Phosphate Report

Weekly review of the phosphate market

Fertecon
Agribusiness intelligence | informa

16 June 2016

- US DAP and MAP barge prices strengthen
- Lithuanian DAP arrives in NOLA
- More Moroccan and Russian DAP and MAP booked for US
- Brazil pays the mid/high $350s cfr for 200,000 t Moroccan MAP/NPs for July
- Tunisian DAP sold at $350-355 fob for Romania
- Strong Russian and neighbouring NPK/MAP demand adds considerably to PhosAgro's July order books.
- Strike contributes to loading delays at Lazaro Cardenas

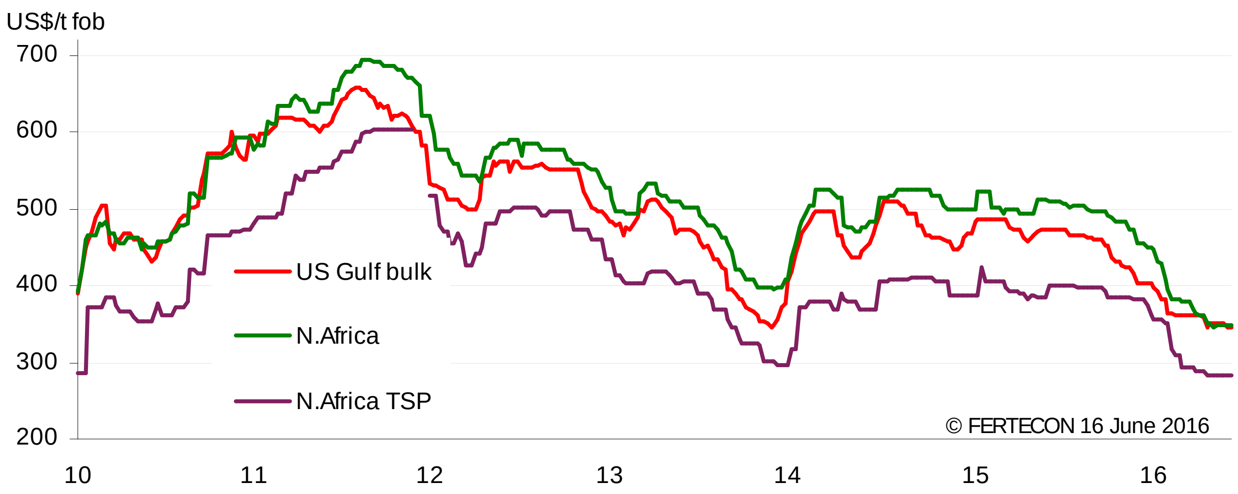
OUTLOOK

Stable

KEY PRICES

	16 Jun	9 Jun	2 Jun
DAP $/t fob US Gulf	346-347	346-347	350
DAP $/t fob North Africa	341-355	341-355	341-355
DAP $/ston fob NOLA	305-312	305-308	305-308

DAP/TSP PRICES



Fertecon's phosphate prices are available to analyse and download immediately after publishing via this link.

PHOSPHATE PRICE INDICATIONS ALL PRICES IN US$

	16 June	9 June	2 June	Notes
DAP				
US Gulf fob bulk	346-347	346-347	350	
Morocco fob bulk	341-355	341-355	341-355	
Tunisia fob bulk	347-355	347-349	347-349	
Jordan fob bulk	336-341	336-341	340-341	
Saudi Arabia fob bulk	343-350	343-350	343-350	
Black Sea fob bulk	n.m.	n.m.	n.m.	
Baltic fob bulk	322-330	322-330	322-330	
Australia fob bulk	335-340	335-340	335-340	
China fob cash	333-338	333-338	330-335	
Benelux fca bulk duty paid/free	370-375	370-375	370-375	
India cfr bulk	342-350	342-350	342-350	
US domestic st NOLA	305-312	305-308	305-308	
Ctrl Florida st for	355	355	355	
GTSP				
Bulgaria fob bulk	290	290	290	
Morocco fob bulk	275-290	275-290	275-290	
Tunisia fob bulk	285-290	285-290	285-290	
Lebanon fob bulk	285-290	285-290	285-290	
Mexico fob	300	300	300	
China fob bagged	250-255	250-255	250-255	
MAP				
Black Sea fob bulk	335-350	335-350	335-350	
Baltic fob bulk	335	335	335	
Brazil cfr bulk	350-358	350-355	350-355	
PHOSPHORIC ACID				
US Gulf fob (P_2O_5)	600	600	600	
India cfr (P_2O_5)	715	715	715	30 days Provisional
PHOSPHATE ROCK				
Casablanca fob 70% BPL	95-125	95-125	95-125	

