Phosphate Report

Weekly review of the phosphate market

Fertecon
Agribusiness intelligence | informa

21 July 2016

- GubreTas reportedly agrees with GCT annual frame contract for Tunisian DAP to Turkey
- Indian DAP price slips to $340 cfr at the low end on Chinese purchases amid Iffco cutting its local price
- Brazil buys more Moroccan and Russian MAP in the low/mid $350s cfr
- Australian MAP/DAP sold in the mid/high $350s cfr in Argentina
- Lithuanian DAP en route to Uruguay
- RCF and NFL issue NP+S tenders in India

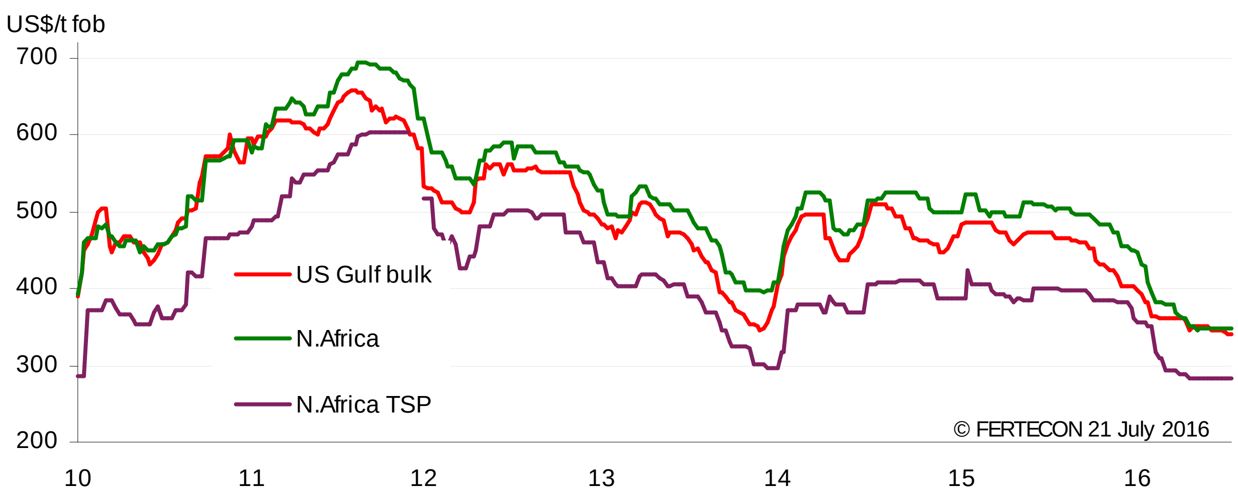
OUTLOOK

Stable

KEY PRICES

	21 Jul	14 Jul	7 Jul
DAP $/t fob US Gulf	340	340	340-345
DAP $/t fob North Africa	340-355	340-355	341-355
DAP $/ston fob NOLA	302-310	302-310	299

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$

	21 July	14 July	7 July	Notes
DAP				
US Gulf fob bulk	340	340	340-345	
Morocco fob bulk	340-355	340-355	341-355	
Tunisia fob bulk	343-355	343-355	343-355	
Jordan fob bulk	336-345	336-341	336-341	
Saudi Arabia fob bulk	340-345	343-345	343-345	
Black Sea fob bulk	n.m.	n.m.	n.m.	
Baltic fob bulk	322-330	322-330	322-330	
Australia fob bulk	333-335	333-335	335-337	
China fob cash	328-331	328-331	328-331	
Benelux fca bulk duty paid/free	370-375	370-375	370-375	
India cfr bulk	340-345	342-348	342-348	
US domestic st NOLA	302-310	302-310	299	
Ctrl Florida st for	325	325	325	
GTSP				
Bulgaria fob bulk	290	290	290	
Morocco fob bulk	275-280	275-280	275-280	
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	335	335	
Baltic fob bulk	330-335	330-335	330-335	
Brazil cfr bulk	350-355	350-355	350-352	
PHOSPHORIC ACID				
US Gulf fob (P_2O_5)	n.m.	n.m.	n.m.	
India cfr (P_2O_5)	600	600	600	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	22-23
US Gulf-China	50-55,000	20-21
US Gulf-EC S America	25-30,000	16-23
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

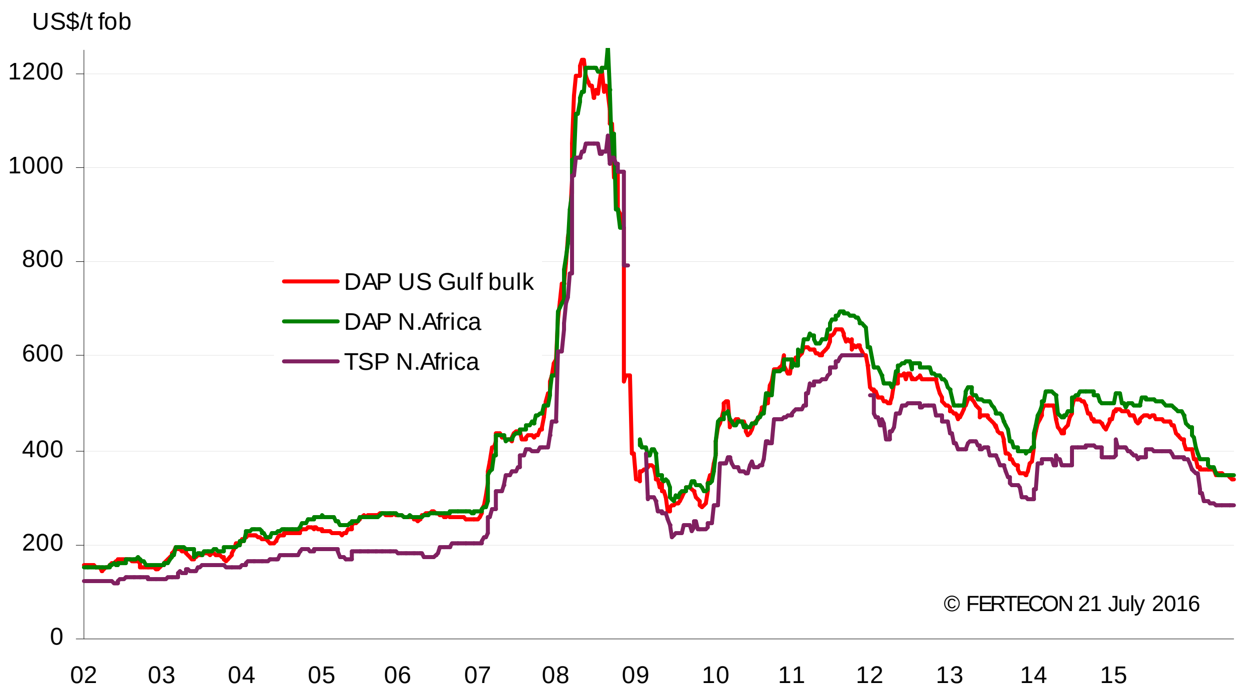
NB: All rates indicated are based on averages. Exact rates will depend on port loading and discharge rates

FERTECON TENDER SERVICE

Country/Holder	Product	'000 t	Date	Shipments	Remarks
Bangladesh/BCIC	MGA	50	25/5	Sep-1-half Nov	Three offers received
Bangladesh/BCIC	Phos rock	30	7/6		OCP lowest
India/RCF	MAP Lite/DAP Lite	20	15/6	July	Awarded to Wilson
India/RCF	NPK	30	13/7	July	No offers received
Bangladesh/BCIC	MGA	10	11/7		Three offers received
Bangladesh/BCIC	Phos rock	30	11/7		Two offers received
India/FACT	NP	25	20/7	Jul-Aug	One technical offer received
India/NFL	DAP	150	22/7	Aug	
India/RCF	NP	30	25/7	Aug	
India/NFL	NP	30	1/8	Aug	

