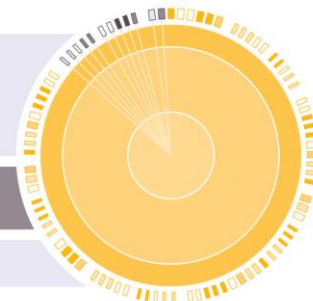


Sulphur Report

Weekly review of the sulphur market

28 April 2016



- Skorpion Zinc enquires for a June/July arrival shipment of 20,000 t
- Tasweeq announced May lifting price at \$79/t fob, up \$1/t
- Chinese price indications drop to the mid/high \$80s cfr on weak sentiment
- Mixed messages from NW European liquid market confound observers
- FACT issues an award to Swiss Singapore
- Foskor/South Africa to shut down for planned maintenance in May/June
- Sherritt/Cuba sulphur burner in the line up to start up in Q3

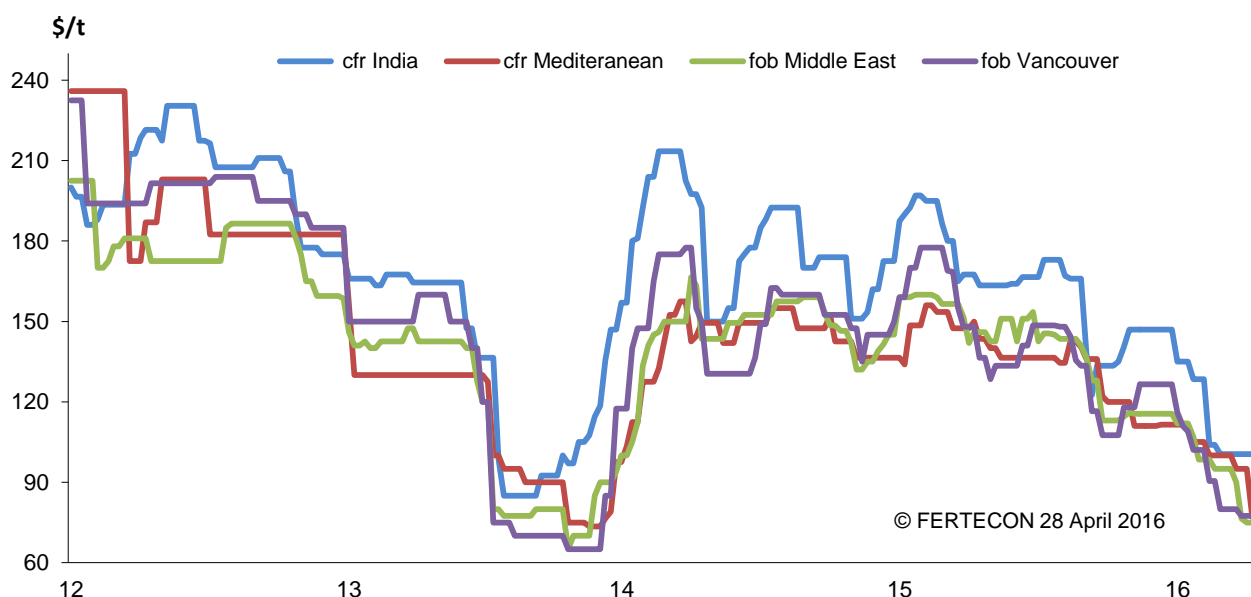
OUTLOOK

Stable-to-soft

KEY PRICES

	28 April	21 April	14 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	60-81	70-84
North Africa cfr (contract) \$/cfr	60-79	60-79	70-79
Central Florida (liquid, LT) \$/deliv	70	70	70

SOLID SULPHUR PRICES




SULPHUR PRICE INDICATIONS All prices in US\$

	28 April	21 April	14 April	Notes
Med cfr (includes N Africa)	60-81	60-81	70-84	
Med cfr (small lots N Africa)	71-79	71-79	71-84	
Med cfr (small lots other markets)	71-81	75-81	75-82	
North Africa cfr (contract)	60-79	60-79	70-79	Q2 contracts so far
Med fob (small lots other markets)	60-65	60-65	62-74	
China cfr	76-89	76-92	70-92	
China cfr spot	76-89	76-92	70-92	
India cfr	95-98	95-98	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	77-80	
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)	79	78	78	
Saudi Aramco monthly price (fob)	80-85	80-85	80-85	
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](#).

