

# Ammonia Report

Weekly review of the ammonia market

19 May 2016

- Trammo buys around 15,000 t of OPZ ammonia for June loading out of Yuzhnyy at \$290 fob
- Uralchem sells 23,000 t to Trammo for end May lifting in the range of \$290-300 fob Baltic
- New forward spot cargo into South Korea for end July delivery under discussion
- UK ammonia exports in Q1 down by nearly 11% year-on-year

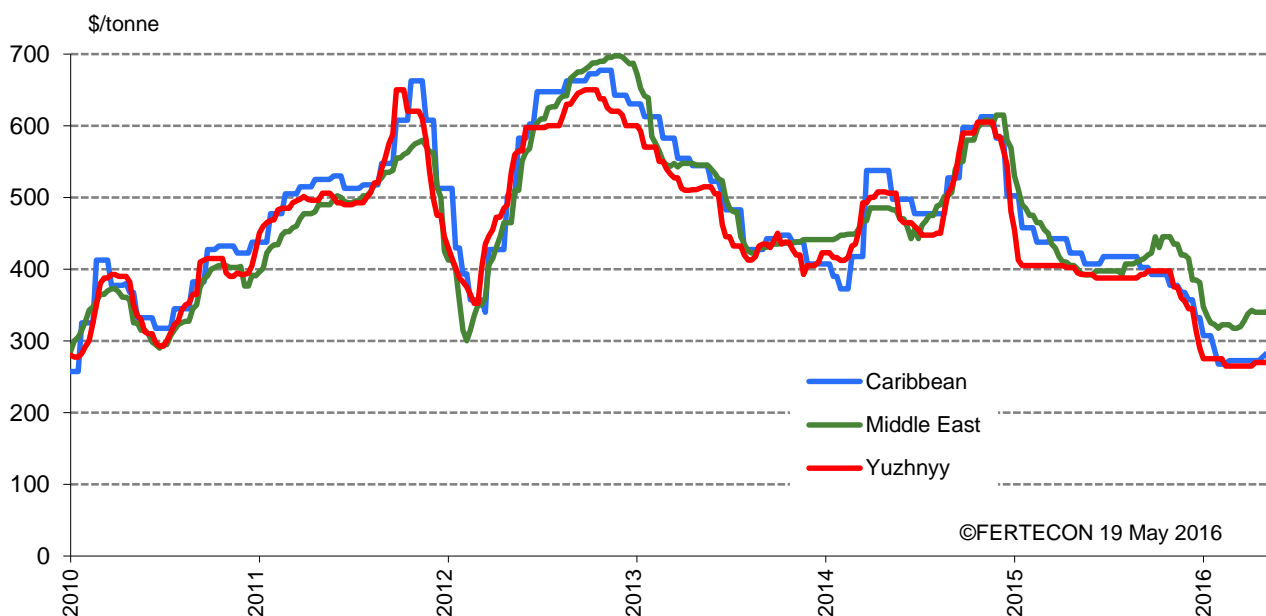
## OUTLOOK

Firmer in the west, largely stable elsewhere.

## KEY PRICES

	19 May	12 May	5 May
Yuzhnyy fob \$/t	280-290*	270-280*	270*
Middle East fob \$/t	335-355*	335-355*	325-355*
Tampa/US Gulf cfr \$/t	320-325	320-325	320-325

## AMMONIA PRICES



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

## AMMONIA PRICE INDICATIONS ALL PRICES IN US\$

	19 May	12 May	5 May
<b>Fob prices</b>			
Caribbean	280-285	280-285	280-285
Middle East	335-355*	335-355*	325-355*
<i>Of which:</i>			
- Netbacks on contract/formula-priced sales	335-345*	335-345*	325-345*
- Spot fob	350-355	350-355	350-355
Yuzhnyy/FSU fob	280-290*	270-280*	270*
Baltic/FSU	290-300*	280-290*	280-285*
Southeast Asia	335-350	340-355	340-355
<b>Delivered prices</b>			
NW Europe (duty paid/duty free) *	359-375	349-364	349-359
NW Europe (duty unpaid) *	340-355	330-345	330-340
Far East	370-400	370-405	369-405
India	365-395	365-395	360-385
US Gulf/Tampa	320-325	320-325	320-325
- Tampa	320	320	320
- US Gulf (MS, LA, TX)	325	325	325
<p align="center"><b>FERTECON PRICE DEFINITION</b></p> <p>Prices, rounded to the nearest US\$, represent the last known spot and contract business and current indications, for 4-40,000 t cargoes, net of credit. * nominal; n.m. – no market; ^corrected</p> <p>The full history of Fertecon's ammonia prices is available to view and download <a href="#">by clicking here</a>.</p>			

## FREIGHT INDICATIONS US\$/TONNE (RATES BASIS 1-1 UNLESS STATED)

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

## ANALYSIS

This week it became apparent that ammonia prices in the west are firming up further with Trammo concluding a new spot purchase of OPZ ammonia for June lifting out of the Black Sea at \$290 fob Yuzhnyy as well as an earlier purchase of around 23,000 t from Uralchem for lifting out of Ventpils at the end of May priced within \$290-300 fob Baltic range. Availability is heard to be limited from both the Black Sea and the Baltic.

The **Middle East** supply remains tight with an ongoing turnaround at the Safco II ammonia plant and Muntajat focusing on the contract customers only for the time being.

In **Algeria** there is still uncertainty over future exports of Fertil ammonia with permissions to load granted on a case-by-case basis and so far only Fertiberia seen lifting a couple of cargoes for Spain and Portugal this month. These supply restrictions are tightening the markets elsewhere, namely in the Black Sea and Baltic, where availability was already fairly tight, resulting in price increases.

