



- CIL awards 25,000 t to Midgulf at just under \$95 cfr India for 1-5 May shipment
- FACT receives 3 offers against its 18 April tender but no award yet
- OCP finalises Q2 contracts
- Q2 contracts in NW Europe so far priced at \$20-25/t reduction on Q1
- Molten sulphur firms in China but granular sulphur prices look weaker

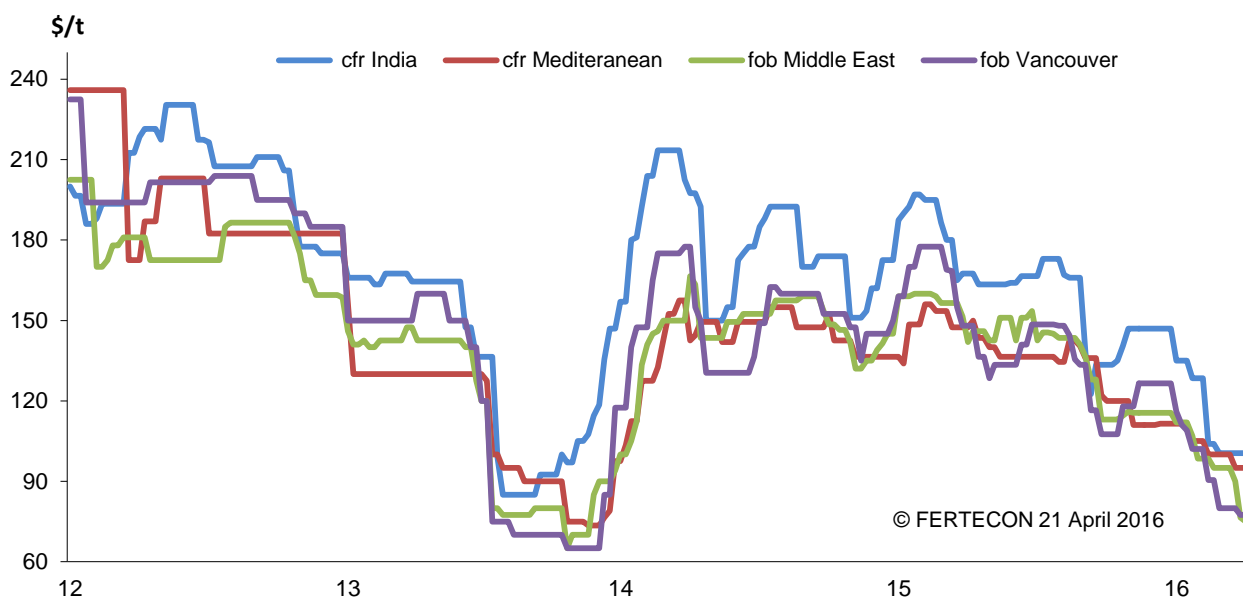
OUTLOOK

Stable-to-soft

KEY PRICES

	21 April	14 April	7 April
Vancouver spot \$/fob	75-80	75-80	75-80
Middle East \$/fob	65-85	65-85	65-85
Med (inc. N.Africa) \$/cfr	60-81	70-84	71-119
North Africa cfr (contract) \$/cfr	60-79	70-79	91-119
Central Florida (liquid, LT) \$/deliv	70	70	95

SOLID SULPHUR PRICES




SULPHUR PRICE INDICATIONS All prices in US\$

	21 April	14 April	7 April	Notes
Med cfr (includes N Africa)	60-81	70-84	71-119	
Med cfr (small lots N Africa)	71-79	71-84	71-84	
Med cfr (small lots other markets)	75-81	75-82	75-82	
North Africa cfr (contract)	60-79	70-79	91-119	Q2 contracts so far
Med fob (small lots other markets)	60-65	62-74	62-74	
China cfr	76-92	70-92	70-92	
China cfr spot	76-92	70-92	70-92	
India cfr	95-98	98-103	98-103	
Brazil cfr	80-92	80-92	80-92	Q2 contracts/Spot
Vancouver fob contract	75-80	75-80	75-80	
Vancouver fob spot	75-80	75-80	75-80	
California fob	77-80	77-80	75-80	
Middle East fob	65-85	65-85	65-85	Full ME price range
Middle East fob contract	65-79	65-79	65-79	Q2 business
Middle East fob spot	75-85	75-85	75-85	
Tasweeq Qatar Sulphur Price (fob)	78	78	78	
Saudi Aramco monthly price (fob)	80-85	80-85	85	
Middle East – Adnoc (fob)	85	85	85	
NW Europe cpt	173-193	173-193	173-193	Q1 contracts
Delivered Benelux (refinery)	134-150	134-150	134-150	Q1 contracts
Tampa/Deliv.Cent.Fla (LT)	70	70	95	Q2 contracts
Cfr Houston (LT)	63	63	88	Q2 contracts
Galveston (LT) ex-tank	63	63	88	Q2 contracts
*no market **revised Prices in <i>italics</i> relate to previous period contracts still under negotiation				