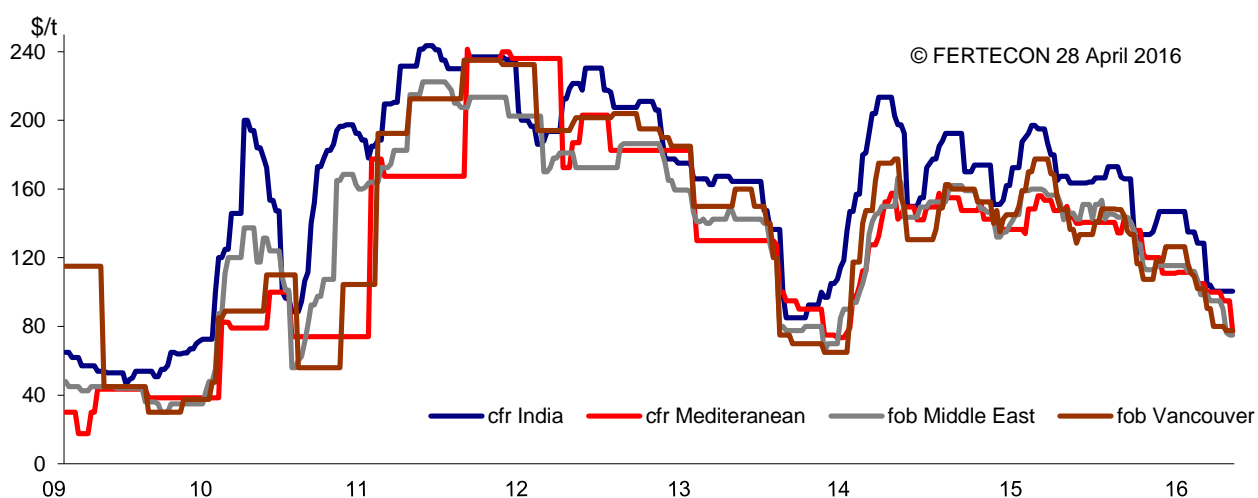
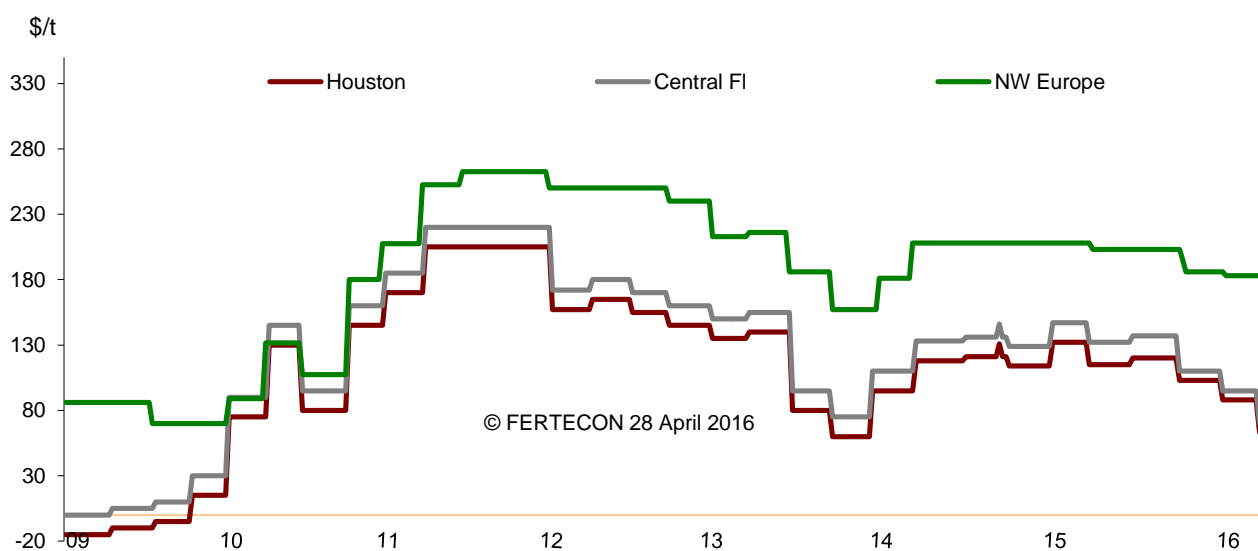
FREIGHT INDICATIONS US\$

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	11-13
Jubail – Morocco	35,000	9-11
Vancouver – China	50-60,000	10-11


FERTECON TENDER SERVICE

Holder/Country	'000 t	Close	Load/Deliv.	Notes
Lafchemco/Vietnam	30	26 April	May	Swiss at \$92-93 cfr
FACT/India	15-25	18 April	May	Swiss at \$99 cfr
IGCC/Iran* crushed	30	25 April	Mid May	Awarded at \$68.50
IGCC/Iran* granular	30	25 April	Mid May	Awarded at \$80 fob

*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 main news on the supply front this week was Tasweeq's announcement increasing its QSP by \$1/t to \$79 fob. With higher freight costs and reports that Chinese sulphur prices are again declining with at least one sale in the range \$86-87 cfr this week, it will only exacerbate the problems many traders are facing. There have been suggestions that although Middle Eastern suppliers are claiming to be sold out in April and May, this is to regular allocation holders and they still need to place these cargoes in China where end-users are understandably reluctant to commit to anything long term. Another point of view is that there are some traders with short positions that need to be covered resulting in prices in recent tenders and private deals with Middle Eastern producers seemingly above workable levels for end users in certain regions.