FERTECON PRICE DEFINITION

^ all business * No recent known business **price adjusted

NB: All prices refer to most recent concluded business or latest competitive offers. Prices are *net* of credit or other terms.
The full history of Fertecon's phosphate prices is available to view and download by clicking here

FREIGHT INDICATIONS US$/TONNE

(BULK) Route	Cargo size (t)	Latest rate
US Gulf-India	45-50,000	22-23
US Gulf-China	50-55,000	20-21
US Gulf-EC S America	25-30,000	16-23
Baltic-EC S America	25-30,000	18-26
North Africa-India	30-35,000	20-22
Jordan-India	40,000	7-8
Saudi Arabia-India	30,000	6-7

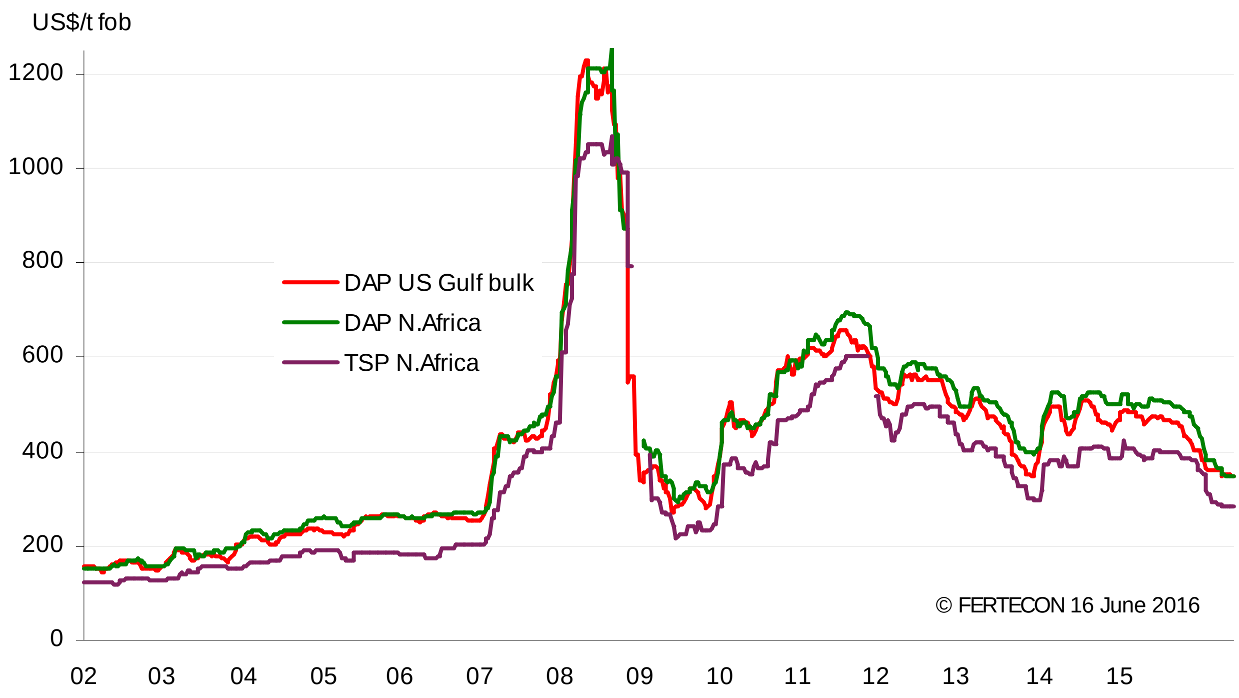
NB: All rates indicated are based on averages. Exact rates will depend on port loading and discharge rates