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

FREIGHT INDICATIONS US\$

Route	Cargo size (t)	Latest rate (\$/t)
Jubail – WC India	15-35,000	8-9
Middle East – EC India	15-30,000	7-11
Middle East – China	35,000	9-11
Jubail – Morocco	35,000	9-11
Vancouver – China	50-60,000	10-11

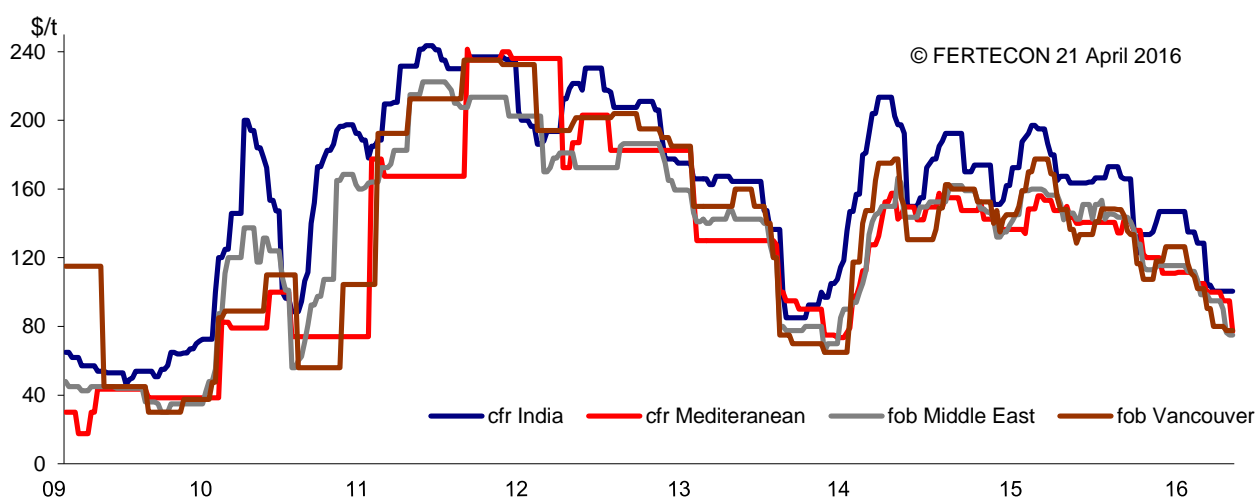


FERTECON TENDER SERVICE

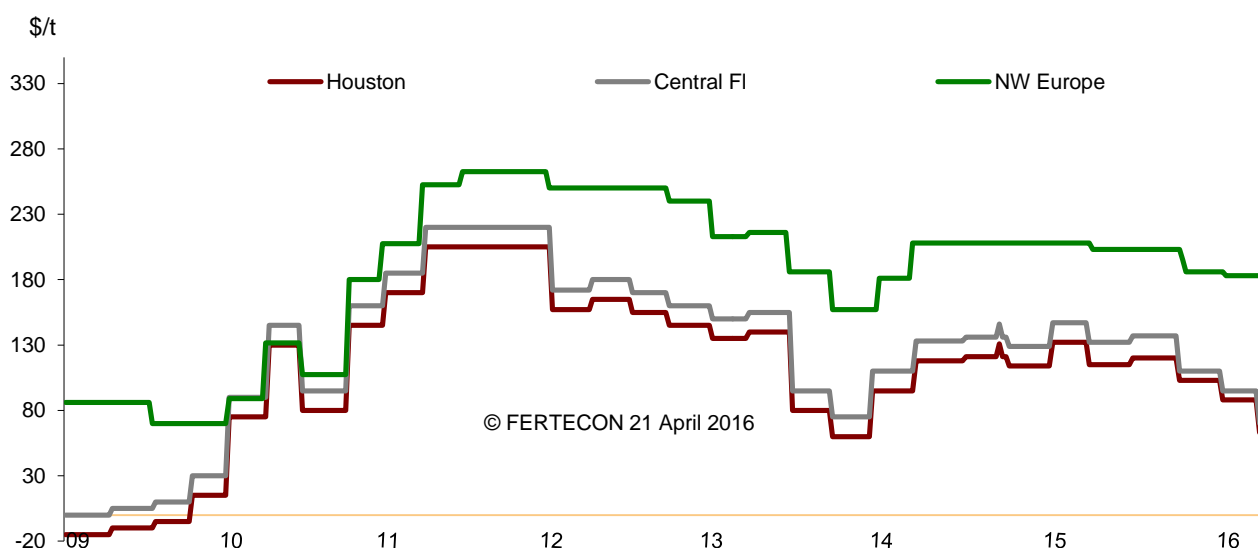
Holder/Country	'000 t	Close	Load/Deliv.	Notes
CIL/India	25	13 April	1-5 May	Awarded Midgulf at \$94.75 cfr
FACT/India	15-25	18 April	May	Awaiting award
IGCC/Iran*	30	25 April	Mid May	Crushed lump
IGCC/Iran*	30	25 April	Mid May	Granular

