Ammonia Report

Weekly review of the ammonia market

Fertecon

Agribusiness intelligence | informa

23 June 2016

- Yara and Mosaic settle the contract price for July deliveries into Tampa at $285 cfr, $30 down from June
- Mosaic reportedly buys 25,000 t spot cargo for July delivery into Tampa at a similar price level
- Trammo buys another cargo of Black Sea ammonia for July loading at around $285 fob
- CJ tenders for 6,000 t delivery to Gresik/Indonesia in the third week of July

OUTLOOK

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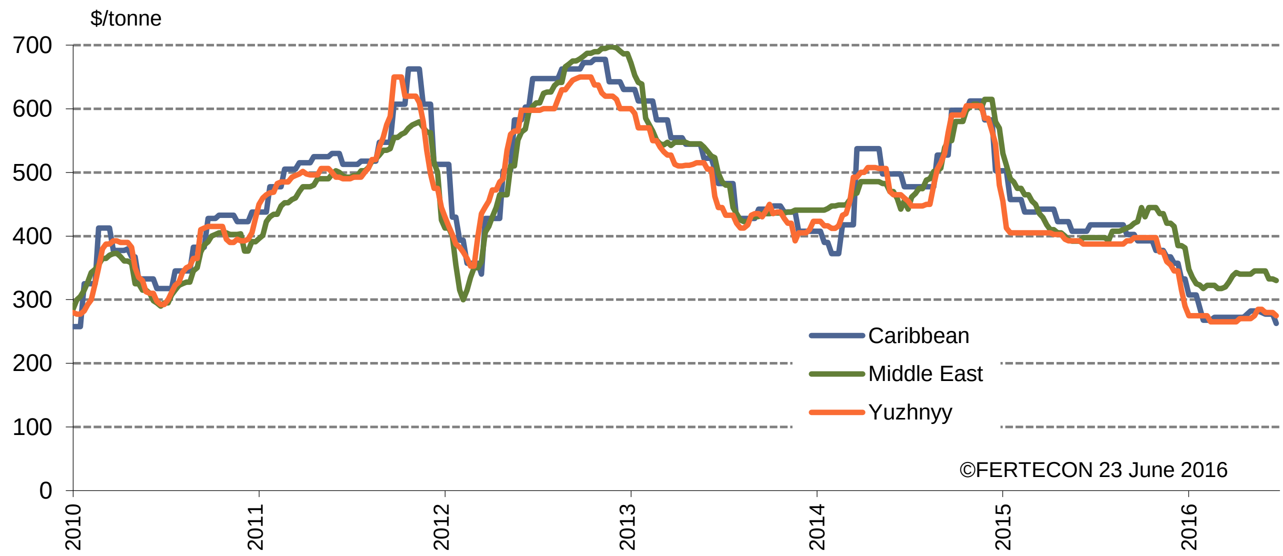
KEY PRICES

	23 June	16 June	9 June
Yuzhnyy fob $/t	265-285*	270-290*	270-290*
Middle East fob $/t	320-340*	320-345*	320-345*
Tampa/US Gulf cfr $/t	285-320**	315-320	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$

	23 June	16 June	9 June
Fob prices			
Caribbean	245-280**	275-280	275-280
Middle East	320-340*	320-345*	320-345*
Of which:			
- Netbacks on contract/formula-priced sales	320-340*	320-345*	320-345*
- Spot fob	n.m.	n.m.	n.m.
Yuzhnyy/FSU fob	265-285*	270-290*	270-290*
Baltic/FSU	275-295*	280-300*	280-300*
Southeast Asia	315-330	320-330	325-335
Delivered prices			
NW Europe (duty paid/duty free) *	343-369	349-375	349-375
NW Europe (duty unpaid) *	325-350	330-355	330-355
Far East	352-385	352-385	352-390
India	360-380	360-380	360-380
US Gulf/Tampa	285-320**	315-320	315-320
- Tampa	285-315**	315	315
- US Gulf (MS, LA, TX)	290-320**	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 this week, the main news and the largest price drop being the announcement of the Tampa price settlement between Yara and Mosaic for contract deliveries in July, which has been agreed at $285 cfr, $30 down from the $315 cfr in June. Earlier in the week Mosaic is understood to have purchased a spot cargo of ammonia for delivery into Tampa in July at a similar price. The price drop is being attributed to the winding down of the direct application season in the **United States** and pressure on the back of the new ammonia supply coming on stream in Russia and US.