FERTECON TENDER SERVICE

Country/Holder	Product	'000 t	Date	Shipments	Remarks
India/RCF	NP/NPK	70	12/5	1-half June	Two offers received
Bangladesh/BCIC	MGA	50	25/5	Sep-1-half Nov	Three offers received
Nepal/AIC	DAP	30	27/5		Awarded to Wilson
Bangladesh/BCIC	Phos rock	30	7/6		OCP lowest
India/RCF	MAP Lite/DAP Lite	20	15/6	July	10 technical offers opened
India/RCF	NPK	30	24/6	July	
Bangladesh/BCIC	MGA	10	10/7		
Bangladesh/BCIC	Phos rock	30	11/7		

EXCHANGE RATES (local currency:US$1)			
	16/06/2016	09/06/2016	16/06/2015
€ Euro	0.89084	0.87882	0.89008
£ Pound Sterling	0.70613	0.68753	0.64315
Turkish Lira	2.92934	2.89157	2.72809
Rupee India	67.1529	66.5552	64.0149
Real Brazil	3.47220	3.41532	3.11723
China RMB	6.58851	6.56652	6.09842

DAP/TSP PRICES – 14 YEAR SERIES



ANALYSIS

The phosphate market has shown further signs of strength in some corners of the globe this week, with prices for DAP and MAP barges in the US NOLA market rising, OCP achieving the mid/high $350s cfr on volume MAP sales to Brazil, and Tunisia securing DAP sales at higher prices in Romania than it did last month in Turkey.

The up-tick in the US market has occurred despite a growing line-up of DAP and MAP imports from the FSU and Morocco, which has also helped add to OCP's order book for July. Robust NPK and MAP demand in Russia and neighbouring markets, alongside turnarounds, has also put PhosAgro in a comfortable position for next month.

There is some concern, however, about the sustainability of the upwards price momentum for MAP in Brazil given the growing pressure on Chinese producers to find a home for 11-44-0 MAP with prices for this product still weak. That said, in the US and Brazil, importers are still pinning their hopes on good crop economics, given the lower fertilizer prices currently prevailing as compared to this time last year, boosting demand.

Compared to their western counterparts, markets in the east have continued dormant this week, leaving the main price benchmarks to mark time. It remains to be seen whether Indian and Pakistani buyers or Chinese and Middle East suppliers will win out when it comes to pricing over the coming weeks and months.

MARKETS

EUROPE

BELGIUM: There is little or no interest in phosphates at this stage of the season and prices are unchanged from early June levels in the range $370-375 fca Ghent, Antwerp, Terneuzen.

FRANCE: Demand for DAP is dead. Prices are reported around $380 fca for the new season with $370 still available in Ghent.

April DAP imports were 9,535 t, up 13% on April 2015. This brings the total since July 2015 to 409,288 t, compared to 405,878 t in July 2014 to April 2015. Arrivals from Lithuania, Tunisia and Mexico increased at the expense imports from Morocco, Russia and Jordan.

Source GTIS/DNSCE

GERMANY: Phosphate price sentiment is weak, with DAP available at $370-375 fca. Any interest for product is thought to be only for forward deliveries instead of prompt.

DAP imports were 50,149 t in March, bringing the July 2015- March 2016 figure to 234,768 t, 18% below the prior year period. Imports from Lithuania grew 28% to 57,000 t at the expense of Moroccan, Polish and Russian arrivals that fell by 95%, 46% and 25%, respectively. There were no imports from Jordan compared to 13,000 t in 2014-15 although 6,000 t arrived from Mexican 2015-16 compared to no imports from this origin in the last fertilizer year.