*sales tender

SOLID SULPHUR PRICES



LIQUID SULPHUR PRICES



The full history of Fertecon's sulphur prices is available to view and download [via this link](#).



ANALYSIS

The market if anything this week is a little weaker with eyes still focussed on China where there has been little new business to pin prices onto. The tone is certainly weaker there for granular sulphur with buyers bidding in the low \$80s cfr but as yet little evidence that lower prices have been achieved. For molten sulphur logistical constraints have prompted some firmer pricing. The phosphate industry in China is currently at a crossroads with the choice of either reducing DAP prices or production. Producers are suggesting the latter citing the weak Indian market and the seasonal slowdown in the domestic market but the jury is still out as far as some are concerned given the sheer number of DAP suppliers, particularly lower cost operators in Hubei, all looking for a slice of the export pie.

From a sulphur supply point of view, a further decline in Chinese delivered prices will bring the floor for some ever closer and recent talk of potentially pouring to block in both Canada and the FSU could start to become a reality.

Elsewhere Q2 contracts are now mostly finalised with Moroccan contracts agreed in the range of \$60-79 cfr with the lower end reflecting crushed lump material and granular sulphur priced in the range of \$65-79 cfr. In NW Europe most contracts appear to have been agreed with the widely expected \$20-25/t reduction on Q1.

In the Middle East the anticipated Tasweeq tender did not materialise this week due to a reported private sale of the said cargo but two new tenders have been announced in Iran.

Tender activity in India has resulted in an award for 25,000 t to Midgulf at just under \$95 cfr reflecting a netback to the Middle East of around \$85 fob before any trader margin. FACT is yet to confirm an award against its tender and as yet not price details have been forthcoming. Latest FAI data show unusually high production rates for DAP in March as producers in India continued to push product through the retail system to qualify for the higher subsidy on DAP before it was reduced on 1 April. On the flip side, it just adds to the already high stocks across the country. Producers in India have now pulled back on production as they take scheduled annual maintenance. In the meantime discussions are ongoing over the Q2 phosphoric acid price with buyers looking for a substantial reduction citing both lower global DAP prices and lower sulphur prices for Morocco. No agreement has yet been finalised.

Fertecon is considering excluding the *North Africa cfr (contract) price from the Med cfr (includes N Africa) price range. We are also considering excluding the Middle East fob contract price from the Middle East fob price range. These prices will continue to be assessed separately. Please send any feedback you may have about the proposed changes to janos.gal@fertecon.com.*

MARKETS

EUROPE

NW EUROPE: More Q2 contracts are falling into place at a \$20-25/t reduction over Q1. This makes the new range around \$148-193 cpt NWE and \$109-130 delivered Benelux. However, with a large number of contracts still outstanding the Fertecon range continues to reflect Q1 prices.

EU28 Sulphur Imports - January			
	2014	2015	2016
Belgium	53,562	54,386	48,782
Lithuania	20,135	38,660	33,727
France	14,807	12,587	7,750
Germany	6,081	11,267	5,173
Netherlands	6,497	9,110	5,912
Austria	5,055	6,997	7,084
Italy	2,074	4,889	1,587
Slovenia	5,587	4,301	5,120
Czech Republic	8,464	4,177	8,390
Sweden	11,226	3,948	150
Others	3,983	7,288	6,149



Total	137,471	157,610	129,824
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Source: GTIS/Eurostat

FRANCE: The Sobegi remelter remains down and is not expected to restart until mid-May.

