Ammonia Report

Weekly review of the ammonia market

Fertecon
Agribusiness intelligence | informa

30 June 2016

- Black Sea ammonia sales reportedly concluded with two west coast India buyers at mid-$340s cfr with 120 d credit
- Sabic reportedly sells 4,000 t spot cargo to west coast India customer at $380 cfr JNPT/Mumbai
- CJ import tender in Indonesia for 6,000 t ammonia awarded to Petrokimia Gresik at a price level under $360 cfr
- Sorfert ammonia plant in Algeria heard to have restarted following a month-long downturn

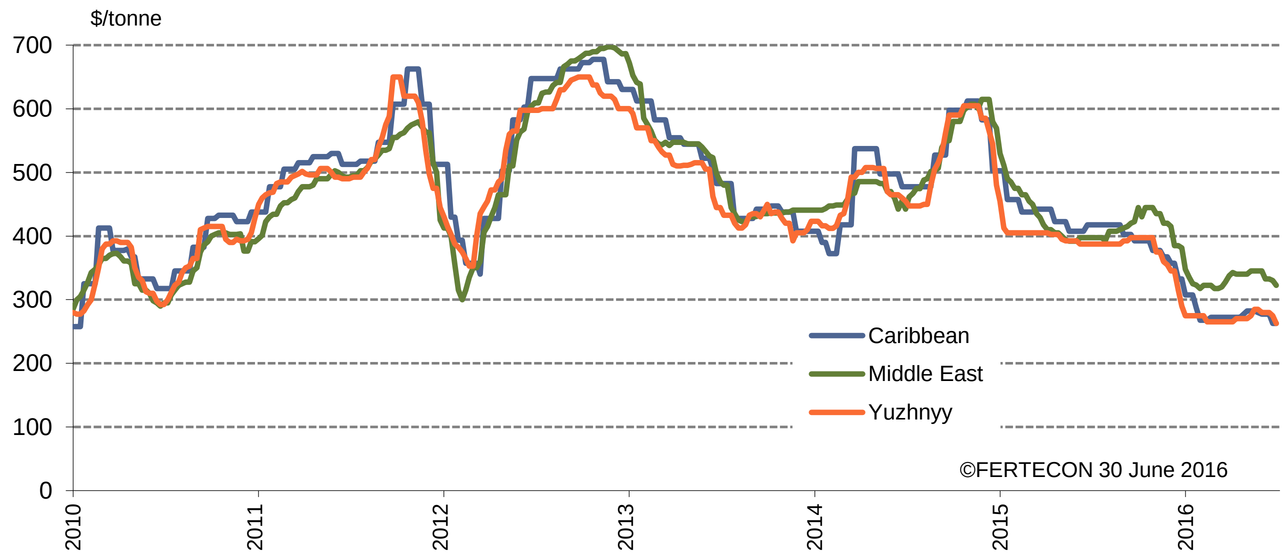
OUTLOOK

Softer

KEY PRICES

	30 June	23 June	16 June
Yuzhnyy fob $/t	250-275*	265-285*	270-290*
Middle East fob $/t	310-335*	320-340*	320-345*
Tampa/US Gulf cfr $/t	285-320**	285-320**	315-320

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$

	30 June	23 June	16 June
Fob prices			
Caribbean	245-280**	245-280**	275-280
Middle East	310-335*	320-340*	320-345*
Of which:			
- Netbacks on contract/formula-priced sales	310-333*	320-340*	320-345*
- Spot fob	335*	n.m.	n.m.
Yuzhnyy/FSU fob	250-275*	265-285*	270-290*
Baltic/FSU	260-285*	275-295*	280-300*
Southeast Asia	315-325	315-330	320-330
Delivered prices			
NW Europe (duty paid/duty free) *	327-359	343-369	349-375
NW Europe (duty unpaid) *	310-340	325-350	330-355
Far East	352-375	352-385	352-385
India	340-380	360-380	360-380
US Gulf/Tampa	285-320**	285-320**	315-320
- Tampa	285-315**	285-315**	315
- US Gulf (MS, LA, TX)	290-320**	290-320**	320

FERTECON PRICE DEFINITION

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; ** low end refers to July price, high end refers to June price

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

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

The international ammonia prices came under further pressure in a number of price points this week with some new spot deals concluded, results of an import tender in Indonesia announced and tonnes delivered on a contract formula basis also reported to be at softer levels than last week. The buyers are reported to have a very bearish sentiment as the market is entering a typically slower trading period during summer months, demand wanes and additional ammonia supply is entering the already soft market.

An ammonia cargo has reportedly been traded for loading out of the **Black Sea** for July delivery to two customers in west coast India with an estimated netback suggesting $250 fob Yuzhnyy level. Moreover, a couple of cargoes of Black Sea ammonia are understood to have been sold to OCP/Morocco on the fob basis and at also competitive price level, for July lifting.

No new known spot sales have been concluded in the **Baltic** this week, where Uralchem reports no spot availability until late September due to turnarounds and Acron is heard to be still fine tuning its new ammonia plant in Russia.

Elsewhere on the supply side, exports of **Algerian** ammonia are expected to increase with reports of the Sorfert ammonia plant, which has been done since 30 May, now back on-line.

Prices in the **Middle East** are also softening and the overall range is assessed to be at $310-335 fob this week with the low end reflecting the netback on recent deliveries of Saudi ammonia by Sabic to the Far East and high end reflecting an estimated netback on Sabic's spot sale of a small 4,000 t ammonia lot into India.

In the **Far East**, the outcome of the latest CJ tender in Indonesia is now known with an award to domestic producer, Petrokimia Gresik reported at a price level under $360 cfr for 6,000 t delivery to Gresik in August. On a positive note in terms of demand, CPDC has restarted one line at its Toufen plant and its overall caprolactam production is currently running at about 80% of capacity, with acrylonitrile capacity close to 100%. Moreover, Ube Thailand is operating close to full capacity and is looking to buy 8-10,000 t spot cargo for August-September arrival.

Demand for ammonia continues to slow down in the **United States** as the season draws to a close.

The short-term outlook for ammonia prices remains soft.

SUPPLIERS

FSU

BLACK SEA: The Black Sea prices have come under further pressure this week with reports of sales of Russian ammonia via Dreymoor to two buyers in west coast India, namely PPL and CIL for delivery on the *Gaschem Stade*. Prices of the spot cargo into India were reported to be concluded at around mid-$340s cfr with the PPL portion of the cargo also including 120 days credit arrangement. With an $85-90/t freight assumption the Yuzhnyy netback is estimated to be around $250 fob. The vessel is heard to have been chartered for a single voyage only for the purpose of these deliveries.

There were also reports of direct sales ammonia of Russian origin, likely from the Rossosh plant to OCP/Morocco for July lifting on the *Cambridge* which, as previously reported, the buyer has chartered for three voyages. The exact sales price of cargoes to OCP are not known but are also understood to be well below our previously reported indications. The vessel is currently loading the first cargo in Yuzhnyy for delivery to Jorf Lasfar in the first half of July.

At the same there are still contract deliveries taking place priced on a cfr basis and estimated within the $265-275 fob range equivalent and therefore this week Fertecon's assessment of the overall Black Sea ammonia price range is $250-275 fob.