Source GTIS/Statistics Germany

IRELAND: There remains no interest in DAP imports today. Blenders report that they have sufficient raw materials to cater for anticipated NPK demand for the rest of the season and will likely be left with tonnage to carry over to the next.

ITALY: DAP interest is low with domestic prices remaining flat at €365 fca, however, it has been stressed that this is a list price and there are very few tonnes being sold to test it. Purchasing interest is expected to return in September so there will likely be very little activity either on the import level or domestically for the next six-to-eight weeks.

POLAND: Lithuanian DAP is reported to be offered at around €330 fca big bags for June with bulk around €315. PhosAgro DAP from Russia is reported on offer at around $385 fca Gdansk and/or Szczecin.

ROMANIA: Trammo has bought 10,000 t DAP from GCT at $350-355 fob for 2-half June shipment from Tunisia, $5 below a previous end May purchase of another 10,000 t DAP from the producer that loaded early June for this market.

SPAIN: Distributors of DAP are reported to have been price checking this week, but only for tonnes to be delivered in August. Firm interest is not expected to return until the end of the summer, with application starting in September. Last business was reportedly done at the €355-356 fca ex-warehouse level. Import prices on vessels from Tunisia and Morocco are thought to be much lower, with GCT having sold product to Romania at a netback of $350-355 fob, however, not many buyers in Spain have the appetite now to commit to larger quantities.

On the NPK side, the wait is also for the new season prices. Fertiberia will not have a 15-15-15 price until October. Negotiations between distributors and sellers for October are thought to already be under way, but there is no market for prompt product.

UNITED KINGDOM: There is no demand for DAP, which is available at £320 bagged delivered farm, or for TSP that is on offer at £250.

ASIA

INDIA: No new DAP business has been reported this week but it has emerged that Ma'aden sold 40,000 t in the low $350s cfr two weeks ago for June shipment from Saudi Arabia bringing the total amount identified for 2016-17 arrival to just over 2.1 million t (see import schedule below). Traders have been trying to drum-up interest in the low $340s cfr based on supply from China but are not finding ready buyers at this level today. Ma'aden is targeting the mid $350s cfr for July shipments from Saudi Arabia.

There are rumours that KIT purchased about 50,000 t from Yihua in the low/mid $340s cfr about two weeks ago for June shipment from China although this has been denied.

The *Poavosa Wisdom III* arrived with 27,154 t DAP for IPL at Mundra on 4 June, covering part of Ma'aden's earlier reported sales at about $350 cfr for May shipment from Saudi Arabia.

The *Harvest Plains* arrived in Mundra last weekend having sailed from the US on 10 May reportedly carrying 50,000 t DAP for Mosaic's distribution system.

The *ST George* is expected to deliver 43,200 t Chinese DAP to Kakinada on 23 June, reported to be covering Zuari's earlier reported purchase from Dreymoor at $347 cfr including 180 days' credit.

Sabic has been in the freight market for 30,000 t DAP to load in Saudi Arabia 21-23 June for Kakinada and is reported to have fixed the *Kohinoor*, covering Greenstar's earlier reported purchase.

Ma'aden has been in the freight market for 50,000 t DAP to load in Saudi Arabia 24-26 June for Kandla or Mundra and is reported to have fixed the Sea Moon, covering its earlier reported sale at about $350 cfr.

The *Vitaspirit* is expected to start loading about 45,000 t DAP in China at the end of this week, covering IPL's earlier reported purchase from Kailin under their MOU.

Further to last week, Kanpur Fertilizer is reported to have paid $353 cfr two weeks ago for the 30,000 t DAP it was understood to have purchased from Sabic that is expected to load on the Apostolos II/sub in Saudi Arabia 2-half June.