EXCHANGE RATES (local currency:US$1)			
	21/07/2016	14/07/2016	21/07/2015
€ Euro	0.90831	0.90274	0.90990
£ Pound Sterling	0.76120	0.75487	0.63963
Turkish Lira	3.04840	2.89467	2.63897
Rupee India	67.1175	66.9476	63.2526
Real Brazil	3.24783	3.28851	3.13844
China RMB	6.68266	6.68673	6.08887

DAP/TSP PRICES – 14 YEAR SERIES



ANALYSIS

With little product unsold for shipment over the next 30-45 days, DAP and MAP prices are showing little sign of significant weakness provided supply side discipline is maintained by producers, particularly in China. Russian, Moroccan and Mexican manufacturers have healthy order books stretching into September. Although suppliers in US, Lithuania, Tunisia, Jordan, Saudi Arabia and China have quantities available for August loading, they are relatively limited. Tonnage is pencilled in for traditional customers and contract markets in Europe, Turkey, Bangladesh, India and Latin America.

Recent MAP sales to east coast South America, East Europe and FSU, all of which are in peak season, have seen the market become tight for August and there are hints that prices could strengthen slightly in the coming weeks. However, this may see Saudi Arabia switch more to MAP at the expense of DAP next month amid declining prices in India, which have dropped to $340 cfr at the low end this week on Chinese DAP purchases, and temper any increase in MAP prices.

Despite the decent volumes trading, as is usual in Q3, most of the other price benchmarks are unchanged and there similarly appears to be limited upside to prices. Producers are comfortable for August as a result of buyers covering a large proportion of their near term requirements. While some producers are likely to sit back and wait for buyers to raise their price ideas given the high level of forward commitments, the may well end up disappointed.

MARKETS

EUROPE

BULGARIA: There are reports that 20,000 t MAP has been purchased below $360 cfr for August shipment from Morocco.

HUNGARY: DAP and MAP prices are little changed at around €350 fca Csepel.

POLAND: Demand for MAP in Poland, Germany and Czech Republic is reported to be very healthy at prices in the range $373-375 fca bulk Szczecin.

ROMANIA: JPMC started loading 11,000 t DAP today in Jordan, covering a sale at $365 cfr.

TURKEY: EuroChem is reported to have sold a further 35,000 t DAP in the mid $350s cfr including 180 days' credit for July shipment from Lithuania.

GubreTas is reported to have agreed with GCT an annual frame contract, priced according to a formula, for 180,000 t DAP, and 60,000 t MAP or equivalent phosphoric acid, for shipment from Tunisia.

JPMC is loading 6,000 t Jordanian DAP, sold at about $360 cfr.

A further 3,000 t Jordanian DAP from the Nippon plant arrived about two weeks ago, purchased by Ost Olgun for onwards delivery to Iraq.

Of the 595,000 t DAP identified purchased below, at least 18,000 t has been re-exported to northern Iraq.

TURKEY: DAP PURCHASES 2016 ('000 t)			
Buyer	**Supplier**	**DAP**	**Arrival**
Jan-April		**208**	
Various	Ameropa/Jordan	8	May
Gemlik Gubre	PhosAgro/Russia	15	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
Gemlik Gubre	PhosAgro/Russia	15	May/Jun

TBC	OCP/Morocco	30	Jun/Jul
Igsas	GCT/Tunisia	8	Jul
Distributor	GCT/Tunisia	8	Jul
Ost Olgun	JPMC/Jordan	3	Jul
Gemlik Gubre	EuroChem/Lithuania	30	Jul/Aug
Toros	OCP/Morocco	25	Jul/Aug
GubreTas	GCT/Tunisia	30	Aug
TBC	EuroChem/Lithuania	35	Aug
TBC	JPMC/Jordan	6	Aug
GubreTas	GCT/Tunisia	150	Aug-Dec
Total		**595**	

AFRICA

MALI: A 25,000 t Moroccan DAP/MAP cargo is reported to have been sold at about $340 fob for August loading.

ASIA

BANGLADESH: BADC is reported to have agreed with OCP 25,000 t DAP, priced under formula, for August shipment from Morocco.

The *Danos Z* arrived with 38,500 t Dongsheng DAP from China in Chittagong on 15 July, covering Robiul Islam's earlier reported award at $341.44 cfrfo under the Ministry of Agriculture's 3 May tender.

The *Asali* delivered 43,900 t YUC DAP to Chittagong on 9 July, also from China and covering an award under the tender.

GCT is intending to load 34-35,000 t TSP from Tunisia 25-30 July to complete its awards via traders totalling 66,000 t at $327 cfrfo under the Ministry of Agriculture's 3 May tender having shipped 31,388 t on the *Nordic Suzhou* start July.

The producer is planning to ship two handysize TSP cargoes from Tunisia in August, one in the first half of the month and the other in the second, priced on a formula basis, representing the third and fourth vessels under its contract with BADC for a firm 200,000 t and optional 50,000 t for shipment in 2016. It loaded the first cargo first week June and the second 1-half July.

The provisional shipping schedule to complete the contract with BADC should see GCT ship two more handysize cargoes in September, one in October and the final one in November. Each cargo is typically 26,250 t in size.

INDIA: Prices for Chinese DAP have slipped to as low as $340 cfr west coast on new purchases made primarily by IPL, bringing the total amount identified booked for 2016-17 arrival to just over 3.1 million t.

In the local market, Iffco cut its price for DAP by Rs 700 with effect from 15 July to Rs 22,000 bagged delivered farm. The breakeven price for DAP is about Rs 21,400 bagged delivered farm with phosphoric acid at $600 P_2O_5 cfr with 30 days' credit, ammonia at $360 cfr and an exchange rate of $1 : RS 67. To achieve a 3% margin, prices need to be nearer Rs 22,200 bagged delivered farm.

IPL is reported to have bought 45-50,000 t DAP from Rare Earth at $340 cfr for shipment from China. The *Good Hope* is due to deliver 65,842 t Chinese DAP to IPL on the west coast on 5 August, reported to be covering a purchase from Fertrade at $340 cfr. IPL is reported to have been the buyer of the 60,000 t Chinese DAP reported sold last week in the mid $340s cfr by Midgulf for end July shipment. IPL is still understood to be in negotiations with Aries for 45,000 t Kailin DAP for first week August loading in China.

It is understood that the *Kamari* will arrive with 40-45,000 t Chinese DAP in 1-half August for **Chambal** under its long term contract with YUC.

IFFCO is due to receive the *Peace Bright* with around 50,000 t Chinese DAP at Kakinada in 1-half August under an earlier purchase from Yihua. There are reports that the buyer previously purchased 4 x 50,000 t firm from the producer in the low/mid $340s cfr and 50,000 t option, including the cargo supplied on the *Jia Foison*.

Tata reportedly bought 40-50,000 t DAP from Dreymoor in the very low $340s cfr for July delivery from China.

Ma'aden will continue performing its contracts with customers next month with the producer expecting to ship about 90,000 t DAP from Saudi Arabia next month. Prices have yet to be settled.

NFL will close a tender tomorrow, 22 July, valid for 7 days, for 150,000 t DAP for shipment in three lots as follows:

- 50,000 t to Kandla/Mundra by 15 August
- 50,000 t to Kandla/Mundra by 27 August
- 50,000 t to Vizag/Krishnapatnam/Kakinada by 23 August

Two importers are still understood to be discussing with OCP a DAP panamax for early September shipment from Morocco while it is reported that the producer remains in negotiations for a cargo of Moroccan NPK for September loading.