At any rate, much hope was pinned on achieving higher prices and increased export opportunities at a recent industry event in China but it appears that these have not materialized and sulphur prices appear to be sliding again. Recent phosphate sales prices from China are understood to be resulting in breakeven or negative netbacks for some producers, but those producers that are closer to ports may still be enjoying some margins. With the domestic phosphate fertilizer season over from a producer perspective, manufacturers are considering their next move as they increasingly turn their attention towards the export market. Export prices for DAP in the low \$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 for domestic sales.

There are now clear signals that the larger phosphates producers in China are wanting to control production to avoid further price erosion. With DAP prices perilously close to cost, some have chosen to cut production rather than price in order to tighten the market and hopefully drive the price back up to a healthier level. As such some maintenance turnarounds have been announced in China for April and further curtailments are expected over the next few weeks to bridge the gap until the main export season gets underway towards the latter part of this quarter.

The main news West of Suez this week from a demand perspective was Sheritt re-affirming that its 660,000 t/year sulphuric acid plant at Moa, Cuba, is still on schedule to be fully operational in Q3. The plant will require about 220,000 t/y sulphur and most of it is expected to be supplied from Canada.

In NW Europe liquid sulphur contract negotiations have dragged on, with a number of sources indicating that they have now settled but others claiming that negotiations are still on-going. As such the Fertecon range continues to reflect Q1 prices.

Clarification

Please note that Fertecon's *Med cfr (includes N Africa)* – the top line in the price table – is a range of the three prices below: *Med cfr (small lots N Africa)*; *Med cfr (small lots other markets)* and *North Africa cfr (contract)*. In order to narrow the often very wide range due to the mixture of spot and contract prices, Fertecon is considering excluding the *North Africa cfr (contract)* price from the *Med cfr (includes N Africa)* price range.

Fertecon will not delete the *North Africa cfr (contract)* – it will continue to be assessed separately on its own in line 4 as usual.

We are also considering doing the same with the Middle East price range. At present the *Middle East fob contract price* is made up of the five price ranges below it. To narrow the range down we are planning to exclude the contract price range from the *Middle East fob* price range. **The Middle East contract price will continue to be assessed separately on its own, it will not be deleted.**

Please send any feedback you may have about the proposed changes to janos.gal@fertecon.com

The decision to separate any prices will only be taken if there are no objections from our customers. Otherwise they will remain unchanged.



MARKETS

EUROPE

SHIPPING: Freight costs have increased slightly on some of the major routes by single digits, further eating into trader margins. Freight from the Middle East to China increased from \$9-11/t to \$11-13/t and from \$8-9/t to West Coast India to \$9-10/t. Shipments to EC India went from \$7-11 to \$12-13/t. The increase in freight costs is understood to be the result of competition from corn and grain shipments as well as higher bunker fuel costs.

According to press reports the Panama Canal Authority is planning draft restrictions for cross shipments due to low water levels. Effective 9 May, the maximum draft allowed in the canal will be 11.59 meters (38 feet), an advisory from the authority said. The move will be the third in a series of cuts on the maximum draft allowed on the canal. On 18 April, vessels were limited to 11.89 meters (39 feet) of draft and on April 29 that limit will fall to 11.74 meters (38.5 feet).

BELGIUM: The 4,451 dwt *Sulphur Genesis* is expected to arrive in Antwerp on 29 April from Brake, Germany

GLOBAL: This week has been relatively busy with a number of enquiries emerging outside the Med that could be supplied from various Med countries or the US Gulf.

Areva's 20 April tender for 20,000 t sulphur has closed now for early June arrival at Cotonou and onward delivery to the buyer's uranium mine in Niger. It is unclear whether an award has been made but this could be served from Spain or Northern Europe as well as the US Gulf.

Skorpion Zinc in Namibia has also come to the market for about 20,000 t sulphur for June or July delivery but the past few shipments to this destination were from the US Gulf. It is also possible to supply this customer from the Med.

Finally, it is believed that Meranol/Argentina continues to be in the market for 15-20,000 t sulphur for June or July arrival.

Small and mid-size Brazilian buyers are now covered with two mid-size shipments, one from Brake, Germany for Galvani in Fortaleza and another for Nitro Quimica from Cartagena, Spain (see Brazil for more).

NW EUROPE: Feedback from this market has been mixed with various buyers maintaining that they have already settled their Q2 contracts at reductions of about \$20-25/t while others claiming that they have re-initiated talks to achieve a higher reduction. This is because rumours have started to circulate that some major buyers have achieved a reduction of close to \$30/t compared with the low/mid \$20s in early April.

Buyers with truck and rail deliveries have reported reductions in the range of minus \$20-25/t. Buyers that receive sulphur in barges said they have agreed reductions of \$28-29/t. Furthermore, those buyers that were paying the high-end of the range in Q1 have achieved even higher reductions of around \$30/t. However, on the sell side the feedback from at least one seller has been that reductions have been limited to \$23-25/t but another seller suggested it heard reductions in the high \$20s/t. Until such times that further clarity emerges on final Q2 prices the Fertecon range remains unchanged, indicating Q1 only.

LITHUANIA: Lifosa produced a total of 64,212 t sulphuric acid in February, down from 69,845 t in January and in line with a reduction in phosphoric acid production that month. Sulphuric acid production will be further reduced in April and May due to a curtailment to resolve a technical issue this month and annual maintenance in May.