It is now reported that Kribhco was the receiver of the 30-35,000 t Saudi Arabian DAP ex-Ma'aden that arrived on the *Nord Imabari* in Vizag on 9 June under their long term contract.

RCF has opened 10 technical offers under its 15 June tender, valid for 30 days, for 20,000 t granular MAP Lite 10-50-0/DAP Lite 16-44-0 for July shipment to MBPT, as follows:

Supplier	Producer	'000 t	Grade	Validity
Amber	CNAMPGC	APT	16-44/10-50	APT
Ameropa	Vinachem/Yunnan	APT	16-44/10-50	22 June
Aries	Kailin	APT	16-44	22 June
Fertrade	Hubei Sanning	APT	10-50	23 June
SCI Fert	YUC	APT	10-50	Full July
Sun Int'l	Anhui Liuguo	APT	16-44/10-50	APT
Swiss Singapore	Heilongjiang Beifeng Intl Trad Co	APT	10-49.5	16 June
Transglobe	Hunei Huaxingda	APT	10-50	20 June
Wilson	Xiangyun/Jiangxi Liuguo	APT	16-44/10-50	Two weeks
Yichang Dongsheng	Yichang Dongsheng	APT	10-50	End July

The latest provisional data from the FAI show DAP/DAP Lite sales were 505,908 t in May, reflecting a two-and-a-half-fold increase on the 193,556 t sold in April but 40% below May 2016. This brought April-May sales to 699,464 t, down 39% on the first two months of the 2015-16 fertilizer year.

The opening stock with States as at 1 June was reported to be 757,369 t, 35% higher than the 562,587 t 1 May opening inventory.

RCF has issued a tender, closing on 24 June and valid for 15 days, for 30,000 t NPK 10-26-26 for first week July shipment to Mundra.

The *Sophia K* arrived in Mundra on 12 June with 38,485 t Russian NPK 10-26-26, covering Kribhco's earlier reported purchase of UralChem product reportedly from Dreymoor at $310 cfr.

2016-17 fertilizer year DAP imports are as follows:

India DAP Arrivals, 2016/17				
Buyer	**Supplier/Origin**	**'000 t**	***Vessel***	**Arrival**
April		**181**		
May		**450**		
RCF	Fertrade/China	35	*Western Aida*	2 June
IPL	Swiss Singapore/China	45	*Blue Angel*	3 June
Chambal	YUC/China	36	*Mare Forum*	4 June
IPL	Ma'aden/Saudi Arabia	27	*Poavosa Wisdon III*	4 June
IPL	Trammo/China	55	*Reborn*	5 June
NFL	Aries/Kailin	50	*Christina IV*	7 June
Deepak	PhosAgro/Russia	40	*Anangel Dawn*	9 June
Zuari	Sabic/Saudi Arabia	30	*Martin Island*	9 June
Kribhco	OCP/Morocco	50	*Columbia*	9 June
GSFC	Sabic/Saudi Arabia	40	*RHL Clarita*	9 June
Kribhco	Ma'aden/Saudi Arabia	30	*Nord Imabari*	9 June
Mosaic	Mosaic/US	50	*Harvest Plains*	13 June
IPL	JPMC/Jordan	20	*Caravos Liberty*	14 June
IPL	Fertrade/China	50	*Shao Shan 8*	15 June
GSFC	OCP/Morocco	50	*Pan Begonia*	17 June
IPL	Koch/China	50	*Nikolaos*	June
TBC	Sabic/Saudi Arabia	35	*TBN*	June
TCL	Ameropa/China	55	*Ever Success*	June
IPL	Rare Earth/China	55	*Corviglia*	June
Deepak	Swiss Singapore/China	42	*Venus Halo*	June
TBC	Xiangfeng/China	50	*TBN*	June
Zuari	Dreymoor/China	43	*ST George*	23 June
Chambal	PhosAgro/Russia	15	*Top Rich*	28 June
Greenstar	Sabic/Saudi Arabia	30	*Kohinoor*	June
TBC	Ma'aden/Saudi Arabia	50	*Sea Moon*	June
TBC	Ma'aden/Saudi Arabia	40	*TBN*	June
June	**To date**	**1073**		
TBC	PhosAgro/Russia	60	*TBN*	July
Greenstar	PhosAgro/Russia	45	*TBN*	July
IPL	Trader/China	55	*TBN*	July
IPL	Aries/China	45	*Vitaspirit*	July
Chambal	YUC/China	42	*Stellar Eagle*	July
Chambal	Aries/China	35	*TBN*	July
Zuari/MCFL	Aries/China	39	*Pintail*	July
Kanpur Fertilizers	Sabic/Saudi Arabia	30	*Apostolos/Sub*	July
July	**To date**	**351**		
Kribhco	OCP/Morocco	50	*TBN*	Aug-Sep
Aug-Sep	**To date**	**50**		
Total	**Estimate to date**	**2,105**		