The *STH Athens* is expected to arrive in Kandla on 3 August and Mundra on 4 August having sailed from the US on 21 June carrying around 55,000 t DAP.

Chambal is due to receive the *Great Ocean* with around 40,000 t Saudi Arabian DAP on the west coast end July under its earlier purchase from Sabic.

IPL received the *Apiradee Naree* with 50,000 Saudi Arabian DAP at Mundra on 7 July, covering its earlier reported purchase from Ma'aden in the low $350s cfr.

IPL received 54,951 t Saudi Arabian DAP from the *Georgiana Bo* at Mundra on 18 July, covering its earlier reported purchase from Ma'aden in the low $350s cfr.

DAP stocks are estimated at around 394,000 t at various ports as at 18 July 2016, as follows:

Port	'000 t
Kandla	116.5
Mundra	148.0
Tuticorin	5.0
Vizag	15.0
Krishnapatnam	36.5
Gangavaram	15.0
Kakinada	58.0
Total	**394.0**

The latest provisional data from the FAI show DAP/DAP Lite production was 347,300 t in June, 22% below May but up 25% on June 2015. This brought April-June production to 1.11 million t, up 58% on the first three months of the 2015-16 fertilizer year

The figures show 965,000 t DAP/DAP Lite imported in June compared to 345,000 t in May but 12% lower than June 2015. This brought fertilizer y-t-d imports to 1.558 million t, 39% below April-May 2015.

The provisional data also show producers' and importers' DAP/DAP Lite sales to dealers totalled 807,530 t in June, 36% higher than the 505,908 t sold in May but 27% below the 1.101 million t placed in June 2015. This brought April-June sales to 1.507 million t, down 33% on sales of 2.25 million t in the first three months of the 2015-16 fertilizer year.

IPL has bought 30,000 t Gresik 20-20-0+13S from Transglobe for shipment from Indonesia with the price rumoured to be $270 cfr with the duty benefit of 5%.

Kribhco is due to receive the *Genco Mare* with around 35,000 t 20-20-0+13S during end July/early August from Swiss Singapore.

FACT is reported to have received only one technical offer under its 20 July tender for 25,000 t 20-20-0+13S for August arrival at Tuticorin.

NFL has issued a tender, closing on 1 August and valid for 7 days, for 30,000 t 20-20-0+13S for shipment by 20 August to Krishnapatnam/Vishakapatnam/Kakinada.

RCF will close a tender on 25 July, valid for 15 days, for 30,000 t 20-20-0+13S for August shipment to Mundra.

2016-17 fertilizer year DAP imports are as follows:

India DAP Arrivals, 2016/17				
Buyer	**Supplier/Origin**	**'000 t**	***Vessel***	**Arrival**
April		**181**		
May		**450**		
June		**937**		
Chambal	YUC/China	42	*Stellar Eagle*	2 July
Mosaic	Mosaic/US	60	*Harvest Peace*	3 July
IPL	Ma'aden/Saudi Arabia	50	*Apiradee Naree*	7 July
IFFCO	China	50	*LMZ Pluto*	9 July
TBC	Sabic/Saudi Arabia	35	*TBN*	July
IPL	Ma'aden/Saudi Arabia	55	*Georgianna Bo*	July
Deepak	Swiss Singapore, Xiangfeng/China	32	*V Red Knot*	July
TBC	PhosAgro/Russia	60	*TBN*	July
Greenstar	PhosAgro/Russia	45	*TBN*	July
Kribhco	Fertisul/China	55	*Chengyang Eminence*	July
IPL	Aries/China	45	*Vitaspirit*	July
Chambal	Aries/China	35	*Stove Trader*	July
Kanpur Fertilizers	Sabic/Saudi Arabia	30	*Apostolos/Sub*	July
KIT/IFFCO	Sabic/Saudi Arabia	30	*Great Ocean*	Mid July
TBC	Ma'aden/Saudi Arabia	35-40	*TBN*	2-half July
TBC	Ma'aden/Saudi Arabia	35-40	*TBN*	2-half July
IFFCO	Yihua/China	50	*Jia Foison*	2-half July
IFFCO	Wengfu/China	50	*IYO Wind*	2-half July
Chambal	Sabic/Saudi Arabia	30	*Great Ocean*	end July
IPL	JPMC/Jordan	14	*Morning Star*	end July
Tata	Dreymoor/China	40-50	*TBN*	Aug
July	**To date**	**878-898**		
Mosaic	Mosaic/US	55	*STH Athens*	3 Aug
IPL	Fertrade	66	*Good Hope*	5 Aug
Mosaic	Mosaic/US	52	*Kang Sheng*	6-7 Aug
Kribhco	OCP/Morocco	50	*TBN*	Aug
Chambal	Aries/China	30-35	*TBN*	Aug
Chambal	Aries/China	35	*TBN*	Aug
Chambal	YUC/China	40-45	*Kamari*	1-half Aug
IFFCO	Yihua/China	50	*Peace Bright*	2-half July
TBC	Ma'aden/Saudi Arabia	35-40	*TBN*	Aug
IPL	Midgulf/China	60	*TBN*	Aug
IPL	Rare Earth/China	45-50	*TBN*	Aug
IPL	Trader/China	50	*TBN*	Aug
TBC	Ma'aden/Saudi Arabia	90	*TBN*	Aug
Aug	**To date**	**658-678**		
Total	**Estimate to date**	**3,104-3,144**		

According to the Ministry of Agriculture, as of 15 July the area sown for the Kharif season is up 2% year on year:

	Area Sown (million ha)		
Crop	**2015/2016**	**2016/2017**	**% ±**
Rice	12.299	12.393	1%
Pulses	5.112	7.107	39%
Coarse Cereals	10.145	10.598	4%
Oilseeds	12.713	13.012	2%
Sugarcane	4.48	4.578	2%

Jute & Mesta	0.767	0.747	-3%
Cotton	9.322	7.541	-19%
Total	**54.838**	**55.976**	**2%**

This is a significant increase on a fortnight ago and largely due to the gathering pace of the monsoon and the resulting increase in water availability reservoirs. Water availability on 14 July was 45.49 billion m^3, up from 23.94 billion m^3 two weeks earlier.

NEPAL: AIC Ltd is expected to tender soon for bagged DAP. At the moment the likely quantity required is 20,000t.

PAKISTAN: No new DAP business has been reported, with competitive offers for Chinese still in the mid $340s cfr for 1-half August shipment and ample material already booked to cover near term requirements.

The *Ananya Naree* is due to arrive with 25,000 t Saudi Arabian DAP in Karachi on 22 July, covering Engro's earlier reported purchase from Ma'aden in the high $340s cfr.

The *Four Butterfly* arrived with 33,000 t Australian DAP at Karachi last week on 13 July, covering United Agro's earlier reported purchase from Quantum in the low/mid $350s cfr.

DAP sales in the domestic market remain healthy with prices at Rs 2,450/50kg bag ex-Karachi.