TURKEY: Bagfas has purchased 6,000 t granular sulphur from a trader in the very low \$80s cfr for late April shipment from Bulgaria on the *Sithoniato* to Bandirma.

The buyer requires more material for May delivery with competitive price indications at about \$60 fob ex-Italy/Greece.

Toros is reported to have awarded 10,000 t granular sulphur to a trader in the low \$80s cfr for shipment until 1-half May under a tender it held last week.

The buyer is reported to have received 6,000 t from Italy under its earlier reported purchase of a total of 15,000 t at \$82 cfr.

AFRICA

BENIN: It is reported that Areva closed a tender yesterday, 20 April, for 20,000 t sulphur for early June arrival at Cotonou and onward delivery to the buyer's uranium mine in Niger.

EGYPT: The market for sulphur is quiet and buyers' price ideas have dropped to the high \$70s cfr for granular and lower for crushed lump but still in the \$70s cfr.

Vessels are arriving under older deals concluded in the high \$80s cfr for granular and it seems some suppliers are reluctant to reduce offers although there are reports of 5,000 t Greek granular sulphur purchased from a trader last week in the low \$80s cfr and of another trader offering granular just below \$80 cfr this week.

There are reports that yet another trader is loading 8,000 t crushed lump sulphur in Romania at present, agreed in the \$70s cfr.

NORTH AFRICA: The *Road Runner* is loading about 40,000 t Russian sulphur, about 70% granular and about 30% crushed lump, in the Black Sea at present. This forms part of OCP's Q2 contract with Austrofin reported finalised in the mid/high \$70s cfr for the granular and the mid/high \$60s cfr for the crushed lump.

OCP is also reported to have agreed Q2 contracts for crushed lump sulphur priced nearer to \$60 cfr and granular product in the mid \$60s cfr.

The 63,500 dwt *Oslo Venture* is due to arrive with a panamax volume UAE granular sulphur at Jorf Lasfar on 25-26 April under OCP's Q2 contract with Adnoc, reportedly concluded in the low \$70s cfr.

Adnoc is reported to have loaded 50-55,000 t granular sulphur on the 57,970 dwt *Rowan 1* in UAE last week, also under its Q2 contract with OCP.

SENEGAL: ICS is understood to be expecting to receive a sulphur cargo reportedly being shipped in April from Kazakhstan, said to be covering an earlier purchase from Trammo in the low \$80s cfr.

MIDDLE EAST

ISRAEL: ICL is reported to have finalised its Q2 contract with Austrofin in the mid/high \$70s cfr for granular shipments from Russia.

LEBANON: LCC is reported to have agreed a cargo crushed lump sulphur with Austrofin in the mid \$60s cfr for May shipment from Russia under their Q2 contract.

ASIA

CHINA: Following on from a reported deal concluded last week at \$92-94 cfr, lower competitive offers for granular sulphur in the low \$90s cfr are reportedly being met with bids in the mid/high \$80s cfr if not lower. There are rumours of one deal concluded at \$88 cfr for granular.



The 56,969 dwt *Azurit* was due to arrive with a panamax volume Saudi Arabian granular sulphur in Nantong today, 21 April, which was lifted from Saudi Arabia end March/early April reportedly by Ameropa.

Aramco is reported to have loaded a panamax volume granular sulphur on

Prices for crushed sulphur are put in the mid/high \$70s cfr.

Solid sulphur inventories are reported to be about 1.5 million t.

Molten sulphur availability is limited and prices a little firmer, in the high \$70s cfr with unconfirmed reports of a deal in the low \$80s. Spot availability is very limited mainly due to logistical constraints with limited vessel availability and last week the weather was poor.

In the domestic market, competitive asking prices in Nantong were reported to have been lowered by Rmb 20-25 on 19 April to Rmb 725-730, equivalent to about \$90 cfr.

Sinopec Puguang was reported to have taken down its price by Rmb 20-40 at Wanzhou on 18 April to Rmb 780-800 but to have left its ex-works price unchanged at Rmb 740.

With the domestic phosphate fertilizer season over from a sulphur end-user perspective, phosphate producers are considering their next move on the output front as they increasingly turn their attention towards the export market. Export prices for DAP in the low/mid \$330s fob are estimated to be equivalent to about Rmb 1,800-1,850 bagged ex-works, significantly below returns of Rmb 2,400-2,450 bagged ex-works that have been achievable locally. Some producers are hinting at cutting phosphate production rates given current fob prices for DAP although any changes to output have yet to be confirmed.