RUSSIA: PhosAgro has reported an increase of 8.8% in Q1 production of sulphuric acid to 1.285 million t, up from 1.182 million t in Q1 2015. This enabled phosphoric acid production to rise by almost 12% to 588,000 t P₂O₅, up from 525,500 t a year ago.

MEDITERRANEAN: Bagfas has bought 2x6,000 t from Hellenic Petroleum at a price in the very low \$60s fob, which with freight at \$9 equates to the very low \$70s cfr. A trader is loading a vessel ex-Burgas totalling 6,000 t for delivery to Bagfas, covering an earlier deal in April.

Toros is covered with deliveries from various locations adding up to 25,000 t in the low \$80s cfr including credit until mid-May.



A small lot is understood to have been offered to a Med buyer in the low/mid \$60s cfr but this was rejected by the buyer as it is covered in the near term.

Solmine/Italy will start-up its sulphuric acid plant that is currently in maintenance in mid-May.

According to the Oil and Gas journal there was a fire at Tupras's 11 million t/y Izmit refinery on 19 April. The fire occurred during a regular maintenance shutdown. The Izmit refinery was previously hit by fire on 3 February following an equipment failure.

AFRICA

DEMOCRATIC REPUBLIC OF CONGO: Sulphur shipments have been few and far between as miners' requirements are met from sulphuric acid producers in neighbouring Zambia.

EGYPT: Buyer price indications have been put in the very low \$70s cfr this week but no business has been concluded at these prices yet.

MOROCCO: As reported last week, Q2 sulphur contracts have now been agreed in the range of \$60-79 cfr with the low end reflecting crushed lump material. Sulphuric acid prices are unchanged in the range \$15-20 cfr. As such sulphur has become more attractive in terms of price. With the new sulphur burner coming on-stream late June at JPH-2 adding a further 1.25 million t/year sulphuric acid capacity at Jorf Lasfar, OCP will be afforded additional flexibility in its choice of raw materials and unless acid prices fall much further we are likely to begin to see more sulphur imported.

The 35,501 dwt *Marine Pricess* is expected to arrive in Jorf Lasfar from Novorossysk, Russia on 29 April.

The 52,068 dwt *Gloriana* is expected to arrive in Jorf Lasfar from the US Gulf on 2 May.

The 63,500 dwt *Oslo Venture* arrived in Jorf Lasfar on 26 April from Ruwais, UAE.

SOUTHERN AFRICA: Foskor will have a planned maintenance shutdown estimated to be from the last week of May to the third week of June. During this period the plant will operate at about 50% of nameplate capacity.

Skorpion Zinc is looking for June or July arrival sulphur shipment of about 20,000 t.

Swakop Uranium has again delayed the start-up of its sulphur burner from April to May.

TUNISIA: The 36,490 dwt *Arrilah-I* arrived in Gabes from Ruwais, UAE on 25 April.

MIDDLE EAST

ISRAEL: The *Hemus* is expected to deliver a handy-size shipment from Ust-Luga to Ashdod later this week.

ASIA

CHINA: There have been reports of sales in the range \$85-88 cfr this week by various traders, down from the low \$90s cfr last week. According to a local trader, a major south Chinese fertilizer producer has invited traders to offer a handy-size shipment for May delivery and it received offers in the range \$86-91 cfr, purchasing the cargo at \$86-87 cfr. It will be delivered from the Middle East. The Fertecon range's high end reflects recent price offers by traders in the high \$80s cfr.

Although Middle Eastern suppliers are claiming to be sold out in April and May, some sources have suggested this is to regular allocation holders and they still need to place these cargoes in China where end-users are understandably reluctant to commit to anything long term given the bearish phosphates outlook. Otherwise the market has been quiet this week because Chinese market participants are waiting for the Middle Eastern monthly sulphur price announcements. This weekend is also a long weekend in the country as Monday is a holiday in China.

Sinopec Puguang has cut its ex-Wanzhou port price by Rmb 20/t late last week and by a further Rmb 20/t this week. Puguang has started moving stocks from Dazhou to Wanzhou port as the inventory at the Dazhou gas plant has surpassed 80% of its warehousing capacity. Once the tonnage began accumulating at the port of Wanzhou Sinopec cut its ex-Wanzhou port price by Rmb 20/t on Tuesday this week.



Retailers in Nantong and Zhenjiang reduced their ex-port price by Rmb 20-30/t. As such, the lowest number for granular is around Rmb720-730/t ex-Nantong port warehouse. Meanwhile general port inventory increased from 1.5 million t last week to 1.55 million t and most local traders/speculators still hold un-sold positions in their hands.

A lot of hope was pinned on achieving higher phosphates prices and more export opportunities at a recent industry event in China but it appears that these have not materialized and sulphur prices appear to be sliding again. Recent phosphate sales prices are understood to be resulting in breakeven or negative netbacks for some producers, but those producers that are closer to ports may still be enjoying some margin.