In **Asia**, LFC (formerly SFC) is understood to be in advanced discussions with a trader over a far forward ammonia cargo for end July delivery at a price understood to be a little below the currently quoted Far East cfr range but formal conclusion of the deal could not be confirmed. Import demand from South Korea is expected to increase in June due to the planned restart of the second caprolactam plant at CaproCorp.

Demand from **India** is stable and prices are assessed to be at the same level as last week, namely \$365-395 cfr.

There has been no announcement of the next settlement of the Tampa price in the **United States** for deliveries in June just yet and in the domestic market wet field conditions continue to slow ammonia application in the eastern cornbelt.

## SUPPLIERS

### FSU

**BLACK SEA:** This week Trammo reportedly purchased around 15,000 t of OPZ ammonia for June lifting out of Yuzhnyy at \$290 fob. The destination of the cargo has not been confirmed yet and it might be loaded in two lots next month.

The Black Sea market is reportedly tight and the ongoing supply restrictions due to turnarounds in Saudi Arabia as well as delays linked to the export licencing out of Fertil, Algeria, has meant increased demand. This, given the tight supply situation, is nudging prices up.

Ammonia production at **TogliattiAzot** is running at five out of seven lines for a couple of weeks from around 10 May. Trammo has previously sourced a full cargo from NF Trading for loading on the Sylvie in early June.

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

Vessel	Trader	'000 t	Destination	Load date
<b>APRIL</b>		<b>205.5</b>		
<b>MAY</b>		<b>228.7</b>		
<i>Navigator Grace</i>	Trammo	15	Turkey (Korfez) & Israel (Haifa)	30 April – 1 May
<i>Clipper Mars</i>	Ameropa	40	EC India (Paradeep)	5-6 May
<i>Clipper Odin</i>	Ameropa	25	Tunisia (Gabes)	10-11 May
<i>Sylvie</i>	Trammo	23.5	Morocco (Jorf Lasfar)	13-15 May
<i>Navigator Grace</i>	Trammo	15	Turkey (Mersin & Ceyhan)	14-15 May
<i>Gas Grouper</i>	Ameropa	23.4	Belgium (Antwerp)	16-17 May
<i>Solaro</i>	Ameropa	25	Morocco (Jorf Lasfar)	19-20 May
<i>Gas Cobia</i>	Ameropa	23.4	Belgium (Antwerp)	23-24 May
<i>Gas Manta</i>	Ameropa	23.4	Turkey (Bandirma)	ETA 21 May
<i>Navigator Grace</i>	Trammo	15	TBC	27-31 May
<b>JUNE</b>		<b>63.5</b>		
<i>Clipper Odin</i>	Ameropa	25	TBC	Early June

<i>Sylvie</i>	Trammo	23.5	TBC	Early June
<i>TBC</i>	Trammo	15	TBC	June

**BALTIC:** **Uralchem** has reportedly sold a spot cargo of around 23,000 t to Trammo for end-May lifting out of Ventspils at a price somewhere within the \$290-300 fob range.

Yara lifted 4,000 t out of Ventspils on the *Coral Ivory* on 17-18 May for delivery to Rostock, Germany.

Yara's vessel, the 8,000 t ammonia capacity *Temse*, is expected at Ventspils for loading around 20 May.

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

Vessel	Trader	'000 t	Destination	Load date
<b>APRIL</b>		<b>68</b>		
<b>MAY</b>		<b>47</b>		
<i>Coral Ivory</i>	Yara	4	Sweden (Köping)	30 April – 1 May (Ventspils)
<i>Coral Ivory</i>	Yara	4	Germany (Rostock)	7-8 May (Ventspils)
<i>Coral Ivory</i>	Yara	4	Sweden (Köping)	11 May (Ventspils)
<i>Coral Ivory</i>	Yara	4	Germany (Rostock)	17-18 May (Ventspils)
<i>Temse</i>	Yara	8	TBC	20 May (Ventspils)
<i>Brussels</i>	Trammo	23	TBC	End May

**RUSSIA:** A one month rolling turnaround will take place at **EuroChem's** JSC Azot Novomoskovsk plant in June. The facilities will be taken down in stages with ammonia going down first, followed by urea and AN.

## EUROPE

**UNITED KINGDOM:** According to customs' data Q1 2016 exports reached 68,204 t, down by 8,333 t or 10.9% y-o-y from the 76,537 t shipped during the same period of 2015. In the first quarter of the year UK ammonia was destined for Germany (44,079 t), France (16,031 t), Norway (4,047 t) and Sweden (3,999 t). Monthly export volume in March was, at 20,044 t slightly down by 3,979 t or 1.7% m-o-m. (Source: GTIS/HMRC)

## CARIBBEAN

**TRINIDAD:** Gas curtailments are heard to continue at 20-25%.

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

Vessel	'000 t	Destination	Load date
<b>APRIL</b>		<b>378.7</b>	
<b>MAY</b>		<b>405.5</b>	
<i>Marola</i>	24.8	United States (Tampa)	1-3 May
<i>Sombeke</i>	25.4	Belgium (Antwerp)	3-4 May
<i>Almajedah</i>	15.4	Brazil (Santos)	3-4 May
<i>Libramont</i>	25.4	United States (Freeport, Pascagoula & Houston)	3-5 May
<i>Touraine</i>	25	United States (Waggaman & Pascagoula)	6-7 May
<i>Navigator Galaxy</i>	15	United States (Taft)	6-7 May
<i>Clipper Neptun</i>	40	United States (Tampa)	9-10 May
<i>Kaprijke</i>	25	United States (incl Freeport)	11-13 May
<i>Clipper Venus</i>	40	United States (incl Point Comfort)	15-16 May
<i>Marola</i>	24.8	United States (Tampa)	15-16 May
<i>Clipper Sky</i>	40	TBC via Panama Canal	16-17 May
<i>Navigator Galaxy</i>	15	TBC	20 May

<i>Sanko Independence</i>	23.5	TBC	24 May
<i>Almajedah</i>	15.4	TBC	24 May
<i>Libramont</i>	25.4	TBC	24 May
<i>Sombeke</i>	25.4	TBC	31 May

## AFRICA

**ALGERIA:** It is understood that the administrative/export licencing situation at the **Fertial** plants remains unchanged. Fertiberia's vessels, the *Andesgas* and the *Queen Isabella*, have loaded a number of cargoes this month for delivery to Spain in Portugal but their loading and departure is heard to be dealt with on a case by case basis and future exports are uncertain.