Kailin is reported to be operating its plants at about 70% nameplate capacity at present.

INDIA: **CIL** is reported to have issued an award to Midgulf for 25,000 t sulphur at \$94.75 cfr for two port discharge under its reverse auction tender that closed on 13 April for 1-5 May shipment. Five offers are believed to have been submitted with prices in the mid-high \$90s cfr.

FACT is reported to have received three offers, from Swiss Singapore, Transglobe and MRPL, under its tender of 18 April for 15-25,000 t of sulphur for 18-22 May arrival in Cochin. As yet there is no information on prices submitted but an award is expected imminently.

RCF has awarded MRPL at Rs 4,791/t, equivalent to around \$72.59 ex-refinery, against its tender of 21 March for 5,000 t firm and 5,000 t option for shipment to MBPT (Mumbai).

Sumstar was due to load the *Lintan* with 11,000 t sulphur in Mangalore on 16 April. The trader was reportedly awarded the cargo against last month's tender by Mangalore Refinery and Petrochemicals Ltd (**MRPL**) at a price in or around the mid \$60s fob.

Swiss Singapore's vessel, the *Sezai Selah*, is due to deliver 25,000 t at Cochin on 18 April under its award from **FACT**'s tender of 29 February.

Swiss Singapore will deliver 30,000 t on the *Calm Day* against its long term contract to **IFFCO**/Paradeep during first week May.

Reliance has left its basic price for sulphur unchanged. The price with effect from 16 April is as follows:

Yard Jamnagar	Rs/t
Basic price	8,121.00
Excise Duty @ 12.5%	1,015.13
CST @ 2%	182.72
Refundable	MODVAT (1,015.13)
Selling Price	8,303.72

The price is equivalent to \$125.81 (based on exchange rate of \$1 = Rs 66.00).



Reliance is reported to be planning to shut down one of its four crude distillation units at the Jamnagar refinery from 1 May for a three week maintenance period. The remaining three units will operate as normal.

According to press reports, **Hindustan Petroleum** is planning to expand its refinery capacity by some 66% by 2019/2020 with a \$3.8 billion investment programme. Capacity at its Mumbai refinery will be increased from 130,000 barrels per day to 190,000 bpd by 2019 while at Vizag, capacity will be almost doubled to reach 300,000 bpd by 2020.

The major DAP producers have either fully taken down their facilities for annual turnarounds or are operating their plants at lower rates of production, as is normal for this time of year ahead of gearing up for the kharif season. Iffco/Paradeep is reported to be undertaking a full turnaround and is expected to resume operations from end April/first week May. CIL is in partial turnaround at Kakinada and in full turnaround at Vizag with both plants expected to resume operations from first week May. PPL's Paradeep plant is also undertaking rolling maintenance until June.

Tata Chemicals will take its DAP/SSP/NPK Haldia plant down in September-October for around 5 weeks as it re-routes a portion of its ammonia pipeline thereby cutting off all ammonia supply to the plant during this period.

PAPUA NEW GUINEA: Swiss Singapore loaded about 35,000 t sulphur on the 45,719 dwt *Golden Wish* in two ports in Qatar end March/early April for Ramu under its contract with the nickel leaching company.

SOUTH AMERICA

ARGENTINA: Meranol has lifted its requirement for end July delivery to 20,000 t sulphur and is looking at the option of combining this with a requirement of Akzo's to permit the shipment of a total of 30,000 t to two ports with a view to benefiting from cheaper freight economics.

Further to last week, Akzo is reported to have awarded its early April tender for 10-15,000 t at close to \$90 cfr with a cargo expected to load in the Russian Baltic to cover the purchase.

BRAZIL The following table shows sulphur vessels due to arrive into Santos in April:

Vessel	('000t)	Buyer	ETA
<i>SBI Cronos</i>	45	Vale	April
<i>Magia</i>	38	Vale	5/4
<i>Potosi</i>	3	Galvani	11/4
<i>Doric Valour</i>	40	Vale	16/4
<i>Veronique D</i>	40	Vale	23/4
Total	166		

MEXICO: Fertinal is receiving its latest sulphur cargo on the *Sinop* which sailed from Long Beach this week against the sale agreed in the upper \$70s fob.

SUPPLIERS

EUROPE

EUROPE: The latest export data published by GTIS/Eurostat show an improvement on export volumes in January from the EU28 compared with last year.