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

Pakistan DAP Arrivals 2016				
Buyer	**Supplier/Origin**	**'000 t**	**Vessel**	**Arrival**
Jan-May		**160.0**		
Chawla	Quantum/Australia	27.0	*Eastern Cape*	Jun
Engro	Dreymoor/China	45.0	*Courageous*	Jun
United Agro	Quantum/China	30.0	*Aurora Bulker*	Jun
Pacific Chartering	Ameropa/China	25.0	*New Lotus*	Jul
Engro	Ma'aden/Saudi Arabia	25.0	*Ananya Naree*	Jul
United Agro	Quantum/Australia	33.0	*Four Butterfly*	Jul
Agven	Kailin/China	33.0	*Glarus*	Jul
Engro	Dreymoor/China	40.0	*Minoan Grace*	Aug
	TOTAL	**418.0**		

Kharif DAP balance sheet April-September 2016	'000 t
Opening stock 1 April	253
Forecast local production	422
Imports booked to date	366
Forecast availability	1041
Forecast offtake	555
Closing stock 30 September 2016	486

SRI LANKA: The next round of Government tenders are expected in August covering delivery to Colombo in November.

THAILAND: There have been good rains over most areas due to be planted with paddy. There is still not enough in some parts of the lower central plain and water from the dams is not due to be released before 1 August, which is maybe too late for the low lying areas that are vulnerable to flooding in September-October. The generally very good rains have helped paddy cultivation and there has been very strong demand for urea to be used on the first paddy fertilizer application. The level of urea demand has run down inventories and there is the likelihood that some importers/dealers will run out of urea and miss the tail end of the first application. Good rains may mean that farmers do not mind too much, and it may lead to a bit more NPK being used in the first application. However, urea demand lost in the first application will not easily be recovered as farmers are unlikely to change their pattern of usage and give up the use of NPKs in the second paddy application, in favour of urea.

VIETNAM: Chinese DAP prices continue to edge down, with Xiangfeng DAP recently reported sold at $357 cfr in bags. Local prices are slightly lower this week.

Published trade figures show the import of 390,000 t DAP in first half 2016, down from the 433,000 t shown coming in in the first six months of 2015, probably reflecting reduced demand caused by the drought. June imports of DAP were 57,800 t, with updated port data showing this to include 44,500 t from China.

Imports of NPKs in first half 2016 were 152,000 t, compared with 194,500 t in the first six months of 2015. June imports were 22,000 t.

Published trade figures for the first two weeks of July show the import of 49,350 t DAP and 10,200 t NPK.

NORTH AMERICA

CANADA: Mosaic has sold 18,000 t granular MAP at $340 fob for early September shipment from the US.

UNITED STATES: Prices for DAP in the barge market are flat. Competitive offers started off in the low $300s/ston fob earlier this week before non-Chinese imported product reportedly traded at $305 and $306 yesterday. Mosaic has sold 2 domestic DAP barges at 310/ston fob NOLA and 2 MicroEssentials barges, all for prompt shipment. Domestic MAP is reported to be on offer at $315/ston fob NOLA.

There are rumours that CHS is bringing in Moroccan DAP/MAP under an agreement with OCP.

Mosaic continues to indicate $325/ston fca central Florida for DAP with granular MAP at a $15/ston premium.

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

US DAP/MAP/TSP Arrivals 2016/2017						
Supplier/Origin	**DAP**	**MAP**	**TSP**	**NP+S+Z**	**Vessel**	**Arrival**
United Suppliers/PhosAgro, Russia	-	33	-	-	*Dolce Vita*	7 July
Koch/Morocco	25	25	-	-	*TBN*	July
Gavilon/Morocco	25	25	-	-	*TBN*	July
Helm/Morocco	-	-	30	-	*IVS Phinda*	26 July
TBC/Morocco	30	30	-	-	*TBN*	Aug
TBC/Morocco	30	30	-	-	*TBN*	Aug
TBC/Morocco	30	30	-	-	*TBN*	Sep
TBC/Morocco	30	30	-	-	*TBN*	Sep
Total July-August 2016	**170**	**203**	**30**			

LATIN AMERICA

ARGENTINA: Helm is reported to have sold about two-thirds of an Australian predominantly MAP/DAP cargo totalling about 35,000 t at $356-358 cfr for 2-half July loading and to be asking $356 cfr for the balance of the cargo.

The buying group comprising Profertil, YPF and ASP is still reported to be in the market for 15-18,000 t MAP/DAP for 2-half July shipment. The buying group comprising Bunge/ACA is still reported to be contemplating a return to the market for 10-12,000 t MAP/DAP for 2-half July / 1-half August loading.

Nitron is reported to have bought 10,000 t DAP in the high $320s fob and 25,000 t 10-50-0 MAP at $300 fob for early August shipment from China, intention Argentina/Uruguay.

Ameropa is believed to have sold 15,000 t Fertinal TSP at close to $300 cfr duty free for August loading in Mexico.

BRAZIL: EuroChem is reported to have booked a further 20-25,000 t Russian MAP in the low/mid $350s cfr for August shipment from the Baltic, unchanged over last week. With August availability of 11-52-0 tight, traders are trying to lift prices to a minimum $355 cfr.

OCP is reported to have sold 150,000 t MAP and NPS mainly plus DAP at $353-356 cfr for the MAP and DAP for August shipment from Morocco.

MAP prices are holding despite prices for 11-44-0 coming off further, with Fertipar reported to have bought 7,000 t from a trader at $270 cfr from a floating vessel and 20,000 t at $272 cfr from the same trader for August shipment.

Vessels arriving into the main ports in July are as follows:

Brazil Phosphate Fertilizer Arrivals, July/Aug					
Charterer/Receiver	**Product**	**Origin**	**'000 t**	**Arrived/ETA**	**Vessel**
Paranagua					
TBC	TSP/NP 11-44	China	13.1	5 July	*Andromeda*
OCP	TSP	Morocco	25.0	6 July	*Miltiades*
Ameropa	MAP/NP	China	49.0	8 July	*Seto Gloria*
DSW	TSP/SSP/Phos Rock/MOP	Israel	39.2	12 July	*Nikiforos*
Mosaic	MAP/MES	US	37.3	12 July	*Cielo Di Tocopilla*
Ameropa	MAP	Australia	25.6	11 July	*Nordrubicon*
Mosaic	MAP/MES	US	35.4	15 July	*Adfines North*
Mosaic	MAP/MES	US	35.6	16 July	*Nord Mumbai*
7Seas	MAP	China	30.0	21 July	*Western Santos*
Mosaic	DAP/MAP/MES	US	34.4	28 July	*Discovery Bay*
Mosaic	MAP/MES	US	35.8	28 July	*Clipper Bettina*
Nitron	NP 11-44	China	30.0	30 July	*Slavyanka*
Helm	NP 11-44	China	30.0	8 Aug	*Clipper Isabela*
Rio Grande					
Yara	MAP	Saudi Arabia	33.0	1 July	*Ocean Glory*
Yara	MAP	Morocco	12.0	1 July	*Indigo Silva*
Unifertil	MAP	Morocco	6.0	1 July	*Indigo Silva*
CHS	MAP	Morocco	1.0	1 July	*Indigo Silva*
Yara	TSP	Morocco	1.5	1 July	*Indigo Silva*
Mosaic	MES 15	US	6.0	5 July	*Federal Tiber*
Piratini	MAP	US	8.0	9 July	*Orient Tribune*
Mosaic	MAP	US	6.7	9 July	*Orient Tribune*
Timac	MAP	US	6.2	9 July	*Orient Tribune*
Unifertil	MAP	US	3.5	9 July	*Orient Tribune*
Yara	MAP	Morocco	33.0	13 July	*Santa Rita*
Piratini	MAP	Morocco	5.5	13 July	*Santa Rita*
CHS	MAP	Morocco	3.3	13 July	*Santa Rita*
Piratini	NP 9-46	China	8.5	18 July	*Andromeda*
Piratini	TSP	China	2.9	18 July	*Andromeda*
Ourofertil	NP 11-44	China	3.3	18 July	*Andromeda*
Ourofertil	TSP	China	1.1	18 July	*Andromeda*
Piratini	MAP	US	6.0	19 July	*Baltic Fox*
Mosaic	MAP	US	4.7	19 July	*Baltic Fox*
Piratini	DAP	US	5.2	19 July	*Baltic Fox*
Ourofertil	DAP	US	1.0	19 July	*Baltic Fox*
Multifertil	DAP	US	1.0	19 July	*Baltic Fox*
Mosaic	MAP	US	20.9	24 July	*Sea Maple*
Mosaic	TSP	Israel	7.3	4 Aug	*Suprastar*
CHS	TSP	Israel	3.0	4 Aug	*Suprastar*
Unifertil	TSP	Israel	2.0	4 Aug	*Suprastar*
3 Tentos	TSP	Israel	1.0	4 Aug	*Suprastar*
Yara	SSP	Israel	8.0	4 Aug	*Suprastar*
CHS	SSP	Israel	2.0	4 Aug	*Suprastar*
Santarem					
OCP	Ferts	Morocco	30.0	23 July	*CS Caprice*
Itaqui					

