 20,000 t DAP to Latin America at $350-354 fob
- 34,000 t MAP/MES on the *Cielo Di Angra* to Brazil
- 27,570 t MAP/MES on the *Princesse Oui* to Brazil
- 27,570 t DAP/MES on the *Royal Justice* to Brazil

Figures from the TFI Phosphate Materials Export Report for April (100% participation) show DAP/MAP exports were 151,356 ston P_2O_5, bringing the calendar y-t-d figure to 537,980 ston P_2O_5, 15% lower than January-April 2016.

US DAP & MAP Exports ('000 mt P2O5)

	January-April		April	
Destination	**2015**	**2016**	**2015**	**2016**
Canada	78.0	53.1	16.9	13.0
Mexico	50.2	70.2	13.1	24.9
Argentina	-	8.3	-	8.3
Australia	64.5	81.7	-	0.0
Brazil	146.1	159.2	4.2	68.3
Chile	5.3	-	3.6	-
Colombia	51.7	39.1	14.9	10.9
C.America	37.5	11.0	7.2	-
India	25.3	17.3	25.3	-
Japan	41.1	29.6	17.9	4.3
Peru	7.6	7.7	-	7.7
South Africa	8.1	-	1.8	-
Other	57.1	1.8	0.9	-
Total Exports	572.8	488.1	141.8	137.3

Source: The Fertilizer Institute

As expected the latest TFI data show a drop in the overall level of US **phosphoric acid production** in Q1 with a decline to a monthly average of 647,000 ston P_2O_5, the lowest rate since Q1 2009. February production fell to just 591,000 ston P_2O_5, the lowest monthly volume since mid-2009.

Phosphoric acid production in Q4 2015 had averaged 672,000 ston P_2O_5 per month.

DAP/MAP production in Q1 registered a slight decrease on Q4 2015 at 1.125 million ston P_2O_5 with February monthly production falling to just 330,000 ston P_2O_5, again the lowest volume since 2009. Production increased in March to reach 427,000 ston P_2O_5.

The TFI data show **inventories** generally higher than a year ago and indeed again since Q1 2009.

Total **disappearance** in January fell to 244,000 ston P_2O_5, prompting closing inventories to reach 766,000 ston P_2O_5 DAP/MAP, the highest volume since Q1 2009. This was presumably a significant factor in the decision to curtail production in February. By March the sales figures reported by the Institute recovered to reach 454,000 ston P_2O_5, the highest monthly level for more than a year. This increase in March enabled Q1 sales this year to reach 1.127 million ston P_2O_5, up from 1.187 million ston in Q1 2015.

MEXICO: Fertinal is reported to have agreed another 30-35,000 t DAP, MAP and TSP, priced under formula, for early/mid-July loading for Chile.

It is now understood that Fertinal will ship about 12,000 t each DAP, MAP and TSP, priced according to a formula, from Lazaro Cardenas for Chile in 1-half June against the sale identified last week.

The producer is reported to have shipped 30,000 t DAP/MAP/TSP on the *BBC Neptune* from Lazaro Cardenas for Chile in mid May, covering its earlier reported deal.

It is now reported that the *Siskini Arrow* will load 10,000 t DAP/MAP in Lazaro Cardenas in early June for Colombia rather than Central America, covering the earlier reported sale for Fertinal to Incofe at about $350 fob.

Fertinal's DAP/MAP/TSP commitments for May, June and July shipment are reported as follows ('000 t):

	May	June	July
Carryover	**47**	**55**	**52-57**
Est. Production	**65**	**65**	**65**
Chile	30	36	33
Colombia	-	10	-
Mexico	15	15-20	-
Latin America (containers)	2	2	-
Total sales	**57**	**63-68**	**33**
Carryover	**55**	**52-57**	**84-89**

PHOSPHORIC ACID

MARKETS

BANGLADESH: BCIC will close a tender on 25 May for 5 x 10,000 t MGA solution for September-1-half November shipment for its DAP plant.