There are reports of prices also coming under pressure in the **Black Sea** with a mix of the latest netbacks on contract deliveries and known spot deals forming a $265-285 fob range with a $5/t decrease on both low and high ends of the range compared to last week's indication. There has been no new known spot business concluded in the **Baltic** and prices are nominally assessed based on the developments in Yuzhnyy.

On the supply side, exports of **Algerian** ammonia are still limited with continuous export licencing issues at Fertial and the ammonia plant heard to be still down at Sorfert due to technical issues. The Middle East market has been relatively quiet with virtually no spot availability in June and now the Ramadan observance is underway.

Prices are stable for the time being in **India** and the **Far East** and demand is reasonably good but buyers are heard to be pressing for lower levels when discussing forward commitments. CJ tendered for ammonia for 3rd week July delivery to Gresik/Indonesia today but the outcome has not been announced yet. The Trammo-Philphos deal, which was reported under discussion last week is understood not to be concluded yet.

The short-term outlook for ammonia prices is assessed as softer.

SUPPLIERS

FSU

BLACK SEA: There are reports of prices coming under pressure in the Black Sea with netbacks on some business reported to have now slid below the $270 fob level reported last week. In terms of the spot activity, it is heard that there have been some conclusions for July lifting of Rossosh ammonia via a new marketing channel as previously reported. A part cargo of DniproAzot tonnes is also heard to have been sold and both were concluded at undisclosed price levels.

Moreover, it is now known that last week Trammo purchased another cargo of OPZ ammonia at around $285 fob for July lifting. The cargo will be loaded on the *Marycam Swan*, most likely for delivery to Turkey and Israel.

In the light of the above mentioned developments FERTECON's current assessment of the Black Sea fob level is $265-285 fob.

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		**289.1**		
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 (TBC)	20-22 June
Gas Grouper	Ameropa	23.4	Tunisia (Gabes)	Arrived 14 June, waiting to load 23-25 June
Gas Cobia	Ameropa	23.4	Morocco (Jorf Lasfar)	Arrived 18 June,

				waiting to load
Gas Snapper	Ameropa	23.5	TBC	Arrived 23 June, waiting to load
Marycam Swan	Trammo	6	Turkey (TBC) & Israel (Haifa)	27 June
Cambridge	OCP/TBC	23	Morocco (Jorf Lasfar)	29 June
JULY		**40**		
Clipper Odin	Ameropa	25	India (Paradeep)	Early July
Marycam Swan	Trammo	15	Turkey (TBC) & Israel (Haifa)	10 July

BALTIC: **Uralchem** is understood to have very limited spot availability and is not in the market at the moment. This is due to the previously reported rolling turnarounds at its plants during the summer months.

The Baltic fob price range is nominally adjusted using a $10 freight differential and following price developments in Yuzhnyy this week.

The first volume from the new **Acron** ammonia plant was shipped from Sillamäe on Yara's vessel, the *Temse* and on OCI's vessel, the *Wilhelm Schulte*.

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

Vessel	Trader	'000 t	Destination	Load date
MAY		**39**		
JUNE		**92.4**		
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	TBC	23 June (Ventspils)
Gas Manta	Ameropa	23.4	TBC	30 June (Sillamäe)

EUROPE

UNITED KINGDOM: Yara loaded 8,000 t on the *Temse* in Hull on 20-21 June for delivery to France.

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

CARIBBEAN

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

Vessel	'000 t	Destination	Load date
MAY	**469.9**		
JUNE	**264.8**		
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 (incl Beaumont)	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 Orion	40	TBC	2-half June

AFRICA

ALGERIA: The **Sorfert** ammonia plant is understood to still be down.