Risa	MAP	Nitron, PhosAgro	36.2	3 July	*Capetan Vassilis*
Recife					
Fertine	Ferts	US	4.0	22 July	*Chise Bulker*
Maceio					
Mosaic	Ferts	US	3.5	19 July	*Chise Bulker*
Aratu					
OCP	MAP	Morocco	15.9	7 July	*Royal Arsenal*
OCP	TSP	Morocco	7.6	7 July	*Royal Arsenal*
Fertipar	MAP	EuroChem, Russia	5.0	11 July	*Ultra Fitz Roy*
Mosaic	MAP	US	12.5	13 July	*Chise Bulker*
Mosaic	MES	US	9.0	13 July	*Chise Bulker*
Vitoria					
OCP	MAP	Morocco	6.0	18 July	*Lanna Naree*
Tuberao					
OCP	MAP	Morocco	16.6	18 July	*Lanna Naree*
Santos					
Mosaic	MAP/MES	US	25.2	3 July	*Cielo Di Venezia*
Yara	NPK	Norway	30.5	31 July	*Tenshou Maru*
Imbituba					
Mosaic	Ferts	US	5.6	15 July	*Discovery Bay*
Mosaic	Ferts	US	25.0	24 July	*Sea Maple*

URUGUAY: Nitron is reported to have shipped on 19 July from the Baltic 25,000 t Lithuanian DAP, sold recently at about $350 cfr. The tonnes are en route with 8,000 amsul.

SUPPLIERS

EUROPE

LITHUANIA: EuroChem is comfortable on Lifosa DAP into August having sold 35,000 t at $330 fob for July shipment to Turkey and 25,000 t to Nitron at the same price for July loading for Latin America that the trader shipped from Klaipeda on 19 July for Uruguay in combination with 8,000 t amsul. The producer has also booked 10-15,000 t at $335-340 fob for 1-half August loading for Europe, adding to the 15-20,000 t it concluded earlier for July loading for various markets in west Europe that netted the low to the high $330s fob.

The producer is asking $340 fob for the 55-60,000 t August output it has yet to place, basis about 75,000 t production next month, which it has allocated for European markets only.

FSU

RUSSIA: The next Kingisepp MAP cargo that **EuroChem** has available is for mid-September shipment following sales totalling 45-50,000 t; 20-25,000 t in the low/mid $330s fob for August shipment to Brazil; about 20,000 t in Belarus, Ukraine and the local market; and 7,000 t in the low $340s fob for East Europe. The producer is expected to manufacture about 60,000 t/m MAP at Kingisepp in Q3.

From Belorechensk, EuroChem is planning to manufacture 40,000 t MAP and 20,000 t NP 20-20-0 in August, the bulk of which has been allocated to and placed in Ukraine and the domestic market at $340 fob equivalent but with 5,000 t also sold for Latin America at $335 fob.

EuroChem’s commitments for July-September shipment are reported as follows:

July

- 40,000 t MAP ex-Kingisepp to Ameropa for Argentina/Uruguay
- 10,000 t MAP to Poland and the Balkans ex-Kingisepp
- 10,000 t MAP for Belarus and the domestic market ex-Kingisepp
- 40,000 t MAP for domestic and regional markets ex-Belorechensk

August/September

- 25,000 t MAP ex-Kingisepp to Tocantins for Brazil
- 20-25,000 t MAP ex-Kingisepp for Brazil
- 20,000 t MAP ex-Kingisepp to Tocantins for Brazil
- 20,000 t MAP for Belarus, Ukraine and the domestic market ex-Kingisepp
- 5,000 t MAP for Latin America ex-Belorechensk
- 35,000 t MAP for Ukraine and the domestic market ex-Belorechensk

For another week, no new phosphate sales have been reported for **PhosAgro** with the producer comfortable for August.

PhosAgro's DAP/MAP/NP/NPK commitments for July-August shipment are reported as follows:

July

- 45,000 t DAP and 20,000 t 10-26-26 to Greenstar for India
- 5,500 t MAP to Gavilon for South Africa
- 300,000 t NPKs/MAP for domestic and regional markets

August

- 30,000 t MAP for Latin America
- 10,000 t DAP for Central America
- 300,000 t NPKs/MAP for domestic and regional markets

Russian DAP exports were 82,000 t in May including 18,276 t to Thailand, 16,385 t to India, 13,985 t to US, 12,963 t to Vietnam.

This brought y-t-d exports to 659,282 t, 3% lower than the first five months of 2015. The main destinations, excluding Estonia, were ('000 t) France 84 (down 15%), US 82 (down 10%), Germany 45 (up 89%), Turkey 40 (up 88%), Belgium 37 (down 8%), UK 31 (up 22%), India 27 (down 84%), Argentina 27 (up 109%), Poland 25 (up 844%), Belarus 23 (up 148%). Exports to Estonia, mostly for export through Muuga, were 98,197 t (down 9%).

Exports of MAP were 201,481 t in May, including 169,380 t to Brazil.

This brought January-May exports to 732,346 t, up 9% on the same period 2015. The main destinations, excluding Estonia, were Brazil 287,165 t (up 601%), US 99 (down 57%), Ukraine 26 (up 168%), Romania 24 (up 980%). Exports to Estonia, mostly for export through Muuga, were 149,121 t (down 22%).

Exports of NP were 74,713 t in May, including 42,754 t to Brazil, 11,200 t to Bulgaria, 10,419 t to India.

This brought y-t-d exports to 521,188 t NP, up 56% on January-May 2015. The main destinations were ('000 t) Brazil 153 (up 30%), Djibouti 106, Ukraine 56 (up 13%), Turkey 50 (down 14%), US 32 (up 496%).

NPK exports were 298,643 t in May, including 57,488 t to India, 52,452 t to China, 35,403 t to Thailand, 27,280 t to Ukraine, 23,562 t to Turkey, 21,960 t to Venezuela.

Exports in the first five months of 2016 were 1.811 million t NPKs, down 7% on January-May 2015. The main destinations, excluding UAE, were ('000 t) China 357 (up 48%), Ukraine 344 (up 51%), India 134 down 38%), Thailand 114 (down 34%), Latvia 104 (up 42%), Ireland 93 (down 1%), Lithuania 80 (down 17%), Brazil 54 (down 64%).

Source GTIS/Federal Customs Service of Russia

AFRICA

ALGERIA: Asmidal and Manal are reported to have signed deals worth $4.5 billion with Indorama to develop a phosphate rock mine and build two fertilizer plants; one to manufacture phosphoric acid and DAP and the other ammonia, CAN and technical ammonium nitrate.