INDIA: Phosphoric acid vessels identified for May arrival are as follows:

Buyer/Port	Supplier/Origin	'000 t solution	Vessel	Arrival
IFFCO/Kandla	Potashcorp/US	30.1	*Bow Sagami*	1 May
IFFCO/Kandla	JIFCO/Jordan	30.0	*Stolt Vestland*	4 May
IFFCO/Kandla	JIFCO/Jordan	30.0	*Stolt Vinland*	4 May
ZIL/Goa	OCP/Morocco	13.0	*Chemroad Rose*	6 May
GSFC/Sikka	OCP/Morocco	18.7	*Lumphini Park*	7 May
FACT/Cochin	OCP/Morocco	5.0	*Chemroad Rose*	7 May
GSFC/Sikka	OCP/Morocco	10.2	*Chemroad Haya*	8 May
-	-	7.6	*Eastern Neptune*	11 May
CIL/Vizag	GCT/Tunisia	18.8	*Elm Galaxy*	11 May
ZIL/Goa	OCP/Morocco	12.0	*Chembulk Westport*	12 May
FACT/Cochin	OCP/Morocco	8.7	*Chembulk Westport*	13 May
CIL/Kakinada	GCT/Tunisia	20.9	*Stolt Focus*	13 May
GSFC/Sikka	OCP/Morocco	19.0	*Princimar Equinox*	17 May
CIL/Kakinada	OCP/Morocco	20.0	*MTM Rotterdam*	17 May
MCFL/Mangalore	-	8.0	*Shun Sheng*	24 May
Total		**252.0**		

PHOSPHATE ROCK

MARKETS

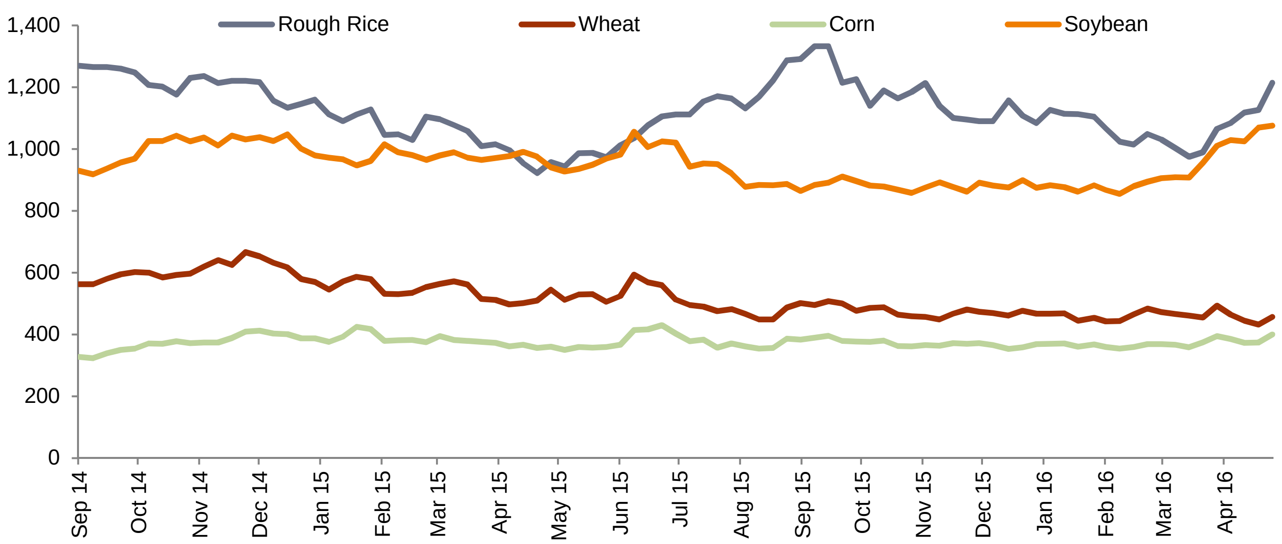
TUNISIA: CPG is reported to be gradually re-starting phosphate rock production at the Oum Larayes rock mine after a five month stoppage caused by ongoing sit-ins and blockades by strikers. Although protests will continue, an agreement has been found whereby employees at the mine will be allowed to return to work.