The latest known line-up for ammonia loading from Fertial and Sorfert plants is below.

ALGERIA: 2016 AMMONIA EXPORT SHIPMENTS					
Vessel	Supplier	'000 t	Destination	Load Port	Load Date
<b>APRIL</b>		<b>129.9</b>			
<b>MAY</b>		<b>115.8</b>			
<i>Pertusola</i>	Sorfert	6.5	Italy (Ravenna)/Yara	Arzew	6-7 May
<i>Brussels</i>	Sorfert	23.5	Morocco (Jorf Lasfar)/Trammo	Arzew	7-9 May
<i>Andesgas</i>	Fertial	10	Spain (Aviles) & Portugal (Lisbon)/Fertiberia	Annaba	8-10 May
<i>Queen Isabella</i>	Fertial	7	Spain (Sagunto)/Fertiberia	Arzew	9-10 May
<i>Queen Isabella</i>	Fertial	7	Spain (Castellon)/Fertiberia	Annaba	14 May
<i>Marycam Swan</i>	Sorfert	10	Spain (Castellon)/Trammo	Arzew	18-19 May
<i>Pertusola</i>	Sorfert	11.8	TBC/Yara	Arzew	18-19 May
<i>Brussels</i>	Sorfert	23	Belgium (Brussels)/Trammo	Arzew	18-19 May
<i>Queen Isabella</i>	Fertial	7	TBC	Arzew	19-20 May
<i>Andesgas</i>	Fertial	10	TBC	Annaba	22 May

## MIDDLE EAST

**IRAN:** The *Everrich 6* has finished loading from **Bandar Assaluyeh** today, 19 May for delivery to FACT Cochin, west coast India.

The *Gas Line* is expected back at BIK around 25 May for loading.

**QATAR:** The *Almarona* and the *Gas Columbia* are expected back at Mesaieed for loading by the end of the month for deliveries to Muntajat's long-term contract customers.

**SAUDI ARABIA:** The **Safco II** ammonia plant remains in turnaround. The restart date has not been confirmed yet but the plant was originally expected to be down for 50 days from mid-April.

The latest Middle East line-up is tabulated below.

Vessel	Supplier/Origin	'000 t	Destination	Price \$/t	Load date
<b>APRIL</b>		<b>173.5</b>			
<b>MAY</b>		<b>197.8</b>			
<i>Al Jabirah</i>	Sabic/S.A. (Al Jubail)	23.4	Taiwan (Taichung)	I-t contract	2-3 May
<i>Everrich 6</i>	Transagri/ex-Iran (Assaluyeh)	5.4	WC India: Deepak Fertilisers/JNPT-Mumbai	n/a	3-4 May
<i>Gas Cat</i>	Raintrade/Iran (BIK)	18.5	EC India: CIL/Kakinada & Vizag	n/a	3-6 May
<i>Rose Gas</i>	Sabic/S.A. (Al Jubail)	23	WC India: GSFC/Sikka (12)	Part cargo \$380 cfr?	6-7 May
<i>Almarona</i>	Muntajat/Qatar (7) & S.A. (Al Jubail – 8 – swap with Trammo)	15	WC India: Hindalco/Dahej, Zuari/Goa & MCFL/Mangalore	I-t contract	10-11 May

<i>Al Barrah</i>	Sabic/S.A. (RAK)	23	South Korea (Ulsan)	I-t contract	13-15 May
<i>Everrich 6</i>	Transagri/ex-Iran (Assaluyeh)	5.5	WC India: FACT/Cochin	\$395 cfr	18-19 May
<i>SCF Tomsk</i>	Trammo/ex-Oman (13) & S.A. (10)	23	TBC	\$355	23-25 May
<i>Gas Line</i>	Raintrade/Iran (BIK)	23	TBC	n/a	25 May
<i>Almarona</i>	Muntajat/Qatar	15	EC India	I-t contract	2-half May
<i>Gas Columbia</i>	Muntajat/Qatar	23	WC & EC India	I-t contract	29-30 May

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

## ASIA/OCEANIA

**AUSTRALIA:** The *Viking River* left Dampier early this afternoon, 19 May, heading for Kwinana where it is expected to berth on the morning of the 22 May and complete discharging by 24 May.

The *Nordic River*, which discharged its previous cargo in Taiwan and South Korea, is heading back for Dampier with an eta 30 May.

The recent known ammonia loadings are tabulated below:

AUSTRALIA: 2016 AMMONIA SHIPMENTS			
Vessel	'000 t	Destination/Supplier	Load Date/Port
<b>APRIL</b>	<b>62</b>		
<b>MAY</b>	<b>75</b>		
<i>Nordic River</i>	25	Taiwan (Taichung) & S. Korea (Yosu)/Yara	5-6 May (Dampier)
<i>Viking River</i>	25	Kwinana (domestic)/Yara	19 May (Dampier)
<i>Nordic River</i>	25	TBC/Yara	30 May (Dampier)

**INDONESIA:** The *Gaz Millennium*, which loaded ammonia in Bontang on 9-10 May is destined for Rayong, Thailand.

Trammo's vessel, the *Sanko Innovator*, that arrived in Bontang on 18 May, is destined for Caojing, China.