A joint venture between Indorama and Manal will develop a new 5 million t/y capacity rock phosphate mine located at Bled EL Hadba (Tebessa) in the east. Asmidal, Manal and Indorama will construct a phosphate acid plant and associated DAP granulation at

Souk Ahras, loacated near the Tunisian border. Preliminary reports indicate a potential production capacity of 1.5 million t P_2O_5 with 3 million t DAP equivalent.

EGYPT: Nitron bought 18-20,000 t SSP to load with 10,000 t granular urea for shipment to Uruguay/Argentina.

MOROCCO: OCP is in a comfortable position for August having added 220,000 t ammoniated phosphates to its order book this week.

The producer has rolled over its prices for August MAP/NPS/DAP shipments to Brazil, concluding a total of 150,000 t netting the low/mid $340s fob for the MAP and the DAP. It has also finalised 25,000 t DAP/MAP at $340 fob for August loading for Mali, probably via Senegal, and has agreed 25,000 t DAP with BADC, priced under formula, for August shipment to Bangladesh. Specifically on MAP, it has sold 20,000 t for August loading for Bulgaria at a reported price estimated to netback to the low $340s fob.

The producer is still understood to be discussing a DAP panamax and a cargo of NPK, both for September loading for India.

OCP's July-August DAP/MAP/NP/NPK commitments are reported ('000 t) as follows:

OCP/Morocco	July	August
Est. Production	**630-650**	**630-650**
E. and W. Europe	115	130-140*
Turkey	25	-
Africa	180	110-120*
Bangladesh	-	25
India	-	55
US	120	120
Argentina	35	-
Brazil	165	150
Total	**640**	**590-610**

*including allocations

TUNISIA: GCT is reported to have agreed with GubreTas an annual frame contract, priced according to a formula, for 180,000 t DAP, and 60,000 t MAP or equivalent phosphoric acid, for shipment to Turkey including 30,000 t DAP in July.

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

GCT/Tunisia	July
Est. Production	**60**
Romania	10
Turkey	46
Total	**56**

On TSP, GCT is reported to have sold small lots totalling about 3,000 t at $295 fob for July shipment to Northern Europe.

The producer is intending to ship 34-35,000 t TSP to Bangladesh 25-30 July to complete its awards via traders totalling 66,000 t estimated to netback to the high $280s fob under the Ministry of Agriculture's 3 May tender having loaded 31-32,000 t start July.

GCT is planning to ship two handysize TSP cargoes from Tunisia in August, one in the first half of the month and the other in the second, priced on a formula basis, representing the third and fourth vessels under its contract with BADC for a firm 200,000 t and optional 50,000 t for shipment in 2016. It loaded the first cargo first week June and the second 1-half July.

The provisional shipping schedule to complete the contract with BADC should see GCT ship two more handysize cargoes in September, one in October and the final one in November. Each cargo is typically 26,250 t in size.

MIDDLE EAST

JORDAN: JPMC is loading two DAP vessels covering earlier sales; 11,000 t is under load for Romania and 6,000 t for Turkey. The prices reported for the tonnes are estimated to netback to the low/mid $340s fob. The producer is also shipping DAP to Iraq, reportedly in both July and August, and is negotiating a DAP deal in Sudan.

JPMC has increased DAP production to 40-45,000 t this month but output will be lowered again to about 30,000 t in August as it continues the revamp of its Aqaba plant.

JPMC's July-August DAP commitments are as follows ('000 t):

JPMC/Jordan	July	August
Est. Production	**40-45**	**30**
Romania	11	-
Turkey	6	-
Iraq	12-13	12-13
Total sales	**19-20**	**12-13**

SAUDI ARABIA: Ma'aden will continue performing its contracts with Indian customers in August, expecting to ship about 90,000 t DAP next month. Prices have yet to be settled although the producer is likely to target rollovers from July in the low/mid $340s fob.

No new DAP/MAP business has been reported for **Sabic** this week.

The *Great Ocean* is due to load about 30,000 t DAP in Ras Al Khair 23-27 July for west coast India, covering **Sabic's** earlier reported sale to Chambal netting the mid $340s fob.

MPC's DAP/MAP commitments for July and August shipment are reported as follows ('000 t):

MPC/Saudi Arabia	July	August
Est. Production	**240**	**240**
India – Ma'aden	160-175	90
India – Sabic	60	-
Pakistan – Ma'aden	25	-
Brazil – Ma'aden	-	35
Total sales	**245-255**	**125**

ASIA

CHINA: Nitron is reported to have bought 10,000 t DAP in the high $320s fob and 25,000 t 10-50-0 MAP at $300 fob for early August shipment to Latin America, intention Argentina/Uruguay.

Rare Earth is reported to have sold 45-50,000 t DAP to IPL reflecting about $330 cfr for shipment to India.

There are reports emerging that Dreymoor and Fertrade earlier sold 40-50,000 t DAP and 66,000 t DAP, respectively, to Tata and IPL, respectively, for July shipment to India netting the high $320s-very low $330s fob with the *Good Hope* understood to have been fixed to supply the latter.

YUC is reported to have fixed the *Kamari* for 40-45,000 t DAP for July loading for India under its long term contract with Chambal.

Yihua is understood to have fixed the *Peace Bright* to load about 50,000 t DAP for east coast India under an earlier sale to IFFCO. There are reports that the producer previously agreed 4 x 50,000 t firm with the buyer reflecting the low/mid $330s fob and 50,000 t option, including the cargo loaded on the *Jia Foison* identified previously.

Aries is still reported to be negotiating a Kailin DAP cargo with IPL for first week August shipment to India.

Offers for 11-44-0 MAP are reported to have been reduced to $255-260 fob.

According to the production data available from the CPIA, the Chinese DAP industry reduced production of DAP by around 5% year on year in the month of May to 1.34 million t. However overall DAP production for the first five months of the year fell by just 3.5% against 2015, at 6.85 million t, compared with 7.1 million t last year, a difference of barely 250,000 t or the equivalent of 50,000 t per month.

SOUTH KOREA: June trade figures show the export of nearly 54,000 t various compound fertilizers, including 30,200 t NP fertilizers, mostly to Thailand, 12,600 t DAP, nearly all to Vietnam and 9,800 t NPKs, with 6,000 t going to Philippines.

VIETNAM: Updated port data shows the export of nearly 130,000 t NPK in first half 2016, as well as 53,600 t DAP and nearly 34,000 t fused magnesium phosphate.

OCEANIA

AUSTRALIA: It is reported that Helm was the buyer of the MAP cargo reported sold last week at close to $330 fob by Quantum for July loading for Latin America, the majority of which Helm is reported to have sold in Argentina. Besides the MAP, Helm is also reported to have bought a small quantity of DAP from Quantum reflecting the low/mid $330s fob for shipment on the same vessel.

IPL's DAP/MAP commitments for July shipment are reported as follows ('000 t):

IPL/Australia	July
Latin America	30-35
Total sales	**30-35**

NORTH AMERICA

UNITED STATES: Mosaic has sold 18,000 t granular MAP at $340 fob for early September shipment to Eastern Canada, its earliest availability of the product.

No new DAP business has been reported this week, leaving the price to mark time at $340 fob. Availability is reported to be tight for August.

Mosaic's export commitments for July-August shipment are reported to include:

July

- 7,000 t DAP to Latin America at $345 fob
- 46,000 t fertilizers including 21,000 t MAP on the *Sea Maple* to Brazil
- 35,800 t MAP/MES on the *Clipper Bettina* to Brazil

August

- 6,000 t DAP to Latin America at $340 fob and 2,000 t MES

Mosaic's liquid sulphur contract prices for Q3 have been concluded at $65/LT delivered Tampa, down $5/LT on Q2 and reducing the cost of producing one tonne of DAP by $2.21/t. We estimate that average production costs for integrated DAP producers are in the mid $270s fob.