INDIA: Phosphate rock vessels identified for April arrival are as follows:

Buyer/Port	Supplier/Origin	Tonnes	Vessel	Arrival
CIL/Chennai	ICL/Israel	33,000	*Fadelsia*	2 May
Mangalore	Egypt	7,700	*Star Reliance*	4 May
CIL/Vizag	OCP/Morocco	41,895	*Tai Ping Shan*	7 May
Hazira	Egypt	24,229	*Star Reliance*	9 May
SPIC/Tuticorin	JPMC/Jordan	52,440	*Nika*	10 May
Hazira	Egypt	31,900	*Heilan Brother*	11 May
IFFCO/Paradeep	JPMC/Jordan	54,300	*Trident Challenger*	14 May
GSFC/Dahej	JPMC/Jordan	35,000	*Sbi Hydra*	15 May
PPL/Paradeep	OCP/Morocco	10,474	*Tai Ping Shan*	17 May
Khaitan/Vizag	Egypt	11,700	*Sakarya*	17 May
PPL/Paradeep	OCP/Morocco	60,500	*Jagora*	23 May
Total		**363,138**		

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	399.4	+25.4	402.2	406.0	362.0
Wheat	456.6	+14.4	473.0	497.0	540.0

Soybean	1,075.2	-3.0	1,077.0	1,066.0	946.3
Rough Rice	1,214.5	+65.5	1,234.5	1,251.5	965.0

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

CORN:	WHEAT:
The expectation for reduced acres in favour of soybeans supported prices although increased producer-selling due to higher prices limited the gains.	Ukraine and Russia have seen favourable growing conditions, which weighed on front contracts however frost in wheat growing regions of the US countered.
SOYBEAN:	**RICE:**
The expectation that some US farmers will switch corn acres to soybeans due to wet conditions pressured prices, causing a 3 cent decrease in July contracts.	Drought in many rice growing regions across Asia has had a bearish effect on rice futures – expectations that Thailand will further sell down its rice stocks is also bullish.

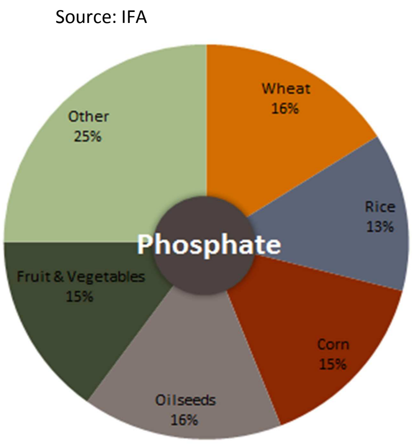
REGIONAL MARKETS

ASIA: Thai **rice** export prices climbed to a two-year high this week as drought cut production from Asia's top rice growers and fuelled demand for Thai exports. Widespread drought has hit crops in main rice exporting countries Thailand, India, Vietnam and the Philippines, spurring a rise in Thai prices.

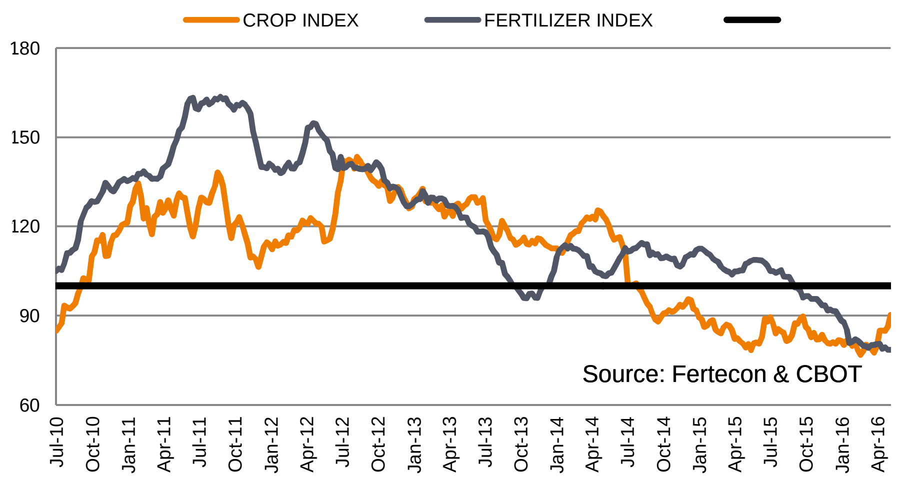
Thailand is expected to sell 1.2 million t of rice from government stockpiles on 19 May in its third auction from the inventories this year. Exports through mid-May were up 18% on the year at 3.9 million t, according to Thailand's commerce ministry. The local government is currently taking advantage of higher prices and rising demand to sell some of the over 11 million t of the grain it still has in storage, built up by the previous administration.