TogliattiAzot continues to run 5 out of 7 ammonia plants and no urea. Ammonia production is expected to increase again once urea production restarts.

The known ammonia vessel line-up for June and July so far is tabulated below.

Vessel	Trader	'000 t	Destination	Load date
MAY		**228.7**		
JUNE		**265.6**		
Clipper Odin	Ameropa	25	India (Kandla)	2 June

Sylvie	Trammo	23	India (Kakinada)	3-4 June
Marycam Swan	Trammo	15	Turkey (incl Aliaga)	6-7 June
Gas Snapper	Ameropa	23.4	Jordan (Aqaba) on behalf of Muntajat	6-7 June
Gas Manta	Ameropa	23.4	Belgium (Antwerp)	8-10 June
Solaro	Ameropa	25	Morocco (Jorf Lasfar)	12-15 June
Clipper Mars	Ameropa	40	India (Paradeep)	19-21 June
Marycam Swan	Trammo	15	Turkey (to discharge part cargo and will return to top-up end June)	20-22 June
Gas Grouper	Ameropa	23.4	Tunisia (Gabes)	23-25 June
Gas Cobia	Ameropa	23.4	Morocco (Jorf Lasfar)	29-30 June
Marycam Swan	Trammo	6 (top up)	Turkey (10 & Israel (Haifa - 5)	27-28 June
Cambridge	OCP	23	Morocco (Jorf Lasfar)	29-30 June
JULY		**196.7**		
Gaschem Stade	Dreymoor	23	EC India Paradeep & Vizag)	1-2 July
Gas Snapper	Ameropa	23.5	India (Paradeep)	2 July
Clipper Odin	Ameropa	25	WC India (Kandla)	9-10 July
Marycam Swan	Trammo	15	Turkey (TBC) & Israel (Haifa)	10 July
Gas Grouper	Ameropa	23.4	Belgium (Antwerp)	10-15 July
Gas Cobia	Ameropa	23.4	Morocco (Jorf Lasfar)	20 July
Gas Manta	Ameropa	23.4	Possibly Tunisia (Gabes)	20 July
Clipper Mars	Ameropa	40	India	End July

BALTIC: **Uralchem** reports that due to longer than expected turnaround times at their plants, there will be no more spot ammonia availability until late September. The producer will make best efforts to fulfill its contractual obligations under existing long term agreements. Uralchem has scheduled major turnarounds at Azot, Perm and Kirovo-Chepetsk plants through June – August period reducing the merchant ammonia availability by more than 80,000 t during the period.

The turnarounds will also affect spot availability of Uralchem's downstream fertilizer products with expectations of no availability of AN and urea during July and limited AN availability in August.

The next cargo to be loaded from the new **Acron** ammonia plant is expected to be contract volume for the OCI on the *Wilhelm Schulte* in the second half of July.

Known loadings out of the Baltic ports for June and July so far are tabulated here:

Vessel	Trader	'000 t	Destination	Load date
MAY		**39**		
JUNE		**95**		
Coral Ivory	Yara	4	Sweden (Köping)	1-2 June (Ventspils)
Brussels	Trammo	23	Morocco (Jorf Lasfar)	1-2 June (Ventspils)
Temse	Yara	8	Germany (Rostock)	5-6 June (Ventspils)
Coral Ivory	Yara	4	Sweden (Köping)	5-6 June (Ventspils)
Coral Ivory	Yara	4	Germany (Rostock)	13-14 June (Ventspils)
Temse	Yara	8	Germany (Rostock)	15-16 June (Sillamäe)
Coral Ivory	Yara	4	Sweden (Köping)	16-17 June (Ventspils)
Wilhelm Schulte	OCI	10	Netherlands (Rotterdam)	20-22 June (Sillamäe)
Coral Ivory	Yara	4	Germany (Rostock)	23-24 June (Ventspils)
Pertusola	Yara	12	Norway (Glomfjord)	26-24 June (Ventspils)
Antarcticgas	Yara	10	Germany (Rostock)	27-28 June (Sillamäe)
Coral Ivory	Yara	4	Sweden (Köping)	27-28 June (Ventspils)

JULY		**43.4**		
Antarcticgas	Yara	10	TBC	1 July (Ventspils)
Gas Manta	Ameropa	23.4	Belgium (Antwerp)	Early July (Sillamäe)
Wilhelm Schulte	OCI	10	Netherlands (Rotterdam)	2-half July (Sillamäe)

EUROPE

FRANCE: OCI has reportedly bought 10,000 t ammonia from the **Borealis** plant at Rouen which will be loaded in the coming days on the *Wilhelm Schulte* for delivery to the Netherlands and Sweden.

UNITED KINGDOM: Yara has reportedly sold 8,000 t spot cargo to BASF for urgent delivery to Antwerp, Belgium at an undisclosed price. The cargo has been loaded on the *Temse* in Hull on 27-28 June and has been discharged in Antwerp yesterday, 29 June.

Vessel	Trader	'000 t	Destination	Load date
MAY		**8**		
JUNE		**16**		
Temse	Yara	8	France (Bordeaux & Ambes)	20-21 June (Hull)
Temse	Yara	8	Belgium (Antwerp)	27-28 June (Hull)

CARIBBEAN

TRINIDAD: The Ministry of Energy and Energy Affairs of Trinidad and Tobago has published ammonia production and export data for April 2016.

Following increased output of 502,400 t in March, the monthly **ammonia production** for April reached just 446,100 t, down by 56,300 t or 11.2% m-o-m. This brought the total production for January-April to 1.82 million t, 31,800 t or 1.8% up y-o-y from 1.79 million t in January-April 2015.

The monthly **ammonia exports** from Trinidad in April reached 376,000 t, down by 19,100 t or 4.8% m-o-m from 395,000 t shipped in March.

However, monthly exports were up year-on-year, with April 2016 export figure higher by 46,000 t or 14% when compared against 329,900 t shipped during April 2015.

This brought the total export figure for January-April 2016 to 1.66 million t, posting an increase of 151,600 t or 10.1% y-o-y from around 1.5 million t shipped during the same time last year.

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

Vessel	'000 t	Destination	Load date
MAY	**469.9**		
JUNE	**355.6**		
Marola	24.8	United States (Tampa)	4-5 June
Sombeke	25.4	Belgium (Antwerp)	4-5 June
Navigator Galaxy	15	United States (NOLA)	7-8 June
Gaschem Stade	23	Morocco (Jorf Lasfar)	8 June
Libramont	25.4	United States (Point Comfort)	10-11 June
Luigi Lagrange	24.8	Mexico (Lazaro Cardenas)	11-12 June
Clipper Venus	40	United States (Point Comfort)	15-17 June
Almajedah	15.4	United States (Tampa)	16-17 June
Marola	16	Brazil (Santos)	18-19 June
Navigator Galaxy	15	Brazil (Santos)	22 June
Clipper Venus	40	TBC	15-17 June

Kaprijke	25	United States (Point Comfort)	21-22 June
Touraine	25	United States (Pascagoula)	24-25 June
Almajedah	15.4	United States (Tampa)	29-30 June
Libramont	25.4	TBC	30 June
JULY	**153.4**		
Clipper Orion	40	TBC	1 July
Brussels	8	Chile (Including 15 previously loaded from Brazil)	2 July
Sombeke	25.4	Belgium (Antwerp)	2 July
Clipper Venus	40	TBC	4 July
Clipper Neptun	40	TBC	4 July

AFRICA

ALGERIA: The **Sorfert** ammonia plant, which has been down since 30 May, is heard to have restarted production.