Mitsui's smallest vessel, the 2,300 t capacity *Gaschem Dollart* which loaded in Palembang on 14-16 May is delivering ammonia to Vietnam.

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

INDONESIA: 2016 AMMONIA EXPORT SHIPMENTS			
Vessel	'000 t	Destination/Supplier	Load Date/Port
<b>APRIL</b>	<b>119.5</b>		
<b>MAY</b>	<b>139.1</b>		
<i>Gas Quantum</i>	22.8	EC India (PPL/Paradeep -14.5) & WC India (JNPT/Mumbai - 8.2)/Mitsui	30 April – 1 May (Bontang)
<i>Gaz Serenity</i>	15	Japan/Mitsui	1-3 May (Bontang)
<i>SCF Tobolsk</i>	22	S. Korea (Ulsan - 15 & Incheon - 7)/Trammo	3-5 May (Bontang)
<i>Gaz Millennium</i>	15	Thailand (Rayong)/Mitsui	9-10 May (Bontang)
<i>Gaschem Dollart</i>	2.3	Vietnam (Vung Tau)/Mitsui	14-16 May (Palembang)
<i>Sanko Innovator</i>	23.5	China (Caojing)/Trammo	18 May (Bontang)
<i>Gaz Serenity</i>	15	China & Japan/Mitsui	23 May (Bontang)
<i>SCF Tobolsk</i>	23.5	TBC/Trammo	23 May (Bontang)

**Kaltim** is heard to be likely to tender early in June for new export sale but details are scarce.

**MALAYSIA:** The *Bunga Kemboja* left Kerteh today, 19 May, for delivery to Map Ta Phut, Thailand.

The latest ammonia loading schedule for Malaysian ports is below.

MALAYSIA: 2016 AMMONIA EXPORT SHIPMENTS			
Vessel	'000 t	Destination/Supplier	Load Date/Port
<b>APRIL</b>	<b>33</b>		
<b>MAY</b>	<b>16.5</b>		
<i>Bunga Kemboja</i>	16.5	Thailand (Map Ta Phut)	18-19 May (Kerteh)

## MARKETS

### AFRICA

**MOROCCO:** The start-up of **OCP's** second integrated complex, JPH2, has been delayed from June/July to August/September. The producer reports stable forward ammonia import demand of around 70-75,000 t for June.

The latest delivered prices are reported to be within the range of \$300-310 cfr Jorf Lasfar.

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

MOROCCO: KNOWN 2016 AMMONIA IMPORTS			
Vessel	'000 t	Supplier/Origin	Discharge
<b>APRIL</b>	<b>35</b>		
<b>MAY</b>	<b>95.4</b>		
<i>Brussels</i>	23.5	OCP/ex-Yuzhnyy	2-4 May
<i>Brussels</i>	23.5	Trammo/ex-Algeria	11-12 May
<i>Sylvie</i>	23.4	Trammo/ex-Yuzhnyy	22 May
<i>Solaro</i>	25	Ameropa/Yuzhnyy	End May

**TUNISIA:** Ameropa's vessel, the *Clipper Odin* has arrived at Gabes around 16 May and is waiting to discharge for **GCT**.

The latest known ammonia deliveries into Gabes are tabulated below.

TUNISIA: KNOWN 2016 AMMONIA IMPORTS			
Vessel	'000 t	Supplier/Origin	Discharge
<b>APRIL</b>	<b>25</b>		
<b>MAY</b>	<b>25</b>		
<i>Clipper Odin</i>	25	Ameropa/Yuzhnyy	16-19 May

### EUROPE

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

BELGIUM: KNOWN 2016 AMMONIA IMPORTS			
Vessel	'000 t	Supplier/Origin	Discharge
<b>APRIL</b>	<b>103.2</b>		
<b>MAY</b>	<b>118.2</b>		
<i>Wilhelm Schulte</i>	5.5	OCI/ex-Poland	30 April – 1 May
<i>Wilhelm Schulte</i>	9.5	OCI/ex-France	5-6 May
<i>Temse</i>	8	Yara/ex-Baltic	6-7 May
<i>Gas Manta</i>	23.4	Ameropa/Black Sea	9-10 May
<i>Sombeke</i>	25.4	PCS/Trinidad	17-19 May
<i>Gas Grouper</i>	23.4	Ameropa/Black Sea	27 May
<i>Brussels</i>	23	Trammo/ex-Algeria	End May
<b>JUNE</b>	<b>23.4</b>		
<i>Gas Cobia</i>	23.4	Ameropa/Black Sea	Early June

## ASIA/OCEANIA

**INDIA: East Coast** – Last week we reported that Raintrade's vessel, the *Gas Cat* was expected to deliver around 18,500 t of ammonia to **CIL** at Vizag and Kakinada around 15 May. It is now understood that this vessel has delivered only 10,000 t CIL on 15 May, priced at around the \$387 cfr level. The balance of the vessel, around 8,000 t, is destined for **Deepak Fertilisers** at the JNPT terminal in Mumbai for delivery on 25 May.

Raintrade's vessel, the *Gas Line* has delivered 8,000 t to **CIL** at Kakinada on 14 May priced at the \$387 cfr level.

Muntajat's vessel, the *Gas Columbia* has delivered 5,000 t to **Greenstar** at Tuticorin on 15 May and will now deliver 6,453 t to **CIL** at Kakinada today, 19 May. It is understood that CIL tonnes are priced at around \$385 cfr level.