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		**89.3**			
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	19-20 June
Navigator Grace	Sorfert	7.5	Morocco (Jorf Lasfar)	Arzew	21 June
Queen Isabella	Fertial	7	TBC	Arzew	Arrived 20 June, waiting to load

MIDDLE EAST

IRAN: The *Gas Line* is expected to load around 23,000 t ammonia from **BIK** soon for CIFC/Raintrade's delivery to east coast India with plans to discharge ammonia for PPL and CIL during the first week of July.

The Everrich 6 has arrived at **Bandar Assaluyeh** for loading.

OMAN: In July Trammo will load 23,000 t from Sur most likely on the *Sylvie*.

QATAR: **Muntajat** vessel, the *Gas Columbia* will load in Mesaieed around 26-28 June for contract delivery to India.

SAUDI ARABIA: **Sabic**'s vessel, the *Rose Gas* has arrived at Al Jubail around 17 June and is waiting to load a cargo for India. It is believed that the vessel will deliver around 15,000 t ammonia to GSFC at Sikka and around 5-6,000 t to Deepak Fertilizers at the JNPT terminal in Mumbai during the first week of July.

The latest Middle East line-up is tabulated below.

Vessel	**Supplier/Origin**	**'000 t**	**Destination**	**Price $/t**	**Load date**
MAY		**211.7**			
JUNE		**203.6-204.6**			
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)	23	China (Caojing)	n/a	5-6 June – Qatar

	& S.A. (Jubail - 15)				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)	20-21	WC India: GSFC/Sikka (15) & Deepak Fert/JNPT-Mumbai (5-6)	n/a	Arrived 17 June, waiting to load
Everrich 6	Transagri/ex-Iran (Assaluyeh)	5.7	TBC	n/a	23 June
Al Barrah	Sabic/S.A. (Jubail)	23	TBC	n/a	24 June
Gas Columbia	Muntajat/Qatar	23	EC India	l-t contract	26-28 June
JULY		**23**			
Sylvie	Trammo/ex-Oman (Sur)	23	TBC	n/a	July

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

ASIA/OCEANIA

AUSTRALIA: The *Nordic River* left the berth late yesterday night, 22 June, and sailed early this morning for Yosu, South Korea with an eta 2 July.

The *Viking River*, which left Dampier on 18 June for Kwinana is due back to reload in Dampier on 25 June.

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	Taiwan(Mai-Liao)/Yara	25 June (Dampier)

BANGLADESH: Trammo's vessel, the *Sylvie* is expected to arrive at Chittagong on 26 June to load 9,000 t ammonia from the **Kafco** plant purchased via Marubeni. The latter has an ammonia offtake agreement from the plant.

INDONESIA: The ammonia vessel line-up for June so far is tabulated below.

INDONESIA: 2016 AMMONIA EXPORT SHIPMENTS			
Vessel	**'000 t**	**Destination/Supplier**	**Load Date/Port**
MAY	**154.1**		
JUNE	**78.3**		
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 (under swap)	End June (Bontang)

MALAYSIA: The *Bunga Kemboja* is now in Ma Ta Phut, Thailand discharging for NFC. After this the vessel will sail to Bontang to load for delivery to South Korea as part of a swap.

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: Ameropa will deliver a Black Sea ammonia cargo on the Solaro for **OCP** to Jorf Lasfar tomorrow, 24 June.

The latest line-up for ammonia deliveries into Morocco:

MOROCCO: KNOWN 2016 AMMONIA IMPORTS			
Vessel	**'000 t**	**Supplier/Origin**	**Discharge**
MAY	**95.4**		
JUNE	**92.8**		
Brussels	23	Trammo/ex-Baltic	12-13 June
Gaschem Stade	23	Trammo/ex-Trinidad	18-20 June
Solaro	23.4	Ameropa/Yuzhnyy	24 June
Gas Cobia	23.4	Ameropa/Yuzhnyy	End June
JULY	**23**		
Cambridge	23	OCP/ex-Yuzhnyy	July

TUNISIA: Ameropa's vessel, the *Gas Grouper*, which is expected to load in Yuzhnyy in the next couple of days, will deliver 23,400 t to Gabes at the end of the month.