Ammonia output from the **Fertial** plants at Arzew and Annaba continues to be shipped on Fertiberia's vessels for Spain and Portugal only for the time being.

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

ALGERIA: 2016 AMMONIA EXPORT SHIPMENTS					
Vessel	**Supplier**	**'000 t**	**Destination**	**Load Port**	**Load Date**
MAY		**115.3**			
JUNE		**113.8**			
Clipper Neptun	Sorfert	39.9	United States/Koch	Arzew	2-5 June
Navigator Gusto	Sorfert	14.9	France (Montoir, Bordeaux, Ambes)/Yara	Arzew	11-13 June
Andesgas	Fertial	10	Spain/Fertiberia	Annaba	16-17 June
Andesgas	Fertial	10	Spain & Portugal/Fertiberia	Annaba	20-23 June
Queen Isabella	Fertial	7	Spain (Sagunto)	Arzew	24-26 June
Navigator Grace	Sorfert	15	Spain (Castellon) & Morocco (Jorf Lasfar)	Arzew	26-27 June
Andesgas	Fertial	10	Spain & Portugal/Fertiberia	Arzew	27 June
Queen Isabella	Fertial	7	Spain (Castellon)	Arzew	29-30 June

MIDDLE EAST

IRAN: According to customs' data, monthly ammonia exports out of Iran were, at 46,947 t in May, down by 10,878 t or 18.8% m-o-m from 57,825 t shipped in April. This brought the total January-May exports to 260,359 t, down by 76,378 t or 22.7% y-o-y from 336,737 t exported during the first five months of 2015. (Source: GTIS/Iran Customs)

QATAR: **Muntajat** estimates that its netbacks on recent contract deliveries to India were around $332-333 fob Middle East.

The producer reports no spot availability for July and was actually in the market looking for an additional ammonia cargo to fulfil contract obligations.

Sabic/Saudi Arabia has reportedly agreed a swap cargo with Muntajat for realisation during Q3 but further details are scarce.

The Qafco 6 ammonia plant is understood to have gone down this week and it is unclear when the plant will re-start.

The *Gas Columbia* loaded in Mesaieed around 26-28 June for contract delivery to India. The vessel will return to Mesaieed to reload in 2-half of July.

The *Almarona* will return from her current voyage to India to reload around 7-10 July and will then load again at the end of the month.

SAUDI ARABIA: This week **Sabic** reports that all its ammonia plants are running as normal.

The producer announced conclusion of a spot deal for 4,000 t early July delivery on the *Rose Gas* to Deepak Fertilizers at the JNPT terminal in Mumbai priced at $380 cfr.

Sabic estimates netbacks on the latest deliveries to the Far East to be around $310 fob.

Moreover, a swap deal with Muntajat is understood to be agreed for 15,000 t to take place in Q3.

The latest Middle East line-up is tabulated below.

Vessel	Supplier/Origin	'000 t	Destination	Price $/t	Load date
MAY		**211.7**			
JUNE		**202.6**			
Gas Columbia	Muntajat/Qatar	23	WC India: Zuari/Goa (4.5) & MCFL/Mangalore (10.5?) EC India: CIL/Kakinada (3.5) & Ennore (4.5)	l-t contract	2-3 June
Everrich 6	Transagri/ex-Iran (Assaluyeh)	6	WC India: Deepak Fert/ JNPT-Mumbai	$360 cfr	3-4 June
Gas Cat	Raintrade/Iran (BIK)	18.5	EC India: CIL/Vizag & Kakinada	l-t contract	5-8 June
SCF Tomsk	Trammo/ex-Qatar (8) & S.A. (Jubail - 15)	23	China (Caojing)	n/a	5-6 June – Qatar 11-13 June –S.A.
Al Jabirah	Sabic/S.A. (RAK)	23.4	Taiwan (Taichung)	n/a	8-10 June
Almarona	Muntajat/Qatar	15	WC & EC India incl SPIC/Tuticorin	l-t contract	18-19 June
Gas Line	Raintrade/Iran (BIK)	23	EC India: PPL/Paradeep & CIL	n/a	21-23 June
Rose Gas	Sabic/S.A. (Jubail)	19	WC India: GSFC/Sikka (15) & Deepak Fert/JNPT-Mumbai (4)	n/a	25-27 June
Everrich 6	Transagri/ex-Iran (Assaluyeh)	5.7	WC India: Deepak Fert/ JNPT-Mumbai	n/a	22-23 June
Al Barrah	Sabic/S.A. (Jubail)	23	South Korea (LFC/Ulsan)	n/a	26-27 June
Gas Columbia	Muntajat/Qatar	23	EC India (incl Zuari/Goa)	l-t contract	26-28 June
JULY		**222.5**			
Gas Cat	Raintrade/Iran (BIK)	18.5	TBC	l-t contract	1-2 July
Gas Quantum	Mitsui/ex-S.A. (Jubail)	23	Far East	Spot formula	3 July
Almarona	Muntajat/Qatar	15	India	l-t contract	7-10 July
Rose Gas	Sabic/S.A. (RAK)	21	India	n/a	11 July
Sylvie	Trammo/ex-Oman (Sur)	23	TBC	n/a	2-half July
Gas Line	Raintrade/Iran (BIK)	23	TBC	n/a	2-half July
Al Jabirah	Sabic/S.A. (Jubail)	23	Far East	n/a	17 July
Gas Columbia	Muntajat/Qatar	23	India	l-t contract	17-20 July
Al Barrah	Sabic/S.A. (RAK)	23	Far East	n/a	24 July
TBN	Muntajat/ex-S.A. (RAK)	15	India	swap	25 Jul
Almarona	Muntajat/Qatar	15	India	l-t contract	27-30 July

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

ASIA/OCEANIA

AUSTRALIA: The recent known ammonia loadings are tabulated below.

AUSTRALIA: 2016 AMMONIA SHIPMENTS			
Vessel	**'000 t**	**Destination/Supplier**	**Load Date/Port**

MAY	**100**		
JUNE	**75**		
Viking River	25	Kwinana (domestic)/Yara	17-18 June (Dampier)
Nordic River	25	South Korea (Yosu)/Yara	21-23 June (Dampier)
Viking River	25	Kwinana (domestic) & Taiwan(Mai-Liao)/Yara	25 June (Dampier)
JULY	**25**		
Nordic River	25	TBC/Yara	1-half July (Dampier)

INDONESIA: The *Bunga Kemboja* is in Bontang to load about 16,000 t from **Kaltim**, which will be shipped to South Korea by Petronas and delivered to Ulsan on behalf of Trammo, under some form of swap.

The ammonia vessel line-up for June exports so far is tabulated below. It is worth noting that aside from the export shipments below, there has also been a domestic shipment of around 5,400 t of **KPI** tonnes on the *Parna Berlian* to Gresik for CJ under new contract arrangement with Parna Raya reportedly priced under formula.