NEPAL: AIC Ltd has awarded Wilson 30,000 t DAP at $427.75 bagged delivered Biratnagar/Birgunj/Bhairahawa under its 27 May tender.

PAKISTAN: It is rumoured that Engro has purchased a DAP cargo but details are sketchy.

The *New Lotus* is reported to have been fixed to load a handysize DAP cargo in China this month, covering Pacific Chartering's earlier reported purchase from Ameropa.

DAP business reported so far for 2016 arrival is as follows:

Pakistan DAP Arrivals 2016				
Buyer	**Supplier/Origin**	**'000 t**	**Vessel**	**Arrival**
United Agro	Quantum/Australia	26.5	*Bright Hope*	Feb
Chawla	Quantum/Australia	26.0	*JF Rhone*	Mar
Engro	Quantum/Australia	55.0	*JS Rhone*	Apr
Engro	Sabic/Saudi Arabia	25.0	*Calm Bay*	Apr
Fauji	Sabic/Saudi Arabia	27.5	*Martin Island*	May
Chawla	Quantum/Australia	25.0	*Eastern Cape*	May
Engro	Dreymoor/China	45.0	*Courageous*	Jun
United Agro	Quantum/China	30.0	*Aurora Bulker*	Jun
Pacific Chartering	Ameropa/China	25.0	*New Lotus*	Jun
	TOTAL	**285.0**		

SOUTH KOREA: May imports of 14,100 DAP include 11,100 t from Vietnam and 3,000 t from China.

THAILAND: There are scattered rains but still not enough to get most of the paddy crop planted. There are steady sales for application on field crops, such as corn, sugar and tapioca, but the market will only show a significant pick-up when there are stronger rains. Usually rains at this time of the year are not uniform across the country but should there be widespread and good rain then rice planting would start everywhere leading a surge in fertilizer demand.

VIETNAM: Offers of bulk, Chinese DAP are still available in the low $ 350s cfr.

Published figures show the import of 81,300 t DAP and 20,900 t NPK in May. Our unofficial figures show 68,200 t DAP coming from China along with nearly 6,900 t from Korea and 6,300 t from Russia. There were also imports of nearly 9,500 t MAP. Our NPK figures show 23,200 t imported including 9,300 t from Russia, 2,700 t from Belgium, 2,500t from Norway and nearly 2,000 t from China.

NORTH AMERICA

UNITED STATES: Liquidity in the NOLA phosphate market has increased, mainly for domestic DAP, and prices have firmed. Imported DAP barges have changed hands at $305-307/ston fob NOLA this week while Mosaic has sold 11 barges at $310-312 for June-July loading. The domestic producer has also concluded five granular MAP barge sales at $312/ston fob NOLA for shipment during the same time frame.

Mosaic is still quoting $355/ston central Florida for DAP but with a higher premium of $15/ston for MAP.