The latest known ammonia deliveries into Gabes:

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

EUROPE

BELGIUM: 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	**72.2**		
Gas Cobia	23.4	Ameropa/Black Sea	7 June
Sombeke	25.4	PCS/Trinidad	18 June

Gas Manta	23.4	Ameropa/Black Sea	26 June

ASIA/OCEANIA

CHINA: Ammonia imports in May were just short of 19,000 t, including 10,000 t shown coming from Bangladesh (Source: GTIS/ China Customs)

INDIA: West Coast – Sabic's vessel, the *Rose Gas* will deliver around 15,000 t ammonia to **GSFC** at Sikka and around 5-6,000 t to **Deepak Fertilizers** at the JNPT terminal in Mumbai during the first week of July.

East Coast – The *Gas Line* is expected to load around 23,000 t ammonia from Iran for CIFC/Raintrade's delivery to east coast India with plans to discharge ammonia for **PPL** and **CIL** during the first week of July.

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		**171.8**			
West Coast		**82.9**			
Iffco/Kandla	Fertrade-Ameropa/ ex-Black Sea	25.4	n/a	16 June	*Clipper Odin*
Iffco/Kandla	Trammo/ex-Trinidad	7.5	Mid/high $360s	End June	*Sanko Independence*
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*
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*
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		**143-144**			
West Coast		**63**			
Iffco/Kandla	Ameropa/ex-Black Sea	40	n/a	1-half July	*Clipper Mars*
GSFC/Sikka	Sabic/S. Arabia	15	n/a	1-week of July	*Rose Gas*
Deepak Fertilisers/ JNPT-Mumbai	Sabic/S. Arabia	5-6	n/a	1-week of July	*Rose Gas*
Deepak Fertilisers/	Trammo/ex-Bangladesh	8	n/a	Mid-July	*Sylvie*

JNPT-Mumbai					
West and/or East Coast		**15**			
TBC	Muntajat/Qatar	15	l-t contract	July	*Almarona*
East Coast		**60**			
PPL/Paradeep & CIL/TBC	CIFC-Raintrade/ex-Iran	23	n/a	1-week of July	*Gas Line*
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?)*

It is reported that **Iffco** has agreed \$600 P_2O_5 cfr including 30 days' credit with a regular phosphoric acid supplier for April-September shipments. This is a reduction of \$115 P_2O_5 on the \$715 P_2O_5 cfr with 30 days' credit finalised for Q1. It should be noted that the Q2 contract price between OCP and other suppliers and regular Indian customers has not yet been finalised and there is talk that if the price is not agreed soon, Moroccan phosphoric acid shipments from 1 July may be suspended.

INDONESIA: **CJ** tendered today for 6,000 t of ammonia for delivery to Gresik in the third week of July. The outcome of the tender is pending announcement.

PHILIPPINES: The deal between **Philphos** and Trammo for 5-6,000 t of ammonia reported last week, to help with a limited re-start of production at the Isabel plant, is not yet thought to have been concluded yet.

SOUTH KOREA: Yara's vessel, the *Nordic River* is expected to deliver Australian ammonia into Yosu around 2 July for **Namhae**.

This week **LFC** reports that the latest settlement of their delivered contract price is in the range of \$363-368 cfr.

The second caprolactam plant at **Capro Corp**, which has recently restarted, is reportedly running well.