PHOSPHORIC ACID

INDIA: MFL is understood to have received 4-5 technical offers from Sterlite, Getax, MMTC, Aries under its 15 July tender for 20,000 t merchant grade phosphoric acid solution (52-54% P2O5) for 2-half July and 1-half September shipment to Chennai in two lots.

Phosphoric acid vessels identified for July arrival are as follows:

India – Phosphoric Acid Arrivals July				
Buyer/Port	**Supplier/Origin**	**'000 t solution**	**Vessel**	**Arrival**
GSFC/Sikka	OCP/Morocco	19.0	*Argent iris*	1 July
IFFCO/Kandla	JIFCO/Jordan	10.3	*Stolt Sea*	2 July

IFFCO/Kandla	ICS/Senegal	29.5	*Bochem Oslo*	6 July
FACT/Cochin	OCP/Morocco	10.0	*Chemroad Dita*	8 July
GSFC/Sikka	OCP/Morocco	20.0	*Azalea Galaxy*	10 July
IFFCO/Kandla	-	19.0	*MTM Princes*	10 July
PPL/Paradeep	OCP/Morocco	10.4	*Jipro Neftis*	13 July
IFFCO/Kandla	Sinchem/Senegal	30.1	*Stolt Strength*	15 July
GSFC/Sikka	OCP/Morocco	7.5	*Shun Sheng*	16 July
FACT/Cochin	OCP/Morocco	10.0	*Jipro Neftis*	17 July
CIL/Kakinada	OCP/Morocco	18.6	*CT Frontier*	18 July
IFFCO/Kandla	JIFCO/Jordan	22.5	*Stolt Vinland*	19 July
GSFC/Sikka	OCP/Morocco	19.0	*AS Olivia*	19 July
Paradeep	JIFCO/Jordan	20.0	*Stolt Vestland*	20 July
CIL/Kakinada	OCP/Morocco	18.6	*CT Frontier*	21 July
IFFCO/Kandla	JIFCO/Jordan	22.5	*Stolt Vinland*	22 July
GSFC/Sikka	OCP/Morocco	19.0	*AS Olivia*	22 July
CIL/Kakinada	OCP/Morocco	18.6	*CT Frontier*	23 July
IFFCO/Kandla	JIFCO/Jordan	22.5	*Stolt Vinland*	23 July
Total July to date		**347.1**		

PHOSPHATE ROCK

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

India – Phosphate Rock Arrivals, July				
Discharge Port	**Origin**	**Quantity**	**Vessel**	**ETA**
Hazira	-	50,450	*Pan Pride*	1 July
IFFCO/Paradeep	Jordan	57,200	*Kapta Mathios*	2 July
CIL/Vizag	Togo	50,957	*Sun Vil II*	4 July
SPIC/Tuticorin	JPMC/Jordan	49,500	*Alcyone*	4 July
Hindalco/Dahej	JPMC/Jordan	55,000	*Dimijohn A*	8 July
PPL/Paradeep	-	60,500	*Summer Lady*	9 July
SPIC/Tuticorin	JPMC/Jordan	9,280	*Konstantinos*	9 July
Kandla	Egypt	8,900	*Rising Falcon*	15 July
Dahej	Egypt	40,990	*Evangelistia*	15 July
CIL/Vizag	Egypt	13,350	*Lady Amna*	17 July
IFFCO/Paradeep	OCP/Morocco	60,250	*Atout*	15 July
IFFCO/Paradeep	Peru	60,903	*Zeyno*	24 July
Kakinada	JPMC/Jordan	25,000	*First Bridge*	18 July
Haldia	Egypt	16,850	*Lady Amna*	19 July
Hazira	Egypt	15,750	*Rising Falcon*	19 July
CIL/Vizag	JPMC/Jordan	11,645	*Konstantinos*	21 July
Total July to date		**586,525**		

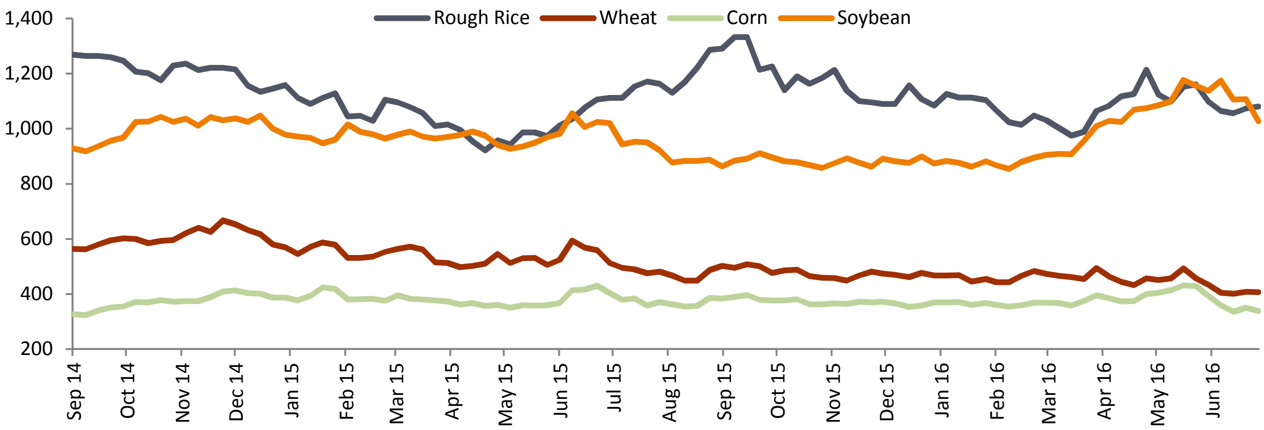
COMPANY NEWS

SWITZERLAND: **EuroChem** Group AG is pleased to announce that Mr Gaston Nogues will be joining the Group as Head of Marketing & Sales Operations, Latin America on 1 September 2016. Mr Nogues will report to Terje Bakken, Head of the Marketing & Sales Division and Member of the Group's Management Board.

Sergey Kirov will continue his current operational focus and will now formally take his position as Commercial Director for Latin America, reporting to M Nogues. Vilalba Trivellier will continue his position as Manager and will also report to Mr Nogues.

AGRICULTURE

WEEKLY CBOT CROP PRICES (¢/BU)



CROP FUTURES

CME CROP PRICES (cents/bushel)					
Product	**Q3 2016**	**Weekly Change**	**Q4 2016**	**Q1 2017**	**July 2015**
Corn	337.4	-28.2	344.2	353.2	402.6
Wheat	406.6	-1.0	432.6	449.4	512.2
Soybean	1,027.0	-101.0	1,009.0	1,009.2	1,020.6
Rough Rice	1,081.0	+32.5	1,108.0	1,132.5	1,120.0

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

CORN:

Corn futures lost some ground following a rebound last week, mainly reflecting easing weather concerns. Parts of the US Corn Belt will see high temperatures short-term, which could stress crops, but not for as long as previously thought.

WHEAT:

The downtrend in wheat futures slowed down this week with only a marginal drop compared to last week's settlement. Wheat market remains pressured by strength of the US dollar and US wheat harvest is advancing ahead of its average pace, which added to the bearish tone. Stronger US$ makes US commodities less affordable to international buyers.

SOYBEAN:

Soybean futures demonstrated the largest reduction this week in tandem with a downward trend in corn and wheat futures markets, as hot weather in key growing regions is expected to be short-lived.