EU28 Sulphur Exports - January			
	2014	2015	2016
Netherlands	32,177	43,695	27,842
Spain	46,617	40,082	42,228
Poland	54,015	31,297	36,521
Germany	54,954	25,471	32,127
Greece	17,287	17,714	21,627
Slovakia	7,087	8,819	8,509
Others	41,566	23,293	77,462



Total	253,703	190,371	246,316
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Source: GTIS/Eurostat

BULGARIA: There are reports of 6,000 t granular sulphur sold to a trader late last week at \$63 fob Bulgaria for late April shipment. The *Sithonia* is reported to have been fixed to ship the tonnes to Turkey for Bagfas.

GREECE: It is reported that 5,000 t granular sulphur are loading in Sousaki for Egypt that are said to have been purchased at about \$70 fob last week.

ITALY: Several small lots granular sulphur are reported to have been sold in the low/mid \$60s fob.

FSU

RUSSIA: Austrofin is reported to have agreed with ICL a price in the mid/high \$70s cfr for Q2 shipments granular sulphur to Israel.

The supplier is reported to have agrees with ICL a cargo crushed lump sulphur in the mid \$60s cfr for May shipment to Lebanon under their Q2 contract.

The *Road Runner* is loading about 40,000 t sulphur, about 70% granular and about 30% crushed lump, in Kafkaz at present for Morocco. This forms part of Austrofin's Q2 contract with OCP finalised in the mid/high \$70s cfr for granular and the mid/high \$60s cfr for crushed lump. Freight is put in the mid/high \$10s.

Latest export data published by GTIS/Russian Customs show a marked increase in export volumes of sulphur during January/February, boosted by increased quantities shipped to China and Tunisia.

February exports totalled 293,000 t including just over 100,000 t for Tunisia. Close to 75,000 t were shipped to OCP and 40,000 t to China.

January-February exports were just short of 900,000 t, a record quantity for the time of year and in excess even of the highs exported in 2008. OCP took almost 30% in this two month period with a further 25%, or 225,000 t each to Tunisia and China.

MIDDLE EAST

IRAN: IGCC is reported to be loading about 30,000 t granular sulphur at Bandar Assaluyeh for early May shipment, reportedly sold at \$82 fob, intention China.

The supplier has issued two new tenders, closing on 25 April, for 30,000 t crushed lump sulphur for shipment from Bandar Abbas and for 30,000 t granular sulphur for shipment from Bandar Assaluyeh, both in mid-May.

UAE: Adnoc is reported to have loaded 50-55,000 t granular sulphur on the 57,970 dwt *Rowan 1* in Ruwais last week for Morocco under its Q2 contract with OCP reportedly concluded in the low \$70s cfr, estimated to netback to the mid \$60s fob.

The supplier is reported to have loaded a similar quantity on the 63,500 dwt *Oslo Venture* in Ruwais in early April for Morocco, again under its Q2 contract with OCP.

QATAR: Reports that Tasweeq will not issue a tender in April as it has no spot availability or has already sold the cargo it normally tenders for in a private sale are gaining traction.

SAUDI ARABIA: Saudi Aramco is reported to be sold out on sulphur through May on commitments to term customers at \$85 fob for April lifting and \$80 fob for May and alongside two spot cargoes sold late March at about \$80 fob and in the low \$80s fob, for April and May shipment, respectively. It is reported to have received and rejected bids in the low/mid \$80s fob for spot cargoes due to its tight supply position.

Aramco is reported to have loaded a panamax volume granular sulphur on the *Azurit* in Jubail end March/early April for China, said to have been lifted by Ameropa.



ASIA

INDIA: The *Intrepid* is due to load 29,700 t Sulphur in Sikka on 23 April.