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

Buyer/Location	Supplier	'000 t	\$/t cfr unless stated	Discharge	Vessel
<b>APRIL</b>		<b>180.4</b>			
<b>MAY</b>		<b>207</b>			
<b>West Coast</b>		<b>91.5</b>			
Iffco/Kandla	Trammo/ex-Middle East	23	n/a	End May	<i>SCF Tomsk</i>
GSFC/Sikka	Sabir/S. Arabia	12	~\$380	10 May	<i>Rose Gas</i>
Hindalco/Dahej	Muntajat/Qatar	6	I-t contract	19 May	<i>Almarona</i>
Deepak Fertilisers/JNPT-Mumbai	Transagri/ex-Iran	5.4	n/a	8 May	<i>Everrich 6</i>
Deepak Fertilisers/JNPT-Mumbai	Mitsui/ex-Indonesia	8.3	spot formula	17 May	<i>Gas Quantum</i>
Deepak Fertilisers/JNPT-Mumbai	CIFC-Raintrade/ex-Iran	8	n/a	25 May	<i>Gas Cat</i>
Iffco/Kandla	Ameropa/ex-Black Sea	23.3	~\$365	13-14 May	<i>Gas Snapper</i>
FACT/Cochin	Transagri/ex-Iran	5.5	~\$395	2-half May	<i>Everrich 6</i>
<b>East Coast</b>		<b>115.5</b>			
Greenstar/Tuticorin	Muntajat/Qatar	5	I-t contract	15-16 May	<i>Gas Columbia</i>
CIL/Kakinada	CIFC-Raintrade/ex-Iran	8	\$387	14-15 May	<i>Gas Line</i>



CIL/Kakinada	Muntajat/Qatar	6.5	\$385	19 May	<i>Gas Columbia</i>
CIL/Vizag	CIFC-Raintrade/ ex-Iran	10	\$387	15-16 May	<i>Gas Cat</i>
Iffco/Paradeep	Ameropa/ex-Black Sea	40	n/a	24 May	<i>Clipper Mars</i>
PPL/Paradeep	Mitsui/ex-Indonesia	14.5	~\$375	10-11 May	<i>Gas Quantum</i>
PPL/Paradeep	CIFC/ex-Malaysia	16.5	\$375	3-5 May	<i>Bunga Kemboja</i>
PPL/Paradeep	CIFC-Raintrade/ ex-Iran	15	n/a	12-14 May	<i>Gas Line</i>

**SOUTH KOREA:** The *Nordic River* arrived yesterday, 18 May, with 13,000 t from Yara for **Namhae**. Yara will also deliver another 8,000 t off the *Clipper Orion* on or around 24 May.

In June, Namhae will receive ammonia from Yara with 16,000 t arriving on the *Bunga Kemboja* early June and another 8,000 t on one of the Yara vessels. Mitsubishi is scheduled to deliver a cargo at the end of June.

Namhae reports that they are not in a position to consider accepting any spot cargoes before the end of July.

**LFC** (formerly **SFC**) is reportedly in advanced discussions with a trader for a full cargo, though to be 23-23,500 t ammonia for July delivery to Ulsan. The price discussed is heard to be slightly below \$365 cfr but the deal is understood not to be fully finalised yet.

According to customs data, April imports into South Korea were 117,879 t with 56,600 t sourced from Indonesia, 25,600 t from Australia, 23,200 t from Saudi Arabia, 16,300 t from Oman and 7,200 t from Kuwait. This was a 19,306 t or 19.6% higher volume than the 98,573 t imported during March and brought the total imports for January-April to 389,018 t, up by 27,790 t or 7.7% y-o-y from the 361,228 t imported during the same period of 2015. (Source: GTIS/Korea Customs and Trade Development Institution)

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

Buyer/Location	Supplier	'000 t	Discharge	Vessel
<b>APRIL</b>		<b>109</b>		
<b>MAY</b>		<b>89.4</b>		
Namhae/Yosu	Mitsubishi/ex-Indonesia	8	1-3 May	<i>Gaz Millennium</i>
Namhae/Yosu	Mitsubishi/ex-Indonesia	8.4	6-7 May	<i>SCF Tomsk</i>
Namhae/Yosu	Yara/ex-Australia	13	13 May	<i>Nordic River</i>
Namhae/Yosu	Yara/ex-Baltic via Koch	8	24 May	<i>Clipper Orion</i>
LFC*/Ulsan	Mitsubishi/ex-Indonesia	15	4-6 May	<i>SCF Tomsk</i>
LFC*/Ulsan	Trammo/ex-Indonesia	15	Mid-May	<i>SCF Tobolsk</i>
LFC*/Ulsan	Koch/ex-Baltic	15	End-May	<i>Clipper Orion</i>
Hanwha/Incheon	Trammo/ex-Indonesia	7	11-12 May	<i>SCF Tobolsk</i>
<b>JUNE</b>		<b>63</b>		
Namhae/Yosu	Yara/ex-Malaysia?	16	Early June	<i>Bunga Kemboja</i>
Namhae/Yosu	Yara/TBC	8	June	<i>TBC</i>
Namhae/Yosu	Mitsubishi/TBC	16	End June	<i>TBC</i>
LFC*/Ulsan	Sabic/S. Arabia	23	3 June	<i>Al Barrah</i>

\* Lotte Fine Chemical (formerly Samsung Fine Chemicals)

## OCEANIA

**AUSTRALIA:** **CSBP** is understood to be inviting offers for the term supply of 250,000 t/y ammonia, which is currently supplied by Yara.

## NORTH AMERICA

**UNITED STATES:** In the **domestic market** for direct application of ammonia, wet field conditions continue to slow ammonia application in the eastern cornbelt. Light volume ammonia moved to corn sidedress in south-west Arkansas.