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

Buyer/Location	Supplier	'000 t	Discharge	Vessel
MAY		**89.4**		
JUNE		**102.5**		
Namhae/Yosu	Yara/ex-Malaysia	16.5	5 June	*Bunga Kemboja*
Namhae/Yosu	Yara/ex-Australia	10	10 June	*Nordic River*
Namhae/Yosu	Mitsubishi/Malaysia	16	End June	*Bunga Kemboja*
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		**63**		
Namhae/Yosu	Yara/ex-Australia	25	2 July	*Nordic River*
LFC*/Ulsan	Trammo/ex-Indonesia	13	July	*TBC*
LFC*/Ulsan	Trammo/ex-Indonesia	25	July	*TBC*
AUGUST		**30-32**		
LFC*/Ulsan	Koch/ex-TBC	20	Early August	*Clipper Orion*
LFC*/Ulsan	Mitsubishi/Malaysia	10-12	Mid-August	*TBC*
* Lotte Fine Chemical (formerly Samsung Fine Chemicals)				

TAIWAN: **TFC** has the *Al Jabirah* arriving on Monday from Sabic and expects that its next delivery from Sabic will be in early August.

NORTH AMERICA

UNITED STATES: Late last night Yara and Mosaic settled the contract price for July deliveries into **Tampa** at $285 cfr, $30 down from the previous settlement of $315 cfr for June. The decline in prices has been attributed to the end of Midwest demand as the spring season winds down and an additional pressure from new production which is coming on-stream in the US Gulf and the Baltic Sea.

Moreover, it is understood that shortly prior to the settlement, Mosaic purchased a 25,000 t spot cargo from a major ammonia supplier for July delivery into Tampa which was reportedly priced at a similar level.

In the **domestic market** for direct ammonia application, demand for ammonia has been light going to corn sidedress in central and south Indiana and central and south Illinois. Moderate volume of ammonia moved to dealer storage in central and east of South Dakota, west Iowa and east and central Nebraska. Demand continued to be light for ammonia moving to corn sidedress in east Colorado and west Kansas. Fall fill tonnes are now on offer at Oklahoma production points in the $305-315 range.

Overall, the spring application season is winding down and many wholesalers and dealers are looking at fall fill programs with some buying taking place.

LATIN AMERICA

BRAZIL: Yara's vessel, the *Marola* will deliver 16,000 t of Trinidad ammonia for Vale around 26-27 June.

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

CHILE: Trammo will deliver 15,000 t of Brazilian ammonia to Chile on the *Brussels* which is expected to load during the next week.

NATURAL GAS/COAL

QUICK GLANCE (change from last week)

Henry Hub (day ahead): $2.78 (up) TTF: €15.29 (up) Brent: $49.88 (up)

WEST EUROPE: The NBP day-ahead price closed at 33.55 p/therm on 22 June up from 33.40 p/therm on 15 June. A price of 33.55 p/therm equates to $4.93/mmBtu at the £/$ exchange rate of 1:1.46844 from 22 June.

The July 2016 contract on ICE natural gas futures for the NBP closed at 34.07 p/therm on 22 June up from 33.75 p/therm on 15 June. The average 6-month forward strip (Jul-Dec 2016) is 38.53 p/therm, which equates to $5.66/mmBtu at the £/$ exchange rate of 1:1.46844 from 22 June.

The Dutch TTF day-ahead price closed at €15.29/MWh on 22 June up from €14.26/MWh on 15 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 €15.29/MWh equates to $5.06/mmBtu at the exchange rate of €/$ 1:1.13056 on 22 June. In June so far, the TTF day-ahead average is estimated at $4.76/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 €16.42/MWh on 22 June, and equating to $5.44/mmBtu using the €/$ exchange rate of 1:1.13056 from 22 June.

Crude – The Brent crude oil contract for August 2016 settled at $49.88/bbl on 22 June up from $48.97/bbl on 15 June. The average price for the 3-month strip (Aug-Oct 2016) is $50.50/bbl against $49.46/bbl a week before, while the 12-month average (Aug 2016-Aug 2017) is $52.12/bbl compared with $51.68/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.

UKRAINE: In the first four months of 2016, Ukraine imported 2.89 bcm of natural gas worth around $564 million, data from the State Statistics Service showed.

In April alone, imports amounted to 0.24 bcm worth $42.4 million, giving a rough average price of $177.60/thousand cubic metres (approximately $5.00/mmBtu). The compares with a March price of $187.60/thousand cubic metres ($5.28/mmBtu).