RICE:

Unlike other major crops, rice futures climbed up this week. Asian rice export prices are currently mixed, with prices from top exporter India edging up on higher demand and lower supplies, while Vietnamese prices fell to near the lowest in five months due to lack of buying interest.

REGIONAL MARKETS

OVERVIEW OF RICE MARKET IN ASIA: The arrival of monsoon rains in South Asia and Iraq's unexpected purchase of parboiled rice from India has helped to shape global rice markets of late, while gains were capped by stockpile releases in Thailand.

India's 5% broken parboiled rice rose this week on higher demand and dwindling supplies as the Grain Board of Iraq secured 100,000 tonne of parboiled rice from India at around US$ 430 cif. "Prices in India have found some support lately after Iraq started opting for Indian origins, rather than the North/South American origins that it was previously buying from," James Fell, market analyst at the International Grains Council (IGC), told The Public Ledger, Fertecon's sister company. Currently the focus remains very much on India's monsoon progress, which seems to be progressing well.

In **Vietnam**, prices for its 5% broken rice fell and are now mirroring levels witnessed back in February. **Myanmar** could set to be the beneficiary of government-to-government purchases by Indonesia (of 300,000 tonnes), while there has also been a suggestion that the **Philippines** may well re-enter the market and also purchasing from Myanmar. "No official announcement has been made by the Philippines on the new administration's rice import policy, but it is expected very soon," said James Fell. "The rumours have weighed on Vietnam's prices, as Indonesia and the Philippines usually make their government-to-government deals with Vietnam."

In **Thailand**, the leading rice exporter, total production is estimated at around 16.6 mln tonnes by the IGC (20 mln FAO), the smallest in more than a decade. "Monsoon rains were largely inadequate, thwarting yields and leading to reduced plantings particularly of the second crop," explained the IGC. For the 2016/17 season in Thailand, assuming better conditions, total production of rice is pegged at 20.2 mln tonnes.

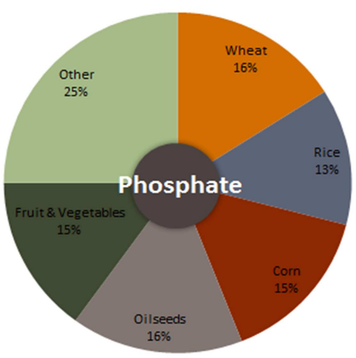
World rice use is seen rising by 1% in 2016/17, to an all-time peak of 488 mln tonnes (502 mln by the FAO. "With the start of the 2017 trade year is some six months away, predictions are highly tentative," said the IGC, adding "Although a growing population and food needs in sub-Saharan Africa could boost import demand, improved crop outcomes in Asia may curtail purchases by some of the region's leading buyers." Nevertheless, world trade is expected to remain high, at close to 42 mln tonnes with Thailand and Vietnam likely to be the world's prominent exporters as India's international sales retreat to more normal levels, said the council.

BRAZIL SUGAR INDUSTRY UPDATE: Local sugar and ethanol market consulting company Datagro cuts its forecast for Brazil's 2016/17 centre-south (CS) sugarcane crush to 597.25 million tonnes, down -4.4% from its May projection of 625 mln, due to dry weather. President of Datargo Plinio Nastari pointed out that the CS had drier-than-average conditions in March, April, early May and late June, leading to a downward revision of the expected sugarcane yield. Nastari also said that reduced crop inputs by financially distressed mills and increased pest infestation was also lowering yields.

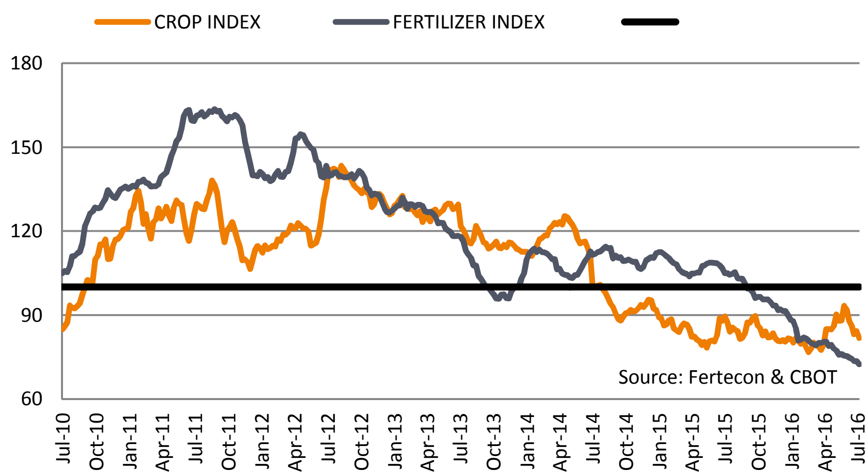
Consequently, the region will produce no more than 34.1 mln tonnes of sugar in 2016/17, down from the May estimate of 35.2 mln (-3.1%). Ethanol production was cut to 26.097 billion litres this season from an estimated 27.281 bln in May (-4.3%), Nastari said.

NITROGEN USE BY CROP

Source: IFA



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.

AGRICULTURAL POLICY & TRADE

EUROPE – AID PACKAGE TO FARMERS: The EU Agriculture Commissioner Phil Hogan has announced a series of new measures to aid struggling farmers – notably a €500 million support package comprising €350 million in national envelopes for all 28 member states and €150 million for milk supply reduction measures. The fresh aid package announced at the Farm Council in Brussels on 18 July comes during a difficult time for EU dairy farmers, suffering on account of low prices at least partially brought-on by oversupply to the market. On top of the aid package, Commissioner Hogan has also announced a number of "technical" measures to provide flexibility, cash flow relief and to reinforce the safety net measures for producers already in place.

EU-INDONESIA FTA TALKS: EU governments have given the European Commission the go-ahead to start negotiations with Indonesia on a free trade agreement (FTA), with the two sides seeking an "ambitious" deal covering a range of trade areas, writes

Agra Europe, Fertecon's sister company. Member states' required green light was given during the Farm Council meeting in Brussels on 18 July, with the first round of FTA talks to take place "later in 2016".

Indonesia is the biggest economy of the 10-member Association of South-Asian Nations (ASEAN), with a population of nearly 260 million – but is behind three other members in terms of EU trade. The EU has been seeking FTAs with Southeast Asian countries since 2009, when talks on a regional ASEAN deal broke down. Brussels has completed FTA talks with two ASEAN members – Singapore and Vietnam – and is progressing with Malaysia and Thailand. Talks with the Philippines are poised to begin soon. As a developing country, Indonesia currently benefits from EU preferential import duties under the bloc's Generalised Scheme of Preferences (GSP).

Wider EU-Indonesia relations are governed by a broad Partnership Cooperation Agreement signed in 2009. EU-Indonesia trade relations have been somewhat soured by a long-running and ongoing dispute on biodiesel – with the EU having imposed anti-dumping duties on Indonesian (and Argentinian) biodiesel since mid-2013.

http://agribusinessintelligence.informa.com/

FREIGHT

DATE	Baltic Capesize	Baltic Panamax	Baltic Supramax	Baltic Handysize	Baltic Dry Index
15 July	1023	863	693	363	745
18 July	1016	874	697	366	748
19 July	986	879	700	371	746
20 July	937	872	702	376	736
21 July	906	850	701	379	726
Source: Baltic Exchange					

FERTILIZER DERIVATIVES

DAP fob Tampa (metric tonne)				DAP fob NOLA (short ton)			
Month	Bid	Offer	Mid	Month	Bid	Offer	Mid
July	335	348	342	July	298	305	302
Aug	337	352	345	Aug	303	305	308
Sep	336	347	342	Sep	300	308	304

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