INDONESIA: 2016 AMMONIA EXPORT SHIPMENTS			
Vessel	**'000 t**	**Destination/Supplier**	**Load Date/Port**
MAY	**154.1**		
JUNE	**80.6**		
Gaschem Dollart	2.3	Vietnam (Haiphong)/Mitsui	2-3 June (Palembang)
Gaz Millennium	15	Thailand (Map Ta Phut)/Mitsui	3-4 June (Bontang)
Gaz Millennium	15	South Korea (Incheon) & Japan/Mitsui	14-16 June (Bontang)
SCF Tobolsk	15	South Korea (Ulsan)/Trammo	15-17 June (Bontang)
Gaz Serenity	15	South Korea (Ulsan)/Mitsui	18-20 June (Bontang)
Bunga Kemboja	16	South Korea (Ulsan)/ Trammo-Petronas swap	29-30 June (Bontang)
Gaschem Dollart	2.3	TBC/Mitsui	29-30 June (Palembang)
JULY	**53.4**		
Gaz Serenity	15	TBC/Mitsui	2 July (Bontang)
SCF Tobolsk	23.4	TBC/Trammo	15-17 June (Bontang)
Gaz Millennium	15	TBC/Mitsui	6 July (Bontang)

MALAYSIA: The new **Petronas' Sabah plant (SAMUR)** is currently testing ammonia production but has yet to achieve full specifications. When standard specifications are achieved the producer will attempt to start up the urea line but it is possible that with the usual delays in getting a new urea plant up and running, Petronas could have excess ammonia in July.

The latest ammonia loading schedule for Malaysian ports is below.

MALAYSIA: 2016 AMMONIA EXPORT SHIPMENTS			
Vessel	**'000 t**	**Destination/Supplier**	**Load Date/Port**
MAY	**33**		
JUNE	**16.5**		
Bunga Kemboja	16.5	Thailand (Map ta Phut)/Petronas	17-19 June (Kerteh)

MARKETS

AFRICA

MOROCCO: The current ammonia consumption at **OCP**'s facilities at Jorf Lasfar is reported to be up a bit at around 75-78,000 t/m.

OCP is understood to have purchased a couple of Black Sea ammonia cargoes understood to be originating from the Rossosh plant on for July lifting out of Yuzhnyy with the first lot loading today, 30 June. OCP will also have a cargo to lift from the United States for arrival later in July.

In the meantime, Trammo will deliver 10,000 t on the *Navigator Grace* from Sorfert/Algeria tomorrow, 1 July. This is understood to be remaining due volume from an old deal between the trader and the buyer.

Ameropa's vessel, the *Gas Cobia* has slipped with delivery to 6 July due to slightly later loading in Yuzhnyy.

It is heard that the delivered prices in Morocco are around $258-276 cfr but the suppliers of the supposed prices forming the low end of this range could not be identified. Other sources indicate that prices within the $270-290 cfr were the last known concluded levels and lower indications are likely to be relating to possible far forward deliveries but this could not be verified either way at the time of writing.

The latest line-up for ammonia deliveries into Morocco:

MOROCCO: KNOWN 2016 AMMONIA IMPORTS			
Vessel	**'000 t**	**Supplier/Origin**	**Discharge**
MAY	**95.4**		
JUNE	**69.4**		
Brussels	23	Trammo/ex-Baltic	12-13 June
Gaschem Stade	23	Trammo/ex-Trinidad	18-20 June
Solaro	23.4	Ameropa/Yuzhnyy	24 June
JULY	**102.4**		
Navigator Grace	10	Trammo/ex-Algeria	1 July
Gas Cobia	23.4	Ameropa/Yuzhnyy	6 July
Cambridge	23	OCP/ex-Yuzhnyy	Early July
Cambridge	23	OCP/ex-Yuzhnyy	1-half July
Cambridge	23	OCP/ex-CF Donaldsonville (US)	Late July

TUNISIA: Ameropa delivered a full cargo on the *Gas Grouper* for **GCT** at Gabes yesterday, 29 June.

The latest known ammonia deliveries into Gabes:

TUNISIA: KNOWN 2016 AMMONIA IMPORTS			
Vessel	**'000 t**	**Supplier/Origin**	**Discharge**
MAY	**25**		
JUNE	**23.4**		
Gas Grouper	23.4	Ameropa/Yuzhnyy	29 June

EUROPE

BELGIUM: It is understood that there are still some intermittent issues with production at the **BASF** ammonia plant in Antwerp and Yara has reportedly sold 8,000 t of UK ammonia to BASF for urgent delivery on 29 June. The sale price has not been disclosed.

The latest schedule of known ammonia arrivals into Antwerp in June is tabulated below.

BELGIUM: KNOWN 2016 AMMONIA IMPORTS			
Vessel	**'000 t**	**Supplier/Origin**	**Discharge**
MAY	**118.2**		
JUNE	**80.2**		

Gas Cobia	23.4	Ameropa/Black Sea	7 June
Sombeke	25.4	PCS/Trinidad	18 June
Gas Manta	23.4	Ameropa/Black Sea	2526 June
Temse	8	Yara/United Kingdom	29 June

NORWAY: Monthly ammonia imports into Norway in May were, at 27,333 t up by 4,346 t or 18.9% m-o-m from the April deliveries of 22,987 t. This brought the total imports for January-May 2016 to 159,355 t, a small increase of 1,738 t or around 1.1% y-o-y from 157,617 t imported during the first five months of 2015. (Source: GTIS/Statistics Norway)

MEDITERRANEAN

TURKEY: Trammo is understood to have recently sold 3,500 t to **Petkim**.

Recent delivered prices into Turkey are reported to be somewhere around $300 cfr mark.

ASIA/OCEANIA

CHINA: According to customs' data, ammonia imports in May were, at 18,983 t, down by 20,669 t or 52.1% m-o-m from the 39,652 t which arrived in April. Ammonia delivered in May was sourced from Bangladesh (10,000 t), Saudi Arabia (7,000 t) and Indonesia (1,042 t). This brought the total imports for January-May to 173,357 t, up by 16,858 t or 10.8% y-o-y from the 156,499 t during the first five months of 2015. (Source: GTIS/ China Customs)

INDIA: **West Coast** - **GSFC**'s ammonia IV plant at Sikka has been shut down for a period of 9 days up to and including 5 July for maintenance works. The plant is expected to be back on-line from 6 July. For the duration of the ammonia plant closure the urea I plant has also been taken offline and the urea II plant is running at reduced capacity.

Muntajat's vessel, the *Almarona* delivered contract ammonia to Tuticorin on 25 June for **Greenstar** followed by a part cargo discharge at Mangalore for **MCFL** on 27 June. Quantity breakup is not yet known.

Transagri's vessel the *Everrich 6* has arrived at the JNPT terminal in Mumbai yesterday, 29 June with delivery of around 5,500 t ammonia for **Deepak Fertilisers**.

Trammo's vessel, the *Sanko Independence* will deliver around 7,500 t of ammonia to Kandla on 2 July.

Sabic/Saudi Arabia has reported a new spot sale to Deepak Fertilizers of 4,000 t priced at $380 cfr for early July delivery on the *Rose Gas*.