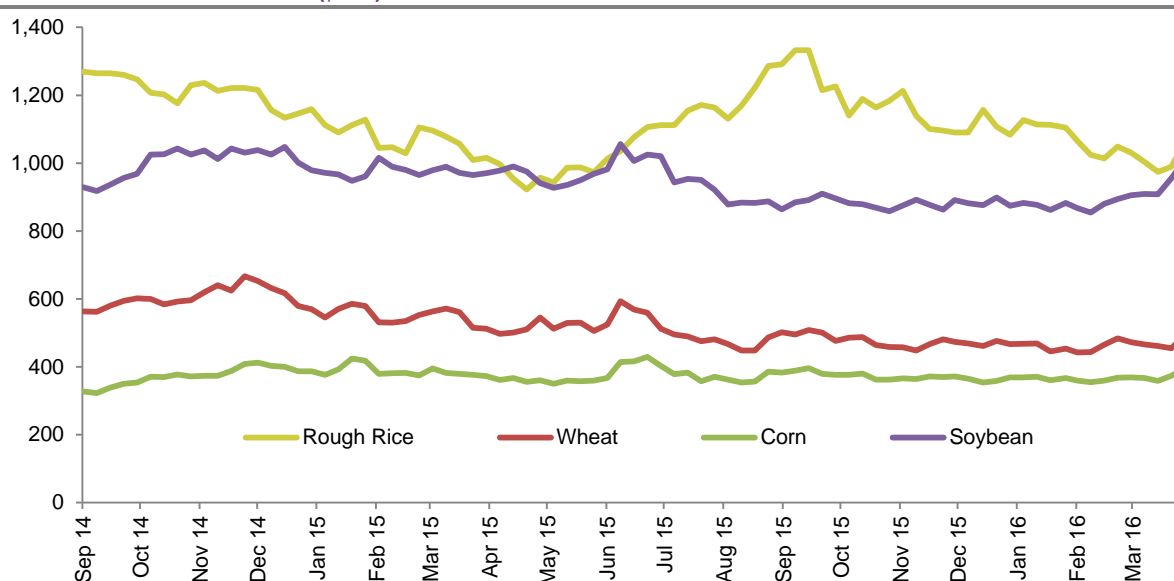
TAIWAN: Export data published by GTIS/Taiwan Customs show 45,000 t sulphur exported in February this year comprising 16,000 t to Indonesia and 14,000 t to China and Vietnam. This brought the total for January/February to just below 60,000 t, more than last year and in line with 2013. Overall exports for the 12 months ending February 2016 were at a six year high of 377,000 t, up from less than 300,000 t in the same period in 2013/14 and 2014/15.

NORTH AMERICA

CALIFORNIA: The *Sinop* loaded in Long Beach from 10 April for shipment to Lazaro Cardenas against the sale agreed to Fertinal in the upper \$70s fob.

AGRICULTURE

WEEKLY CBOT CROP PRICES (¢/bu)



CROP FUTURES

CME CROP PRICES (cents/bushel)

Product	May 2016	Weekly Change	July 2016	Sep 2016	April 2015
Corn	394.6	+21.2	399.6	399.2	372.4
Wheat	493.2	+38.8	504.4	519.0	512.0
Soybean	1,009.6	+54.0	1,019.0	1,019.2	970.4
Rough Rice	1,065.0	+76.0	1,092.0	1,107.5	1,015.5

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

CORN:	WHEAT:
Dry conditions and a lifting of the corn import tax (which will likely allow the US to sell off inventories) supported May contracts, causing a 21 cent rally.	Some growing regions in the US are at risk of flooding which is supportive of higher prices, although this was limited by concerns around oversupply in the FSU.
SOYBEAN:	RICE:
Rain in Argentina is delaying harvest and has the	Thailand's year to date rainfall is less than 85% of the



potential to cause severe crop-loss, which is having a bullish effect, crude oil gains were also supportive.

norm, which could impact its rice production and go some way towards calming the oversupply situation.

REGIONAL MARKETS

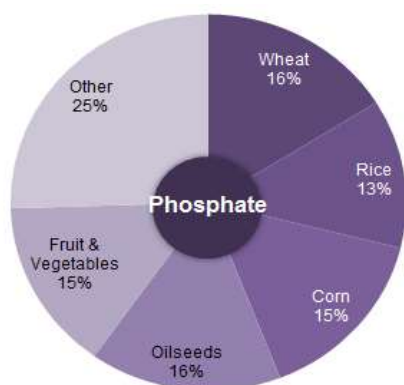
ARGENTINA: Argentine farmers are likely to plant 4.5 million ha of wheat for the 2016/17 crop, up 25% from last year's 3.6 million ha due to the lifting of export barriers, the Buenos Aires Grains Exchange forecast.

The grains exchange said that recent rains were also driving planting activity as farmers aim to soak up humidity in their fields with the new crop. Dryness in the northwest growing region could limit planting there, the exchange added. Farmers are expected to start planting in the coming weeks for the new wheat crop, which is destined mainly for neighbouring Brazil.