EUROPE / RUSSIA: On 16 June, Gazprom and Shell signed a MoU on the construction of an LNG plant on the Russian coast of the Baltic Sea. Under the MoU, the companies will look into possibilities of building the LNG plant in the port of Ust-Luga with an annual capacity of 10 million t. Gazprom and Shell are already partners in Russia's only LNG plant on the Pacific island of Sakhalin which has a capacity of 10 million t/y.

RUSSIA / INDIA / CHINA: The Russian government is reportedly considering selling a 19.5% stake in oil company Rosneft to China and India, according to press reports that cited unnamed sources.

The deal could reportedly be worth $11 billion, which would set a record in privatisation for Russia. BP of Great Britain has previously acquired 19.75% of Rosneft back in 2013.

While China and India have both reportedly expressed interest in Rosneft neither confirmed whether a joint deal was being considered. People familiar with the matter said that Moscow would prefer a joint deal with the two nations.

Last week, a consortium of Indian companies, including ONGC, signed an agreement to buy a 23.9% stake in Vankor oil field from Rosneft for about $2.1 billion. The Vankor oil field is located in East Siberia and is the country’s second largest field based on production. The estimated oil reserves at the field are 520 million t.

CHINA: Thermal coal prices at Qinhuangdao for the 5,500kcal grade remain flat again this week at Rmb395-405/t (around $60.75/t). The average price in June so far is estimated at Rmb397.50/t ($60.39/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 m-t-d June average compares with Rmb415/t ($67.66/t) in the same month last year.

JAPAN: The average price for LNG spot cargoes arriving in Japan in May fell by $1.50 m-o-m to $4.30/mmBtu, Trade Ministry data show. This is the lowest since the ministry started publishing figures about two-and-a-half years ago and compares with $7.60-7.90/mmBtu a year before. The January-May average arrival price for spot cargoes is estimated at $6.34/mmBtu, against roughly $9.60/mmBtu in the same five months a year before.

AUSTRALIA: The Newcastle market for Q3 2016 is $57.30/t up from $53.50/t last week; Q4 2016 is $58.95/t up from $55.20/t; 2017 is $59.85/t up from $56.10/t; 2018 is $60.00/t against $57.05/t last week; and 2019 is $60.20/t.

UNITED STATES: The Henry Hub day-ahead price closed at $2.78/mmBtu on 22 June up from a price of $2.62/mmBtu on 15 June. In June so far, the Henry Hub has averaged $2.47/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 July 2016 contract settled at $2.677/mmBtu on 22 June up from the $2.595/mmBtu on 15 June. The average for the next three months – Jul-Sep 2016 – is $2.704/mmBtu compared with $2.641/mmBtu a week before, while the average for the next 12 calendar months (Jul 2016-Jul 2017) is $2.983/mmBtu against $2.927/mmBtu.

The EIA Weekly Natural Gas Storage Report for the week ending 10 June showed a net injection of working gas stocks into underground storage of 69 bcf. The net injection compares with a median expectation of market analysts of a net injection of 65 bcf. It further compares with the year-ago injection of 96 bcf and the five-year-average injection of 87 bcf. Natural gas stocks on 10 June were 3,041 bcf, which is 608 bcf (25%) *above* a year ago and 704 bcf (30%) *above* the five-year average.