Figures from the TFI Record (100% participation) show **DAP/MAP production** was 1.125 million t in Q1 2016, 6% lower than Q1 2015.

## LATIN AMERICA

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

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

## NATURAL GAS/COAL

**QUICK GLANCE** (change from last week)

Henry Hub (day ahead): \$2.01 (down)      TTF: €13.03 (up)      Brent: \$49.42 (up)

**WEST EUROPE:** The NBP day-ahead price closed at 30.30 p/therm on 18 May down from 30.65 p/therm on 11 May. A price of 30.30 p/therm equates to \$4.38/mmBtu at the £/\$ exchange rate of 1:1.44659 from 18 May. Plentiful gas supplies from Norway as well as ample LNG production around the world are currently weighing on UK hub prices.

The June 2016 contract on ICE natural gas futures for the NBP closed at 29.41 p/therm on 18 May down from 29.67 p/therm on 11 May. The average 6-month forward strip (Jun-Nov 2016) is 31.22 p/therm, which equates to \$4.52/mmBtu at the £/\$ exchange rate of 1:1.44659 from 18 May.

The Dutch TTF day-ahead price closed at €13.03/MWh on 18 May up from €12.85/MWh on 11 May, according to Tankard. The Tankard indices are trade-backed volume-weighted average price indices, calculated from trades arranged by ICAP, Marex Spectron and Tullett Prebon.

A price of €13.03/MWh equates to \$4.32/mmBtu at the exchange rate of €/£ 1:1.13215 on 18 May. In May so far, the TTF day-ahead average is estimated at \$4.28/mmBtu, which compares with \$4.01/mmBtu in April and \$3.99/mmBtu in March. The February average was \$4.02/mmBtu and January was \$4.38/mmBtu.

The average six-month ICE futures price for TTF for Jun-Nov 2016 is €13.61/MWh on 18 May, and equating to \$4.52/mmBtu using the €/£ exchange rate of 1:1.13215 from 18 May.

**Crude** – The Brent crude oil contract for July 2016 settled at \$48.93/bbl on 18 May up from \$47.60/bbl on 11 May. The average price for the 3-month strip (Jul-Sep 2016) is \$49.42/bbl compared with \$48.03/bbl a week before, while the 12-month average (Jul 2016-Jul 2017) is \$50.83/bbl against \$49.54/bbl.

The most recent price recovery in crude oil can largely be attributed to changes in the fundamental supply situation with an estimated roughly 3 million bbl/d shortfall in production across Canada, Nigeria and Venezuela potentially pushing the market back into balance. In Canada, for instance, a wildfire blazed through oil sands hub Fort McMurray and until this week four major oil firms have declared force majeure, and warned that they will likely not be able to fulfil existing contracts in the coming weeks.

In its May Short-term Energy Outlook (STEO), the EIA is forecasting Brent crude oil prices to average \$41/bbl in 2016 (up \$6 from the April report) and \$51/bbl in 2017 (up \$10 from the prior STEO), with annual average West Texas Intermediate (WTI) prices in 2016 expected to average slightly less than Brent price and roughly the same in 2017.

In its comments, EIA said the current values of futures and options contracts suggest a very high degree of uncertainty in the oil price outlook. "WTI futures contracts for August 2016 delivery that were traded during the five-day period ending May 5 averaged \$46/b, and implied volatility averaged 41%. These levels established the lower and upper limits of the 95% confidence interval for

the market's expectations of monthly average WTI prices in August 2016 at \$32/b and \$65/b, respectively. The 95% confidence interval for market expectations widens over time, with lower and upper limits of \$26/b and \$83/b for prices in December 2016", the report reads.

**LITHUANIA:** Fertilizer producer Achema is understood to be looking to buy roughly 1.9 bcm of LNG, or about 21 cargoes, in 2017-2019. The supply contract for these volumes is expected to be awarded through a tender to close around the end of Q3 2016, local media reported.

Offers in the tender were reportedly due on 16 May and Achema asked offers to be linked to either the UK's NBP or the Netherlands' TTF gas hub prices.

**UKRAINE:** In Q1 2016, Naftogaz is understood to have imported natural gas at an average price of \$198/thousand cubic metres. This compares with \$228/thousand cubic metres and \$266/thousand cubic metres in Q4 2015 and Q3 2015, respectively.

Purchases in January-March 2016 by Naftogaz amounted to 2.01 bcm of gas from Europe. In the previous quarter Naftogaz bought 3.03 bcm, in particular 2.39 bcm in Russia, and in Q3 2015 the total volume of 2.36 bcm was also purchased only in Europe.

**CHINA:** Thermal coal prices at Qinhuangdao for the 5,500kcal grade remain flat at Rmb385-395/t (just below \$60/t). Prices have been unchanged since the second week of March 2016 in Rmb-terms. The average price in April is estimated at Rmb390/t (\$60.22/t), up only slightly from the March average of Rmb389/t (\$59.72/t) and compared with Rmb413/t (\$67.40/t) in the same month last year.

**JAPAN:** The average price for LNG spot cargoes arriving in Japan in April fell by \$1.00 m-o-m to \$5.80/mmBtu, Trade Ministry data show. This is the lowest since the ministry started publishing figures about two years ago and compares with \$7.90/mmBtu a year before. The January-April average arrival price is estimated at \$6.85/mmBtu, against roughly \$10.00/mmBtu in the same four months a year before.

**AUSTRALIA:** The Newcastle market for Q3 2016 is \$51.30/t up from \$51.05/t last week; Q4 2016 is \$51.35/t up from \$51.15/t; 2017 is \$50.45/t up from \$50.35/t; 2018 is \$51.40/t against \$50.30/t last week; and 2019 is \$51.30/t.