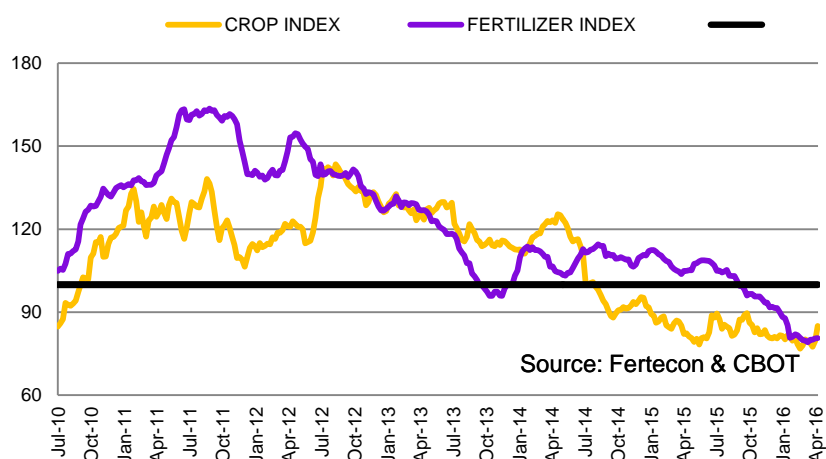
Argentina's President Mauricio Macri scrapped export quotas and taxes on the powerhouse farm sector within weeks of taking office in December, projecting a 30% boost in annual grains production during his term due to more open markets.

PHOSPHATE USE BY CROP

Source: IFA

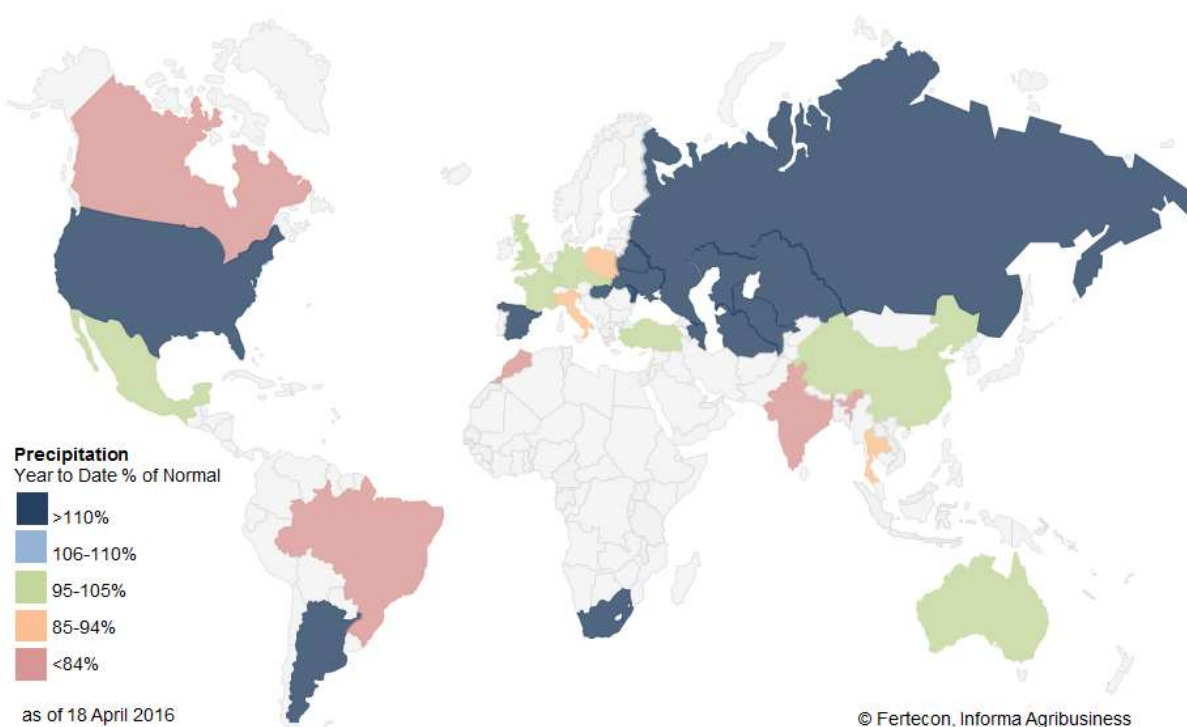


FERTECON FERTILIZER & CROP INDICES



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.

WEATHER & LAND CONDITIONS



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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
15 April	949	727	525	321	635
18 April	1030	740	529	328	659
19 April	1065	746	534	334	671
20 April	1022	747	543	342	669
21 April	1004	743	551	348	670

Source: Baltic Exchange

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