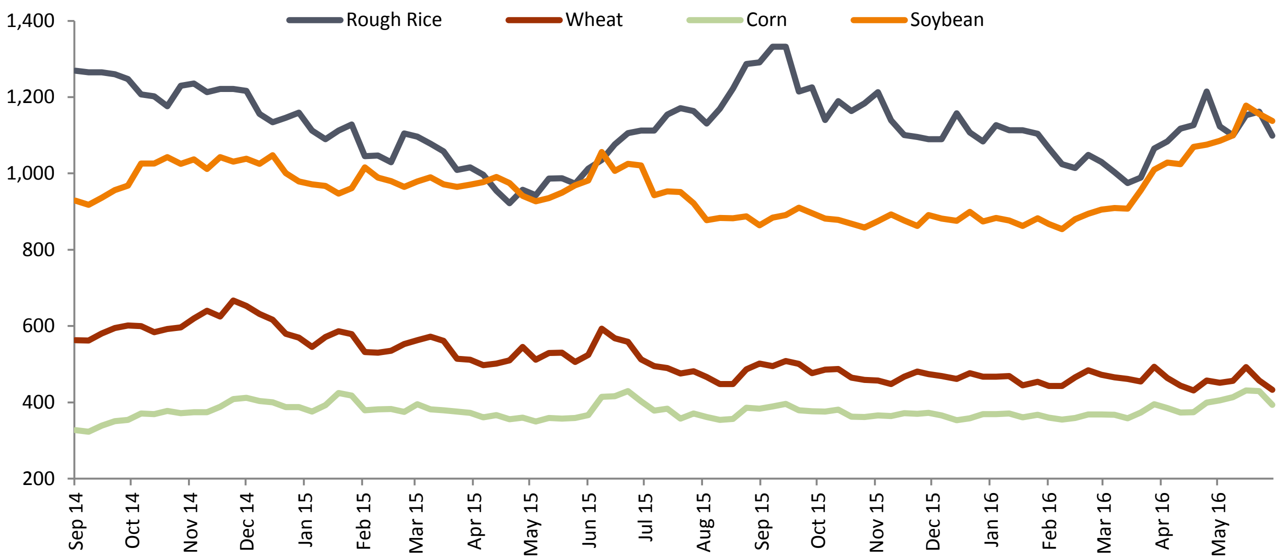
In its June Short-term Energy Outlook (STEO), EIA expects the Henry Hub natural gas spot price to average $2.22/mmBtu in 2016 (down from $2.25/mmBtu in the May report) and $2.96/mmBtu in 2017 (down from $3.02/mmBtu in the prior report), having averaged $2.63/mmBtu in 2015.

Regarding the WTI, the CME August 2016 contract closed at $49.13/bbl on 22 June up from $48.50/bbl on 15 June. The forward 3-month strip (Aug-Oct 2016) is $49.73/bbl, while the 12-month forward average (Aug 2016-Aug 2017) is $51.35/bbl.

US coal – The CAPP July 2016 contract closed at $39.50/ston on 22 June flat from 15 June. The 3-month forward strip (Jul-Sep 2016) is $39.50/ston also flat compared to a week before, while the Jul-Dec 2016 forward average is stable at $39.69/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	393.0	-36.0	398.2	404.0	366.4
Wheat	433.0	-23.6	451.0	476.4	524.4
Soybean	1,137.4	-18.6	1,123.6	1,116.6	981.6
Rough Rice	1,098.5	-63.0	1,123.0	1,150.5	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:
Corn futures plummeted due to fund liquidation as large commercials exited their long positions; Rain in the US calmed fears that the corn crop will be drought-stressed.	The winter wheat harvest has been progressing quicker-than-normal which was bearish while rains across the Midwest this week are expected to help wheat fields.
SOYBEAN:	**RICE:**
Losses due to spill over from corn; also bearish are weather reports for the US Midwest are calling for rain this week which should alleviate concerns over excess dryness	Rice futures corrected downwards after weeks of price firming; this was caused in part by spill over from neighbouring corn and soy markets but also driven by the supply glut in Southeast Asia.

REGIONAL MARKETS

EUROPE: The EU has revised down its forecast for soft **wheat** yield this year due to reduced expectations in leading EU producers France and Germany. The average soft wheat yield in the EU is now expected to 6.07 t/ha, down from 6.11t/ha last month and 6.26 t/ha in 2015 but up from the five-year average of 5.83 t/ha, Mars reports.

In France, the average soft wheat yield is expected to slip to 7.45t/ha in 2016 from 7.92t/ha last year, while German yield should fall to 8.04t/ha from 8.11t/ha (see dashboard below). Central and North-Eastern France and parts of Germany are considered to be areas of concern for crops due to the heavy rains that resulted in flooding in certain areas recently.