Meanwhile, Chevron is reportedly starting up its Gorgon **LNG** plant again, after production has been halted for about two months.

The project's second LNG cargo, destined for Gorgon part-owner Royal Dutch Shell, is now expected to depart from Barrow Island around end-May.

Chevron said it will not discuss the re-start timetable nor the cost of the repair bill to fix a broken propane refrigerant circuit on Gorgon's first (and only completed) LNG processing train.

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

In May so far, the Henry Hub has averaged \$1.97/mmBtu, against an April average of \$1.91/mmBtu. This compares with a March average of \$1.72/mmBtu, which was down from February at \$1.98/mmBtu and also lower than the \$2.28/mmBtu in January. The December average was \$1.93/mmBtu, November was \$2.09/mmBtu and October was \$2.34/mmBtu.

On NYMEX natural gas futures, the June 2016 contract settled at \$2.001/mmBtu on 18 May down from the \$2.173/mmBtu on 11 May. The average for the next three months – Jun-Aug 2016 – is \$2.112/mmBtu compared with \$2.283/mmBtu a week before, while the average for the next 12 calendar months (Jun 2016-Jun 2017) is \$2.551/mmBtu against \$2.704/mmBtu.

The EIA Weekly Natural Gas Storage Report for the week ending 6 May showed a net injection of working gas stocks into underground storage of 56 bcf. The net injection compares with a median expectation of market analysts of a net injection of 58 bcf. It further compares with the year-ago injection of 101 bcf and the five-year-average injection of 79 bcf. Natural gas stocks on 6 May were 2,681 bcf, which is 784 bcf (41%) *above* a year ago and 813 bcf (44%) *above* the five-year average.

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

Regarding the WTI, the CME June 2016 contract closed at \$48.19/bbl on 18 May up from \$46.23/bbl on 11 May. The forward 3-month strip (Jun-Aug 2016) is \$48.73/bbl against \$46.91/bbl a week before, while the 12-month forward average (Jun 2016-Jun 2017) is \$50.05/bbl compared with \$48.50/bbl.

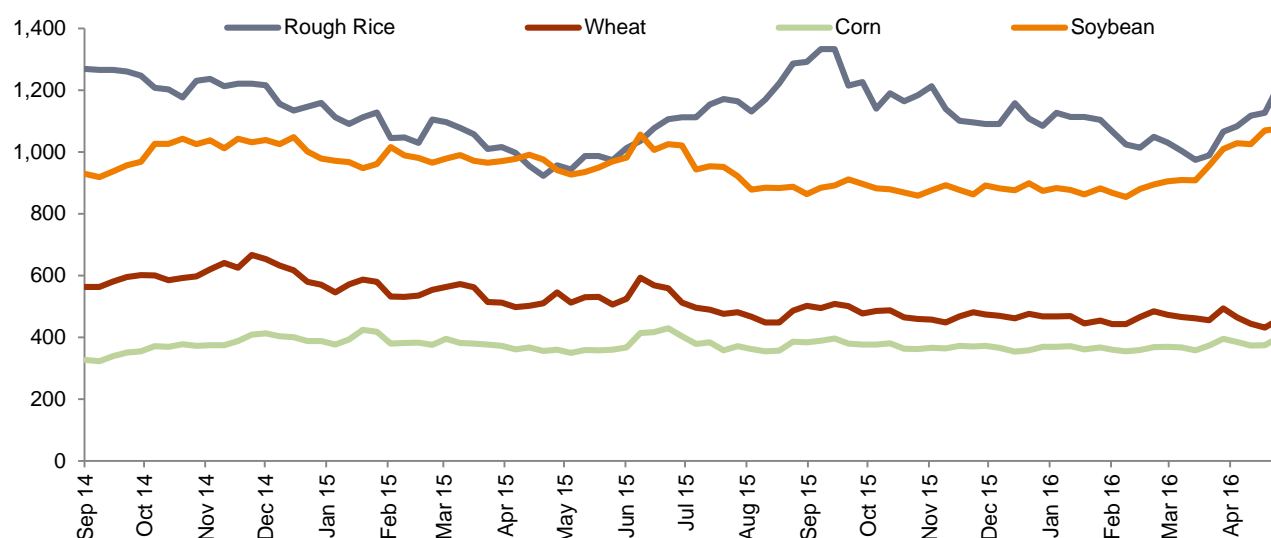
**US LNG** – US Department of Energy's (DoE) has recently released data outlining US LNG trade totals for January-March 2016, which show that Sabine Pass Liquefaction LLC shipped a total of four vessels of domestically produced LNG to Brazil, India and the United Arab Emirates in the period under review. In terms of quantity, the export total was roughly 11.5 million cubic feet of LNG, while the price of the cargoes reportedly varied from \$3.35/mmBtu to \$3.77/mmBtu. Subsequently, in mid-April, an LNG cargo was shipped from Sabine Pass to Portugal, marking the first US LNG cargo to Europe.

The DoE report further said that American LNG Marketing LLC exported close to 4.5 million cubic feet of LNG via ISO containers to Barbados.

**US coal** – The CAPP June 2016 contract closed at \$43.63/ston on 18 May, unchanged on the week. The 3-month forward strip (Jun-Aug 2016) is also flat at \$44.40/ston, while the Jun-Dec 2016 forward average remains at \$45.03/ston.

## AGRICULTURE

### WEEKLY CBOT CROP PRICES (¢/BU)



## CROP FUTURES

CME CROP PRICES (cents/bushel)					
Product	July 2016	Weekly Change	September 2016	December 2016	May 2015
Corn	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.