The latest import data published by GTIS/China Customs show Q1 imports exceed 3 million t, the highest volume since Q1 2013. March imports totalled 880,000 t including 180,000 t from Saudi Arabia, around 140,000 t each from South Korea and Canada and a further 116,000 t from Russia. Just 5,300 t arrived from Turkmenistan in March.

For the full quarter Saudi Arabian imports came close to 600,000 t, representing almost 20% of the import market while imports from South Korea showed a steady increase to reach almost 330,000 t. Quantities from Canada and the UAE also increased year on year while shipments from both Kazakhstan and Iran fell to a 3 year low, both dropping below 250,000 t.

Domestic production increased in March to 399,000 t from 338,000 t in February. The increase in output may have been in part driven by the new Chuangdongbei refinery that started producing in Q1 but also due to the holiday period in February which will have curtailed some output. A regional breakdown is as follows:

Chinese Refineries & Monthly sulphur Production		
	March	February
North Eastern China	31	30
North China	27	23
Central China	11	10
East China	137	130
South China	193	195
Total	399	338

Source: Fertecon

Sulphuric Acid

The domestic sulphuric acid market has been relatively uneventful with prices largely stable over the past couple of weeks. Two Lions has been indicating an ex-works price of around Rmb 200/t. Imported product from South Korea coming into the Yangtse River region is understood to have been priced between \$5-10 cfr as reported previously.

At least two major phosphate producers are taking maintenance periods in April/May, reportedly Wengfu and YUC. With a slower start to the export campaign, primarily in India, coupled with weak prices for DAP, producers are as expected taking the decision to curtail production at this time to relieve the pressure on the market. Production is expected to be ramped up from mid-May onwards in time for the beginning of the main export season.

INDIA: FACT has awarded Swiss Singapore at around \$99 cfr with 180 days credit against its tender that closed on 18 April, for 15-25,000 t of sulphur for 18-22 May arrival in Cochin.

Midgulf has fixed the *Antaeus* to load 25,000 t sulphur for delivery at EC India to cover CIL's tender award last week at \$94.75 cfr.

BGN's *Ocean Opal* is due to deliver 35,500 t sulphur to PPL at Paradeep on 30 April.

Iffco is understood to be giving preference to purchasing sulphuric acid instead of sulphur as the price of acid has plunged in recent months by comparison to sulphur. According to Fertecon's sulphuric acid report, latest price indications in India are close to \$5/t cfr compared with about \$30-35/t cfr equivalent for sulphur. IFFCO's spot requirement for sulphur is around 120-150,000 t/y and the rest is supplied under long term contracts.

Mangalore Refinery and Petrochemicals Ltd (MRPL) has initiated a partial shutdown of certain units due to water scarcity in Mangaluru. The company told local media on Tuesday that because of the acute water shortages in Dakshina



Kannada district of Karnataka and the restrictions imposed by the district administration in pumping river water for industrial use, MRPL has initiated partial shutdown of certain units and also running some units on reduced capacity without disrupting fuel production and supplies to the extent possible.

The Jifco phosphoric acid plant is now running at or close to its capacity of 1,500 t P₂O₅ per day, around 500,000 t P₂O₅ per year. In April Indian imports from the JIFCO plant have been identified totalling close to 40,000 t P₂O₅ reflecting the higher level of production through March and April. There are no plans for any turnaround in the near future and production will therefore be maintained at this level through the coming months. All production is being channelled into Kandla, India to feed Iffco's granulation facility. The Kandla complex has an annual requirement of just over 900,000 t/year P₂O₅ at capacity of which over 50% could theoretically be covered from Jordan but operating rates at Kandla appear to have been well below 100% in the last two years.

Senegalese deliveries into India have also been increasing with already an estimated 120-125,000 t P₂O₅ phosphoric acid arriving into India to date this year, again for IFFCO's facility at Kandla, indicating a higher operating rate at the ICS plant than seen in recent years. The plant has a design capacity of around 660,000 t/year P₂O₅ but has been producing at or less than 50% for the last decade. Imports into India in 2015 reached 190,000 t, up on the previous two years but still reflecting less than 30% capacity at the phosacid plant. This year import activity suggests a potential volume of at least 300,000 t P₂O₅ which assuming Jifco's current production rate, together with the Jordanian product could theoretically cover most if not all of IFFCO's requirements for the year.

VIETNAM: Swiss Singapore has been awarded the business against Lafchemco's tender for 30,000 t sulphur for shipment in May. The price is understood to be about \$92-93 cfr.

SOUTH AMERICA

BRAZIL Vale is reportedly covered with various contract shipments and a spot cargo that was purchased in Q1 and delayed to Q2.

Anglo American's niobium and phosphate units will be sold for \$1.5 billion in cash to China Molybdenum, it has been reported in a statement. The transaction is expected to be completed in the second half of this year.

The 56,000 dwt *Anna Bo* arrived in Santos on 21 April from Qatar.

The *Zhong Hai* arrived in Santos on 27 April with about 38,000 t sulphur at the Termag terminal for Anglo American from Ust Luga, Russia.

The *Jana Rosa* is expected to arrive on 29 April in Santos for Nitro Quimica with 16,426 t sulphur from Cartagena, Spain.