West and/or East Coast – **Iffco** has reportedly bought around 23,000 t ammonia at $350 cfr level. The supplier and the vessel are not yet known but it is expected that the cargo will be load shortly under this purchase.

East Coast – **PPL** has reportedly bought 12,000 t of ammonia from Yuzhnyy from Dreymoor for 1-half July shipment priced at mid-$340 cfr level with 120 days credit. It is understood that the cargo will be delivered on the *Gaschem Stade* chartered by Dreymoor on one voyage basis and will be shipped in combination with a similar sale to **CIL**.

The *Gas Line*, which loaded 23,000 t ammonia from Iran for CIFC/Raintrade's delivery to east coast India is expected to deliver 10,000 t to **PPL** at Paradeep on 7 July followed by 13,000 t to **CIL** at Kakinada and Vizag.

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

Buyer/Location	Supplier	'000 t	$/t cfr unless stated	Discharge	Vessel
MAY		**209.4**			
JUNE		**184.8**			
West Coast		**80.9**			
Iffco/Kandla	Fertrade-Ameropa/ ex-Black Sea	25.4	n/a	16 June	*Clipper Odin*
GSFC/Sikka	Sabic/S. Arabia	15	~$380	31 May-1 June	*Rose Gas*

Hindalco/Dahej	Muntajat/Qatar	8	l-t contract	9 June	*Gas Columbia*
Deepak Fertilisers/ JNPT-Mumbai	Sabic/S. Arabia	6	~$380	3 June	*Rose Gas*
Deepak Fertilisers/ JNPT-Mumbai	Transagri/ex-Iran	6	$360	11 June	*Everrich 6*
Deepak Fertilisers/ JNPT-Mumbai	Transagri/ex-Iran	5.5	n/a	29 June	*Everrich 6*
Zuari/Goa	Muntajat/Qatar	4.5	l-t contract	10-11 June	*Gas Columbia*
MCFL/Mangalore	Muntajat/Qatar	10.5	l-t contract	12 June	*Gas Columbia*
West and East Coast		**15**			
Greenstar/Tuticorin & MCFL/Mangalore	Muntajat/Qatar	15	l-t contract	25-27 June	*Almarona*
East Coast		**88.9**			
Greenstar/Tuticorin	Muntajat/Qatar	6.4	l-t contract	4 June	*Almarona*
CIL/Ennore	Muntajat/Qatar	4.5	n/a	18 June	*Gas Columbia*
CIL/Kakinada	CIFC-Raintrade/ex-Iran	8	l-t contract	9 June	*Gas Line*
CIL/Kakinada	Muntajat/Qatar	3.5	n/a	16 June	*Gas Columbia*
CIL/Kakinada	CIFC-Raintrade/ex-Iran	11.5	l-t contract	19-22 June	*Gas Cat*
CIL/Kakinada	Trammo/ex-Black Sea	18.5	n/a	22-25 June	*Sylvie*
CIL/Vizag	Muntajat/Qatar	9	l-t contract	8 June	*Almarona*
CIL/Vizag	CIFC-Raintrade/ex-Iran	7	l-t contract	18-19 June	*Gas Cat*
CIL/Vizag	Trammo/ex-Black Sea	5.5	n/a	22-25 June	*Sylvie*
PPL/Paradeep	CIFC-Raintrade/ex-Iran	15	l-t contract	6 June	*Gas Line*
JULY		**195.5**			
West Coast		**74.5**			
Iffco/Kandla	Trammo/ex-Trinidad	7.5	Mid/high $360s	2 July	*Sanko Independence*
Iffco/Kandla	Ameropa/ex-Black Sea	40	n/a	1-half July	*Clipper Mars*
GSFC/Sikka	Sabic/S. Arabia	15	n/a	3 July	*Rose Gas*
Deepak Fertilisers/ JNPT-Mumbai	Sabic/S. Arabia	4	$380	1-week of July	*Rose Gas*
Deepak Fertilisers/ JNPT-Mumbai	Trammo/ex-Bangladesh	8	n/a	Mid-July	*Sylvie*
West and/or East Coast		**38**			
Iffco/Paradeep and/or Kandla	TBC	23	$350	July	*TBC*
TBC	Muntajat/Qatar	15	l-t contract	July	*Almarona*
East Coast		**83**			
PPL/Paradeep	CIFC-Raintrade/ex-Iran	10	n/a	7 July	*Gas Line*
PPL/Paradeep	Dreymoor/ex-Black Sea	12	Mid-$340s w120d	2-half July	*Gaschem Stade*
CIL/Kakinada & Vizag	CIFC-Raintrade/ex-Iran	13	n/a	1-half July	*Gas Line*
CIL/TBC	Dreymoor/ex-Black Sea	11	n/a	2-half July	*Gaschem Stade*
CIL/TBC	Muntajat/Qatar	12	l-t contract	1-half July	*Gas Columbia*
Iffco/Paradeep	Ameropa/ex-Black Sea	25	n/a	End July	*TBC (Clipper Odin?)*

The latest provisional FAI figures show **DAP/DAP lite production** was, at 446,700 t up by around 131,000 t or 41.54% from the much decreased monthly output of 315,710 t in April and also significantly higher year-on-year compared to just around 280,240 t in May 2015. The m-o-m increase was due to some phosphate manufacturers having their plants into annual turnarounds during April. The total DAP output during January-May 2016 reached just slightly over 2 million t, posting an increase of around 565,000 t or 39.3% y-o-y from the 1.44 million t produced during the corresponding time period of 2015.

Provisional FAI figures show that **NP/NPK output** in May was, after an extremely low production figure of 362,800 t in April, back up to 660,600 t, the highest monthly production figure since December 2015. The huge m-o-m increase was once again caused by annual turnarounds at the major NPKs manufacturers taking place in April. This brought the total NP/NPK output for January-May to 2.88 million t, down by 124,000 t or 4.1% y-o-y from around 3 million t in the first five months of 2015.

INDONESIA: The **CJ** tender last Thursday for 6,000 t to arrive mid-August was awarded to **Petrokimia Gresik** at a price reported to be below $360 cfr.

SOUTH KOREA: **LFC** is due to receive 16,000 t from Trammo on the *Bunga Kemboja*, now loading in Bontang, Indonesia and then will receive another 13,000 t from Trammo on the *SCF Tobolsk*, currently heading for Bontang.

The *Al Barrah* is on her way to Ulsan for Sabic's delivery to LFC with an estimated arrival date of 16 July.

In August, LFC is due to receive 22,000 t from Koch, another 10,000 t from Trammo, 5,000 t from Mitsui and at the end of the month a full cargo from Mitsubishi.