<b>CORN:</b>	<b>WHEAT:</b>
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.
<b>SOYBEAN:</b>	<b>RICE:</b>
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

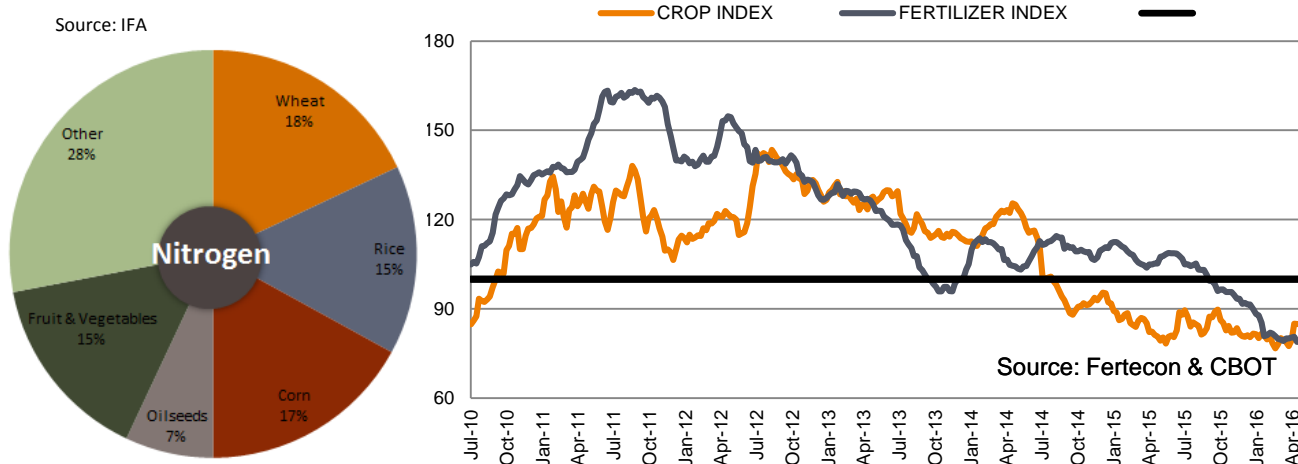
**ASIA:** Thai rice export prices climbed to a two-year high this week as drought cut production from Asia's top rice growers and fuelled demand for Thai exports. Widespread drought has hit crops in main rice exporting countries Thailand, India, Vietnam and the Philippines, spurring a rise in Thai prices.

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.

## NITROGEN USE BY CROP

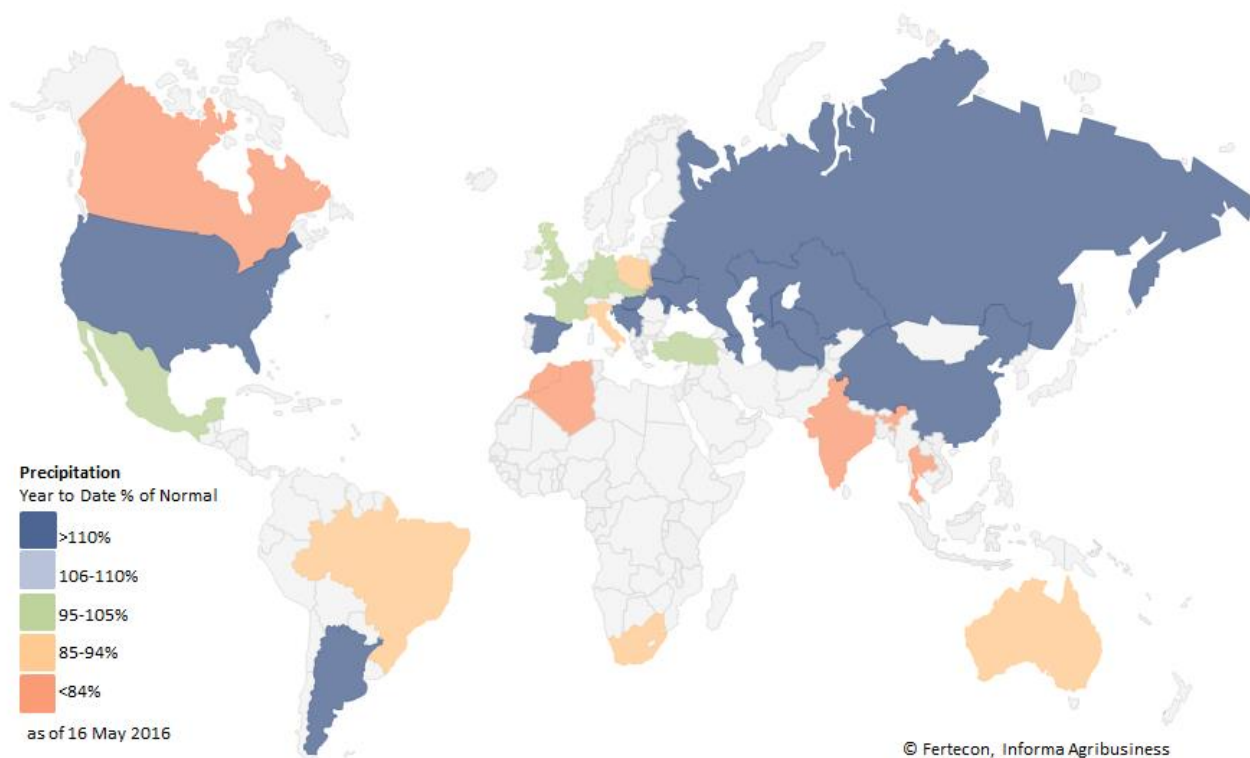
## FERTECON FERTILIZER & CROP INDICES



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  $\pm 4$  days.



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