The 61,631 dwt *Noni* is expected to arrive in Santos on 2 May from Ust Luga for Vale.

The *Kibele* is expected to arrive with 11,607 t Brake, German sulphur in Brazil for Galvani on 3 May.

The 62,841 dwt *Lawin Arrow* is expected to arrive in Santos on 4 May for Vale, having sailed from the US Gulf in April.

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>Anna Bo</i>	38	Vale	21/4
<i>Veronique D</i>	40	Vale	23/4
<i>Zhong Hai</i>	38	Anglo	27/4
<i>Jana Rosa</i>	16	Nitro	29/4
<i>Noni</i>	38	Vale	2/5
<i>Kibele</i>	12	Galvani	3/5
<i>Lawin Arrow</i>	45	Vale	4/5
Total	353		



Vale reported reduced production of all fertilizer products in Q1 due to a series of production issues as follows:

An unscheduled maintenance stoppage at Vale's sulphuric acid plant at Uberaba impacted production of phosphoric acid. This in turn prompted a switch away from MAP and towards more TSP at Uberaba needing less P_2O_5 and enjoying better market conditions than MAP. Despite this, Vale's TSP production fell by 8% against Q1 2015 due to the reduced availability of phosacid, low production of phosphate rock from Tapira and a high level of contaminants in the rock impacting overall productivity.

A prolonged stoppage at Araxa curtailed production of SSP to 326,000 t, down by 38% compared with Q4 2015 and by 30% against Q1 2015.

By contrast, Anglo American reported a year on year increase of 15% in the production of fertilizers in Q1, up from 238,800 to 274,900 t in Q1 2016. Improved availability of phosphoric acid was cited as one of the reasons with a 4% increase in output to 79,100 t P_2O_5 due to a better performance at both Catalao and Cubatao.

Speculation is growing over the potential bidders for Anglo American's phosphate and niobium assets and Vale, Mosaic, EuroChem and BHP Billiton are all believed to be interested. Anglo had requested first round bids to be submitted by mid-February, binding bids within the next few weeks and anticipates completion in the 2-half of the year.

CUBA: Sherrit has confirmed that the 660,000 t/y sulphuric acid plant at the Moa joint venture complex is still on track to reach completion in Q2 with full operation to be reached in Q3. It is currently 95% complete. This should negate the need for further sulphuric acid imports, effectively displacing up to 500,000 t/year acid in the global market, much of it from Europe. The joint venture complex, comprising mine and refinery facilities, is 50% owned by Sherritt and the General Nickel Company of Cuba.

MEXICO: The *Sinop* will load next week in California for delivery to Fertinal against the buyer's recent purchase at \$77.50 fob.

Fertinal has now begun discussions with suppliers for its next vessel which will likely load in Vancouver 1-half June. The buyer's price ideas are around \$70 fob at most.

Production of concentrated phosphates will average about 65,000 t/m for April, May and June.

SAUDI ARABIA: The current status of the acid facilities at Ma'aden's Wa'ad Al Shammal project as of the 31 March is as follows:

- Completion of 79.4% of the sulphuric acid plant – three lines with annual capacity for 5 million t – will require liquid sulphur to be transported by rail to the plant
- Completion of 76.7% of the Phosphoric Acid Plant – 3 lines with annual capacity for 1.5 million t P_2O_5 phosphoric acid

SUPPLIERS

EUROPE

MEDITERRANEAN: Prices continue to hover in the \$60s fob, but there have been suggestions that some producers are willing to sell below this to keep stocks moving. However, various buyers in Turkey are covered, Italy is out of the market, Lebanon and Israel have both just received one shipment each and price ideas in Egypt are reportedly too low to attract any interest from traders.

FSU

RUSSIA: Please note that Austrofin agreed with LCC and not ICL a cargo of crushed lump sulphur in the mid \$60s cfr for May shipment to Lebanon under their Q2 contract.

UZBEKISTAN: According to national press reports the Russian oil refiner Lukoil has started construction works on the Kandym Gas processing plant in Uzbekistan. A gas processing plant with an annual production capacity of 7.819 billion cubic meters of commercial gas, 134,360 tonnes of stable condensate and 212,900 tonnes of elemental sulphur is planned to be constructed during the first phase of the complex construction and development of Kandym fields. The first phase of the project is scheduled to be completed in December 2018.



MIDDLE EAST

MIDDLE EAST: All eyes are on the next round of price announcement by Adnoc and Saudi Aramco. Far Eastern sources suggested a drop in prices is necessary to close the gap between US and North African phosphate producers who are currently paying no more than the \$70s cfr for sulphur.

IRAN: IGCC closed two tenders this week and have made awards at \$68.50 fob for 30,000 t crushed lump sulphur and at \$80 fob for 30,000 t granular sulphur.

Last week IGCC loaded about 30,000 t granular sulphur at Bandar Assaluyeh for early May shipment, reportedly sold at \$82 fob, intention China.

UAE: The 57,369 dwt *Abu Al Abyad* is currently loading in Ruwais.