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

Buyer/Location	Supplier	'000 t	Discharge	Vessel
MAY		**89.4**		
JUNE		**86.5**		
Namhae/Yosu	Yara/ex-Malaysia	16.5	5-8 June	*Bunga Kemboja*
Namhae/Yosu	Yara/ex-Australia	10	10 June	*Nordic River*
LFC*/Ulsan	Sabic/S. Arabia	23	3 June	*Al Barrah*
LFC*/Ulsan	Trammo/ex-Indonesia	15	22-23 June	*SCF Tobolsk*
LFC*/Ulsan	Mitsui/ex-Indonesia	15	23 June	*Gaz Serenity*
Hanwha/Incheon	Mitsui/ex-Indonesia	7?	22-23 June	*Gaz Millennium*
JULY		**77**		
Namhae/Yosu	Yara/ex-Australia	25	2 July	*Nordic River*
LFC*/Ulsan	Trammo/ex-Indonesia	16	Early July	*Bunga Kemboja*
LFC*/Ulsan	Trammo/ex-Indonesia	13	1-half July	*SCF Tobolsk*
LFC*/Ulsan	Sabic/S. Arabia	23	16 July	*Al Barrah*
AUGUST		**53**		
LFC*/Ulsan	Koch/ex-TBC	22	Early August	*Clipper Orion*
LFC*/Ulsan	Trammo/ex-TBC	10	1-half August	*TBC*
LFC*/Ulsan	Mitsui/ex-TBC	5	August	*TBC*
LFC*/Ulsan	Mitsubishi/Malaysia	16	End August	*TBC*

* Lotte Fine Chemical

TAIWAN: **CPDC** has restarted the line at Toufen and overall caprolactam production is currently running at about 80% of capacity, with acrylonitrile capacity close to 100%.

THAILAND: According to customs' data, monthly ammonia imports into Thailand were, at 29,747 t in May, down by 5,676 t or around 16% m-o-m from the 35,423 t which arrived during April. (Source: GTIS/Thai Customs)

Ube Thailand is operating at close to 100% of capacity and is looking to buy 8-10,000 t spot cargo for August-September arrival.

NORTH AMERICA

UNITED STATES: In the domestic market for direct ammonia application, light volume of ammonia is moving to corn sidedress in the central and south Minnesota. Several major distributors are now offering fall fill ammonia in central Illinois $385. Demand for summer fill to dealers in east Kansas and west Missouri was light.

LATIN AMERICA

BRAZIL: Monthly ammonia imports into Brazil in May were, at 26,700 t, down by 7,586 t or 22.1% m-o-m from the April arrivals of 34,286 t. This brought total imports during January-May to 145,687 t, a marginal increase of 2,158 t or 1.5% y-o-y from 143,529 t imported during the first five months of 2015. Ammonia imports to Brazil this year were sourced entirely from Trinidad. (Source: GTIS/SECEX – Foreign Trade Secretariat)

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

Vessel name	Supplier	'000 t	Origin	Discharge date/ Estimated arrival
MAY		**15.4**		
JUNE		**31.4**		
Almajedah	Yara	15.4	Trinidad	6-7 June
Marola	Yara	16	Trinidad	26-27 June
JULY		**15**		
Navigator Galaxy	Yara	15	Trinidad	3 July

CHILE: Trammo's vessel, the *Brussels* which loaded part cargo of around 15,000 t in Brazil around 23-25 June, is now expected to top up around 8,000 t in Trinidad before heading over with delivery to Chile.

COMPANY NEWS

UNITED STATES: LSB Industries Inc on 27 June announced that the agreement between Nibe Industrier AB and LSB on the sale and transfer of LSB's Climate Control Business to NIBE has been cleared by the US Federal Trade Commission in accordance with the US Hart-Scott-Rodino Antitrust Improvements Act. Closing of the transaction, which includes 100 % of the shares of the Climate Control Business, is estimated to take place during the first week of July.

The spin-off of the Climate Control Business shows the focus of LSB to focus on nitrogen fertilizer production. In the fertilizer space, the company's product range covered UAN, AN both fertilizer and industrial grade, ammonia and the so-called blends and special chemicals, which essentially are customs blends of purchased DAP and potash.

PERSONNEL ANNOUNCEMENTS

UNITED STATES: CF Industries has announced that Brett Nightingale is taking on a new role as Vice President of Sales.

In his new role, Brett will lead and develop the sales force in North America. He will also work collaboratively with the vice presidents of product management to develop and implement sales strategies and programs to support the growth of new and existing business on a company-wide basis.

CF is in the process of identifying a successor for Brett's current role as Vice President, Product Management – Ammonia. In the meantime, Brett will retain those responsibilities.

NATURAL GAS/COAL

QUICK GLANCE (change from last week)

Henry Hub (day ahead): $2.86 (up) TTF: €14.32 (down) Brent: $50.61 (up)

WEST EUROPE: The NBP day-ahead price closed at 34.65 p/therm on 29 June up from 33.55 p/therm on 22 June. A price of 34.65 p/therm equates to \$4.61/mmBtu at the £/\$ exchange rate of 1:1.33078 from 29 June. While prices in £-terms are firmer on the week, changes in the £/\$ exchange rate (1:1.46844 on 22 June) have caused a drop in the price in \$/mmBtu-terms.

The July 2016 contract on ICE natural gas futures for the NBP closed at 33.76 p/therm on 29 June down from 34.07 p/therm on 22 June. The average 6-month forward strip (Jul-Dec 2016) is 38.65 p/therm, which equates to \$5.14/mmBtu at the £/\$ exchange rate of 1:1.33078 from 29 June.

The Dutch TTF day-ahead price closed at €14.32/MWh on 29 June down from €15.29/MWh on 22 June, 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 €14.32/MWh equates to \$4.64/mmBtu at the exchange rate of €/\$ 1:1.10534 on 29 June. In June so far, the TTF day-ahead average is estimated at \$4.77/mmBtu, which compares with \$4.33/mmBtu in May and \$4.01/mmBtu in April. The March average was \$3.99/mmBtu, down from February at \$4.02/mmBtu and January at \$4.38/mmBtu.

The average six-month ICE futures price for TTF for Jul-Dec 2016 is €15.60/MWh on 29 June, and equating to \$5.05/mmBtu using the €/\$ exchange rate of 1:1.10534 from 29 June.

Crude – The Brent crude oil contract for August 2016 settled at \$50.61/bbl on 29 June up from \$\$49.88/bbl on 22 June. The average price for the 3-month strip (Aug-Oct 2016) is \$51.24/bbl against \$50.50/bbl a week before, while the 12-month average (Aug 2016-Aug 2017) is \$53.21/bbl compared with \$52.12/bbl.

In its June Short-term Energy Outlook (STEO), the EIA is forecasting Brent crude oil prices to average \$43/bbl in 2016 (up \$2 from the May report) and \$52/bbl in 2017 (up \$11 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 September 2016 delivery that were traded during the five-day period ending June 2 averaged \$50/b, and implied volatility averaged 35%. These levels established the lower and upper limits of the 95% confidence interval for the market's expectations of monthly average WTI prices in September 2016 at \$36/b and \$69/b, respectively. The 95% confidence interval for market expectations widens over time, with lower and upper limits of \$31/b and \$83/b for prices in December 2016", the report reads.

CHINA: Thermal coal prices at Qinhuangdao for the 5,500kcal grade remain flat this week at Rmb395-405/t (around \$60.15/t). The average price in June is estimated at Rmb398/t (\$60.34/t) compared with a May average of Rmb390/t (\$59.78/t) which was flat, at least in Rmb-terms, against the April average of Rmb390/t (\$60.22/t). The March average was Rmb389/t (\$59.72/t). The June average compares with Rmb415/t (\$67.66/t) in the same month last year.