Global rice production in 2015/16 is forecast to fall by 1% y-o-y, to 473 million t, reflecting a combined drop in output in India, Thailand and elsewhere in Southeast Asia following limited rainfall. The decline would be the first in six years, according to the IGC. The global forecast is lifted marginally on higher than anticipated yields in sub-Saharan Africa.

PHOSPHATES USE BY CROP



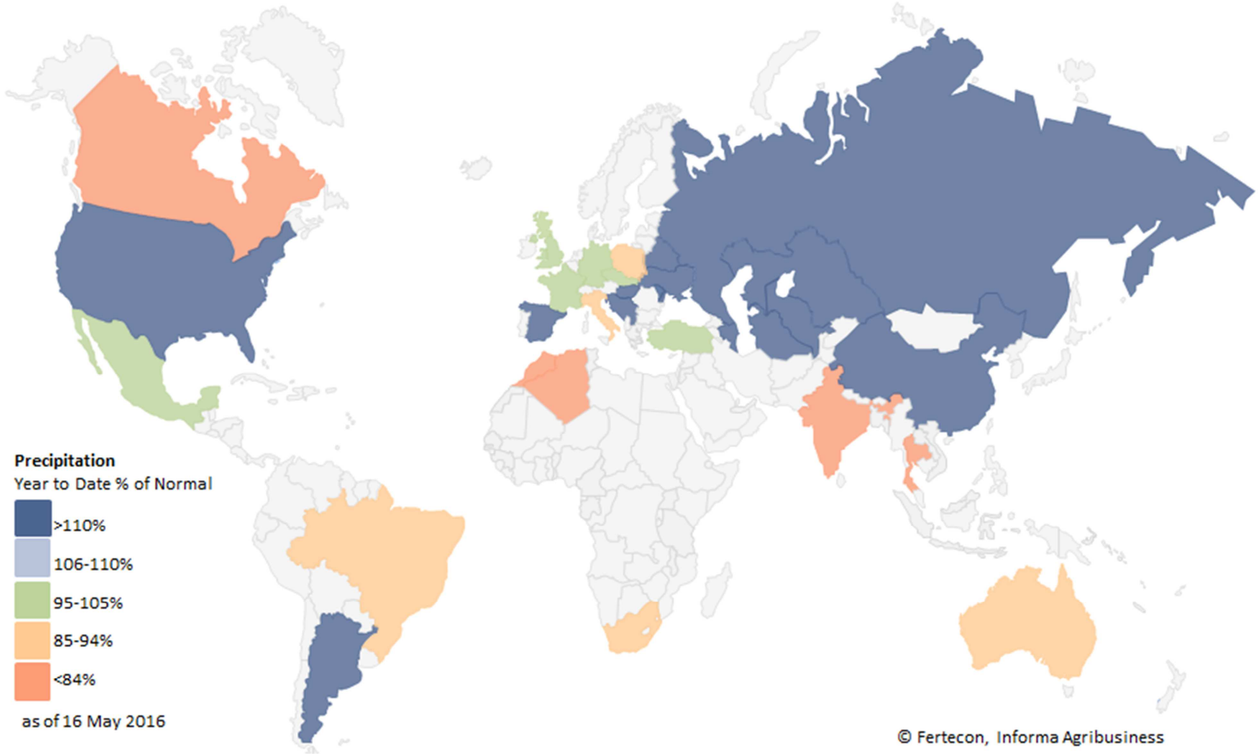
FERTECON FERTILIZER & CROP INDICES



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

INDIA: Meteorological Department forecasts that the monsoon onset this year is likely to be delayed by 6 days compared what is considered normal; the southwest monsoon is likely to set over Kerala on 7 June with a model error of ± 4 days.



FREIGHT

The table below shows how the various indices have developed since our last report:

DATE	Baltic Capesize	Baltic Panamax	Baltic Supramax	Baltic Handysize	Baltic Dry Index
13 May	798	597	553	347	600
16 May	854	598	552	347	613
17 May	988	604	552	345	643
18 May	954	611	553	342	642
19 May	906	617	558	342	634

Source: Baltic Exchange

FERTILIZER DERIVATIVES

DAP fob Tampa (metric tonne)				DAP fob NOLA (short ton)			
Month	Bid	Offer	Mid	Month	Bid	Offer	Mid
May	347	355	351	May	312	318	315
June	346	363	355	June	305	315	309
July	343	352	348	July	307	310	309

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