QATAR: Qatar International Petroleum Marketing Company Ltd (Tasweeq) has announced its May Qatar Sulphur Price (QSP) at \$79/t fob Ras Laffan and Mesaieed.

The *Riva* sailed to Esperance, Australia for the FQM nickel leaching plant where it is expected to arrive on 28 April. There were rumours in the press that the FQM plant may not restart after its plant maintenance in April but it appears that it will, given the arrival of this vessel. It is believed that Tasweeq has sold this cargo privately and this is why the seller had no spot tender this month.

SAUDI ARABIA: Saudi Aramco's next price announcement is eagerly anticipated and is expected to give much needed direction to the market.

According to press reports the Saudi government is planning to sell only 5% of the national oil company Saudi Aramco.

NORTH AMERICA

CANADA: Fertinal has now begun discussions with suppliers for its next vessel which will likely load in Vancouver 1-half June. The buyer's price ideas are around \$70 fob at most.

UNITED STATES: Martin Midstream's sulphur shipment volumes dropped from 216,000 t in Q1 2015 to 157,000 t in Q1 2016 according to the company's latest earnings release.

The *Sinop* will load next week in California for delivery to Fertinal against the buyer's recent purchase at \$77.50 fob.

The *Albion Bay* has been fixed to load about 40,000 t sulphur in California for delivery to Vale in New Caledonia.

FREIGHT

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

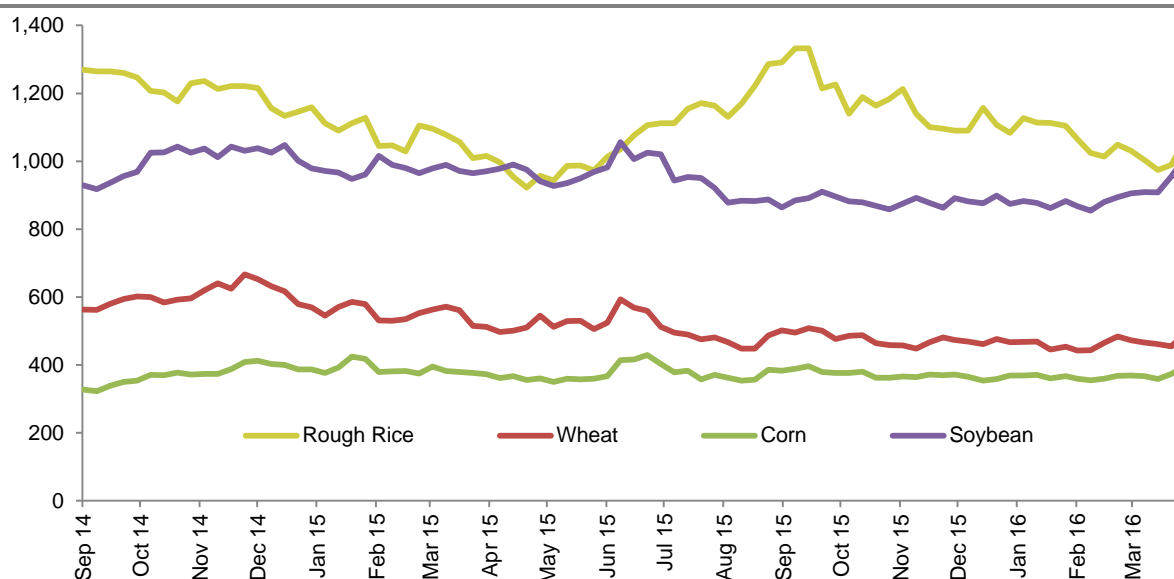
DATE	Baltic Capesize	Baltic Panamax	Baltic Supramax	Baltic Handysize	Baltic Dry Index
22 April	1085	736	558	354	688
25 April	1087	727	562	356	690
26 April	1135	718	564	358	704
27 April	1160	704	573	362	715
28 April	1137	685	578	365	710

Source: Baltic Exchange



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	380.6	-14.0	384.6	385.6	363.6
Wheat	464.0	-29.2	476.4	491.6	500.6
Soybean	1,019.0	+9.4	1,028.4	1,027.6	988.4
Rough Rice	1,083.5	+18.5	1,110.0	1,124.5	1,016.0

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

CORN:	WHEAT:
As concerns eased about Brazil's crop prices came under pressure, however underlying pessimism about the health of the crop stemmed the losses.	Rains in the US put pressured the market as did the strengthening US dollar which makes importing US good more expensive for foreign buyers.
SOYBEAN:	RICE:
Strong demand for the oilseed supported soybean futures this week, in spite of reports of drier weather in Argentina causing concern.	Rice continued to rebound this week as dryness in some Southeast Asian growing countries outweighed the underlying bearish tone of the marke..

REGIONAL MARKETS

UNITED STATES: US winter wheat rated good/excellent reached 59% for the week ended 24 April, up 2% from the prior week as both Plains HRW and Corn Belt SRW states reported improved ratings, according to the USDA's Crop Progress report.