INDIA: India fertilizer producer FACT is looking to take advantage of lower LNG prices in the 2016/17 financial year and boost product output by two-thirds to roughly a million t, press reports cited FACT Chairman Jaiveer Srivastava as saying.

Since 2014, Asian LNG prices have dropped considerably, mainly on the back of lower crude oil prices as well as a supply glut. The lower LNG prices reduce the cost to produce ammonia and hence the cost of downstream fertilizer products.

FACT had not been importing LNG for over a year before resuming imports in April 2016, with the most recent prices reported to have been around \$7.79/mmBtu. The company is looking to purchase more LNG, at even lower prices, in the future through tenders, one of which has been launched on 24 June.

India's Petronet LNG owns and operates an import terminal at Kochi, which has been suffering from low utilization in the past. The company's Head of Finance, R.K. Garg, said that capacity utilization in 2015 was at a mere 2%, but with more imports from FACT and potentially others it could rise to 5-6% in 2016.

JAPAN: LNG imports into Japan dropped around 13.5% m-o-m and 4% y-o-y in May to 5.5 million t, marking the lowest monthly volume since October 2010, data published by the Ministry of Finance on 29 June showed. Australia, Malaysia and Indonesia were the top three suppliers in the month under review. Japan's LNG imports have been declining, in response to the reopening of some nuclear capacity, and increased coal-fired power generation.

AUSTRALIA: The Newcastle market for Q3 2016 is \$56.35/t down from \$57.30/t last week; Q4 2016 is \$58.35/t down from \$58.95/t; 2017 is \$57.80/t down from \$59.85/t; 2018 is \$58.35/t against \$60.00/t last week; and 2019 is \$58.10/t.

UNITED STATES: The Henry Hub day-ahead price closed at \$2.86/mmBtu on 29 June up from a price of \$2.82/mmBtu on 22 June.

In June so far, the Henry Hub has averaged $2.50/mmBtu, against a May average of $1.92/mmBtu, and against April at $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 August 2016 contract settled at $2.863/mmBtu on 29 June up from the $2.711/mmBtu on 22 June. The average for the next three months –Aug-Oct 2016 – is $2.872/mmBtu, while the average for the next 12 calendar months (Aug 2016-Aug 2017) is $3.092/mmBtu against $2.983/mmBtu.

The EIA Weekly Natural Gas Storage Report for the week ending 17 June showed a net injection of working gas stocks into underground storage of 62 bcf. The net injection compares with a median expectation of market analysts of a net injection of 60 bcf. It further compares with the year-ago injection of 77 bcf and the five-year-average injection of 88 bcf. Natural gas stocks on 17 June were 3,103 bcf, which is 597 bcf (24%) *above* a year ago and 678 bcf (28%) *above* the five-year average.

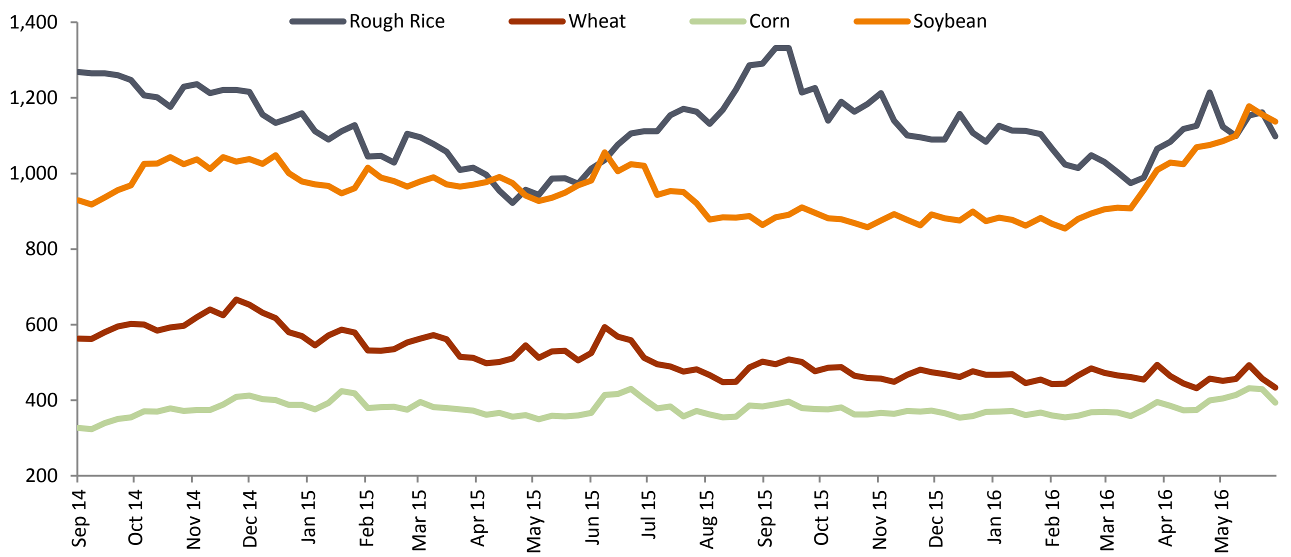
In its June Short-term Energy Outlook (STEO), EIA expects the Henry Hub natural gas spot price to average $2.22/mmBtu in 2016 (down from $2.25/mmBtu in the May report) and $2.96/mmBtu in 2017 (down from $3.02/mmBtu in the prior report), having averaged $2.63/mmBtu in 2015.

Regarding the WTI, the CME August 2016 contract closed at $49.88/bbl on 29 June up from $49.13/bbl on 22 June. The forward 3-month strip (Aug-Oct 2016) is $50.54/bbl against $49.73/bbl last week, while the 12-month forward average (Aug 2016-Aug 2017) is $52.51/bbl compared with $51.35/bbl.

US coal – The CAPP August 2016 contract closed at $39.50/ston on 29 June flat on the week. The 3-month forward strip (Aug-Oct 2016) is $39.63/ston, while the Aug-Dec 2016 forward average is $39.73/ston.

AGRICULTURE

WEEKLY CBOT CROP PRICES (¢/BU)



CROP FUTURES

CME CROP PRICES (cents/bushel)					
Product	July 2016	Weekly Change	September 2016	December 2016	June 2015
Corn	372.6	-20.4	377.6	383.0	366.4
Wheat	400.0	-33.0	419.5	445.4	524.4
Soybean	1,144.4	+7.0	1,123.0	1,112.4	981.6
Rough Rice	1,064.5	-34.0	1,090.0	1,118.5	1,012.5

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

CORN:	WHEAT:
Favourable crop conditions in the US pressured the market. The market is likely to continue to notch lower into next week, as favourable crop-conditions add pressure.	Wheat closed weaker on this week, pressured by the expectation for ample stocks to be reflected in Thursday's report. Harvest pressure was also a feature.
SOYBEAN:	**RICE:**
Traders expect an increase in seeded area to be reflected in the upcoming USDA report. The Soybean area had been pegged at 82.2 million acres in a March.	Despite a 6.1% decrease in projected paddy output from Vietnam's winter-spring rice crop, CBOT prices came under pressure from spill over from other crops.