RUSSIA: Russian **wheat** export prices dropped last week on continuing expectations of a large crop, amid already ample global supplies and low prices.

If current weather conditions continue to be favourable, Russia stands to harvest 64.5 million tonnes this year, up from 61 million in 2015; the third straight year of a large crop.

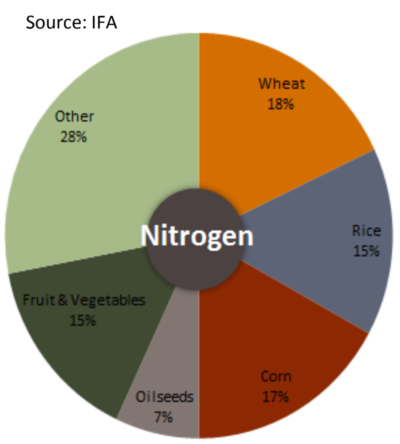
Market concerns surrounding quality of the new wheat crop were triggered after recent rains in Russia. Worrying protein levels as well as reports of fungal disease fusarium in the southern regions of Russia due to excessive moisture have been

Russia has almost completed spring grains sowing. According to the agriculture ministry, farmers have sown 99.3% of their planned area, 30.8 million hectares as of June 17, down from 31 million ha a year ago. Spring wheat was sown on 13.6 million ha, up 3.3% from the originally planned area.

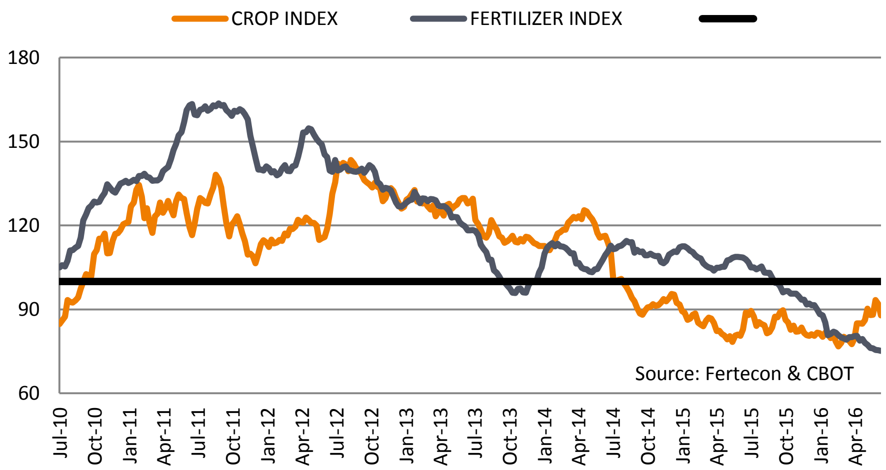
UNITED STATES: **Corn** export values had risen significantly over the last month owing to persistent dryness in the US, however, with wetter weather on its way, this may be a signal for prices to take another tumble. US weather is currently dictating proceedings for prices in both the export and futures market. US corn prices saw futures and cash prices move higher by about USD6/tonne week-on-week at the beginning of the week, following a spate of dry weather.

Chicago corn futures fell to their lowest since June 3 on Tuesday 21 June due to the forecast rain boosting US production outlooks as well as the USDA issuing better than expected weekly crop ratings.

NITROGEN USE BY CROP



FERTECON FERTILIZER & CROP INDICES



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

WEATHER & LAND CONDITIONS

INDIA: According to India's Central Water Commission, the slower than expected progress of the monsoon has meant that water levels in key reservoirs have declined from 26.81 billion m3 on 26 May, to 23.78 billion m3 on 16 June.

There is some hope however for Indian farmers; the most recent reports from India's Meteorological Department indicate that conditions are becoming more favourable and the latest data shows that the monsoon has covered all southern and eastern states, thus accelerating planting of summer crops in those regions.

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

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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