All four major HRW wheat states posted improved ratings, with substantial improvement in Kansas at 53% good/excellent compared to 29% the prior week, according to the report. The winter wheat the crop has also moved ahead of the five-year average for the level of the crop headed, with 26% in that stage compared to 24% average and



25% this time last year. However, Illinois and Indiana are behind the five-year average on heading at 2% for Illinois (13% average) and 3% for Indiana (5% average)

Meanwhile, condition ratings in Corn Belt SRW states were also improved, with Illinois at 58% good/excellent (56% prior week), Indiana at 78% good/excellent (77% prior week) and Ohio at 79% good/excellent (78% prior week).

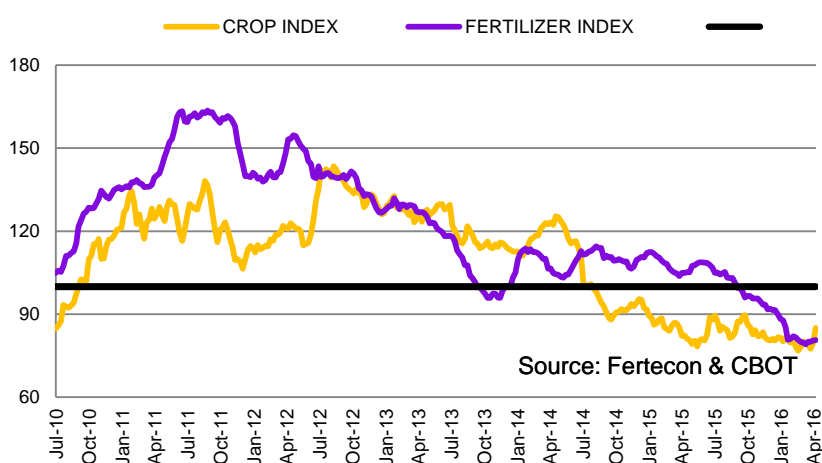
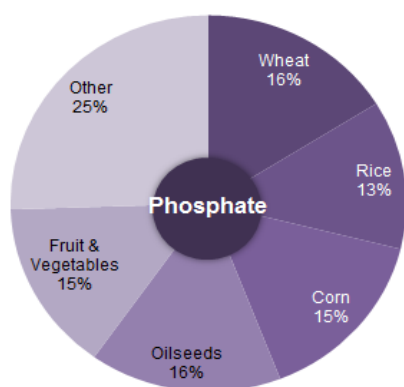
US corn planting also moved to 30% complete, continuing to run well ahead of the average pace which is at 16% this week. Indiana and Ohio are just behind the average pace at this stage while most other Corn Belt states are ahead to well ahead of their average rate. The rapid corn planting pace also has 5% of the crop emerged, up from 4% for the five-year average.

The initial soybean planting progress update showed 3% of the crop in the ground, just ahead of the 2% average and on track with expectations for 3% to be planted.

PHOSPHATE USE BY CROP

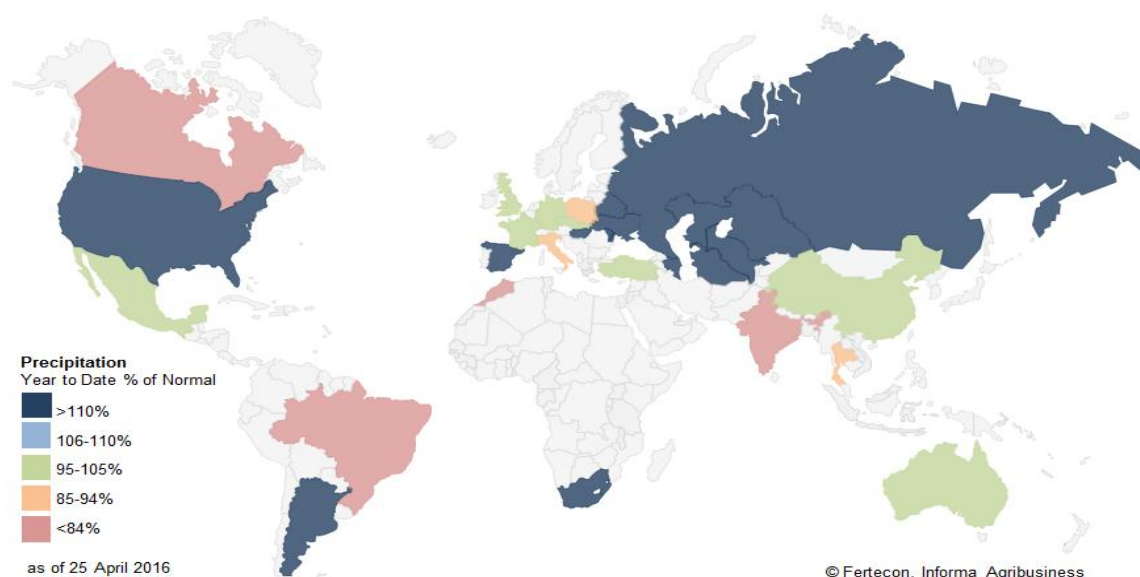
FERTECON FERTILIZER & CROP INDICES

Source: IFA



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

WEATHER & LAND CONDITIONS





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