REGIONAL MARKETS

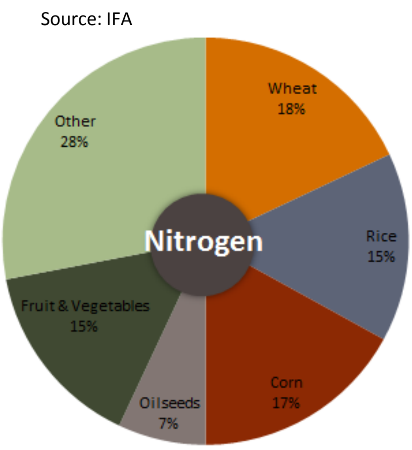
VIETNAM: Paddy output from Vietnam's winter-spring rice crop is projected to fall 6.1% from last year to 19.43 million t due to dry weather, the agriculture ministry revealed this week. The southern region has harvested 12.19 million t from the crop, down around 9%, following damage by the worst drought in 90 years, the ministry said in its monthly report. The winter-spring crop provides Vietnam's best quality grain, mostly used for export.

Rice exports from Vietnam, which ranks behind India and Thailand, are forecast at 5.7 million t this year, down 13.2% from 2015, a government report said last Friday. The forecast would be the lowest since 2008, based on government data.

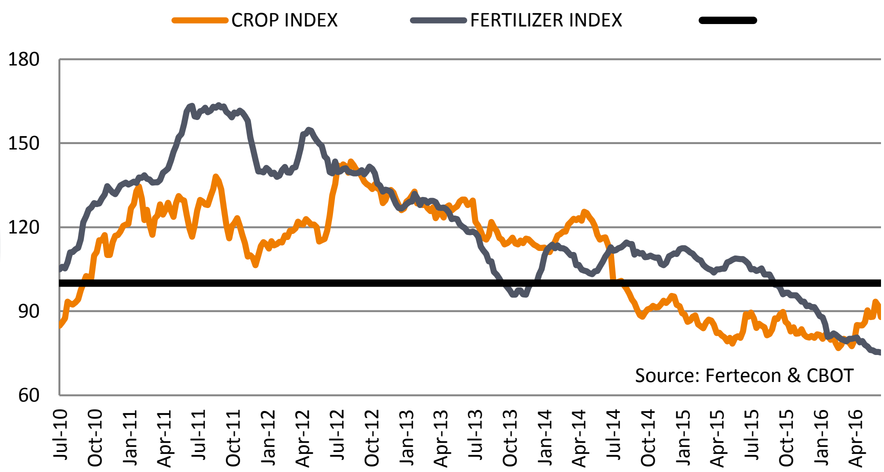
ARGENTINA: Argentina increased its 2015/16 soybean crop estimate to 58 million t from a previous forecast of 57.6 million t, citing a faster-than-expected recovery of areas thought to have been lost to floods caused by unusually hard April rains.

It said 93% of planted area had been harvested as of last week compared with 99% at the same point in the previous season. The pace of harvesting sped up in the first half of this month after slowing to a crawl due to flooding in Cordoba and Santa Fe earlier in the season, the report said.

NITOGEN USE BY CROP

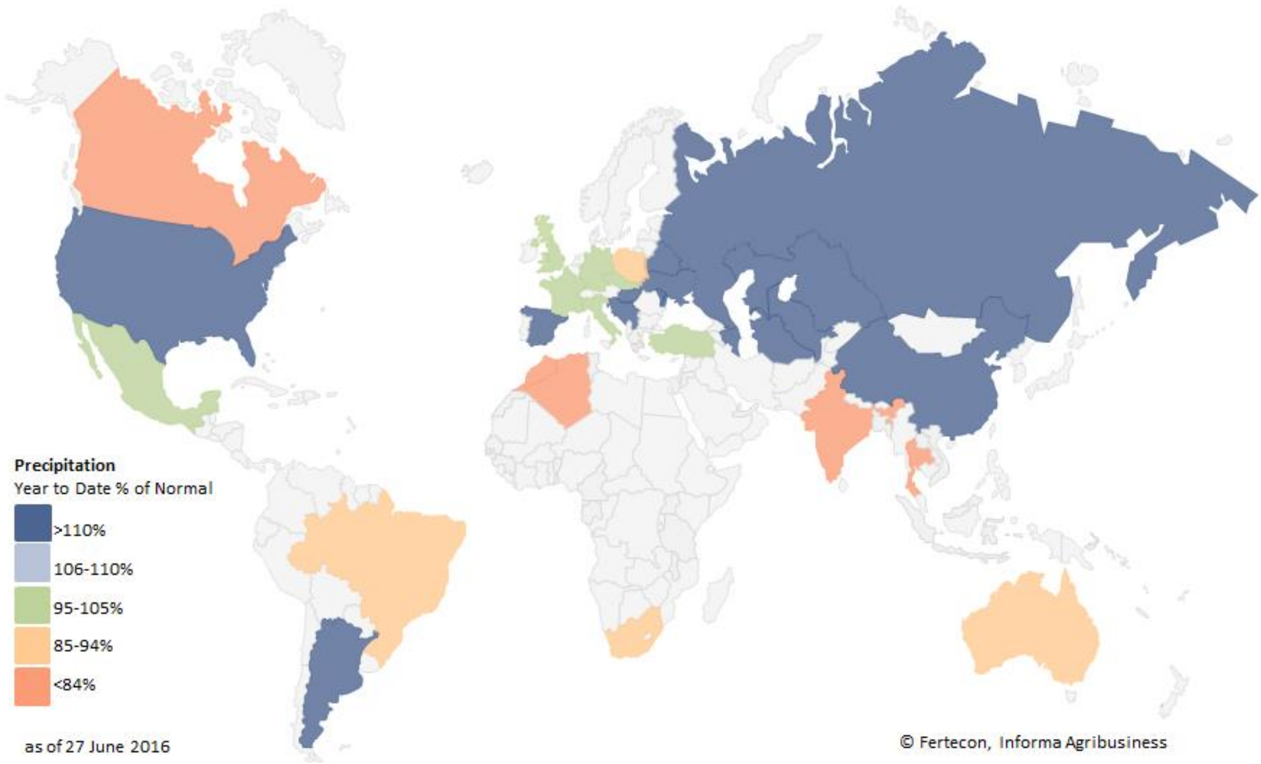


FERTECON FERTILIZER & CROP INDICES



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



AMMONIA REPORT is prepared by **Marta Jamrozy** Phone: **+44 20 7551 9798** Email: **info@fertecon.com**

FERTECON AMMONIA REPORT is published weekly by:
FERTECON, Agribusiness Intelligence, Informa UK Ltd., Christchurch Court, 10-15 Newgate Street, London, EC1A 7AZ, UK.

Subscriptions Enquiries: Phone: **+44 20 7551 9664** Email: subscriptions@informa.com

Client Services:
EMEA Phone: +44 20 701 76242 (open from 9AM to 5PM GMT)
APAC Phone: +61 287 056 966 (open from 9AM to 5PM AEST)
NORTH AMERICA & LATAM Phone: +1 212 652 5322 (open 9AM to 5PM EDT)
Email: clientservices@fertecon.com