The 33,500 dwt *Orient Tribune* arrived in NOLA on 9 June having sailed from Lithuania on 20 May, reportedly with about 15,000 t DAP, the majority of which is understood to be for inland distribution through Ben Trei's Inola terminal.

PhosAgro will load about 30,000 t DAP/MAP in Russia this month for July delivery.

In addition to the two panamaxes already reported for OCP for June loading in Morocco, the producer OCP is also understood to have a programme in place to load 100,000 t ammoniated phosphates in July for this market.

Contrary to speculation in the market, the *Navios Alegria* due to arrive in NOLA on 25 June from China is not a YUC vessel and it is widely thought that it is not carrying phosphate fertilizers. YUC has no phosphate fertilizers lined up for the US at present.

Import cargoes reported for July 2015-June 2016 arrival are as follows ('000 t):

US DAP/MAP/TSP Arrivals 2015/2016						
Supplier/Origin	**DAP**	**MAP**	**TSP**	**NP+S+Z**	**Vessel**	**Arrival**
Imports July 2015-May 2016	**456**	**608**	**129**	**30**		
EuroChem/Russia	-	7-10	-	-	*Arinaga*	1 June
PhosAgro/Russia	30	-	-	-	*King Coffee*	3 June
EuroChem/Lithuania	25	-	-	-	*Orient Tribune*	9 June
OCP/Morocco	15	25	-	-	*TBN*	June
Total June 2016	**70**	**32-35**	**-**			
Total Crop Year	**536**	**630-633**	**139**	**30**		

ARGENTINA: There are reports that Indagro was the trader that bought about 30,000 t MAP/DAP and about 5,000 t TSP from OCP for June loading in Morocco.

BRAZIL: Prices for MAP have firmed slightly this week to $350-358 cfr.

OCP is reported to have sold 200,000 t MAP and NPS mainly plus DAP at $354-358 cfr for the MAP and DAP for July shipment from Morocco.

Koch is reported to have bought 10,000 t MAP in recent weeks from Ameropa at $355 cfr for June shipment from Australia on the *Nordrubicon*. A distributor is also reported to have purchased part of the 35-40,000 t MAP cargo 2-3 weeks ago at the same price. Ameropa is reported to have purchased the tonnes from Quantum slightly below $355 cfr.

Prices for 11-44-0 MAP remain weak with last done sales reported at about $290 cfr but bids dropping to the low $280s in tandem with soft prices in China of about $270 fob, if not below.

According to the statistics from **ANDA, MAP production** was 95,986 t in May, 11.3% below the 108,155 t manufactured in May 2015. This brought y-t-d output to 496,337 t, 9% lower than the 546,878 t produced January-May 2015.

TSP output in May at 103,090 was 30% higher than May 2015 production of 79,294 t. This brought production in the first five months of 2016 to 381,425 t, 2% lower than same period last year figure of 309,092 t.

SSP production was 400,143 t in May, 5% above output of 381,601 t in May 2016. This brought January-May output to 1.675 million t, down 4% on the 1.744 million t manufactured in the same period 2015.

Overall production of finished phosphates fertilizers in May was 6% higher than May 2015, at 181,966 t P_2O_5 (172,492 t P_2O_5 in May 2015). This brought January-May output to 788,043 P_2O_5, 4% lower than the January-May 2015 figure of 824,716 t P_2O_5.

Phosphate **deliveries** to end consumers in May totalled 374,466 t P_2O_5, up 16% on May 2015 (324,293 t P_2O_5). This brought January-May deliveries to 1.288 million t P_2O_5, up 9% on the same period 2015 (1.182 million t P_2O_5).

Vessels arriving into the main ports in June/July are as follows:

Brazil Phosphate Fertilizer Arrivals, June/July					
Charterer/Receiver	**Product**	**Origin**	**'000 t**	**Arrived/ETA**	**Vessel**
Paranagua					
OCP	MAP	Morocco	33.0	2 June	*Halki*
Fitco	MAP/NP/DAP	Mosaic	36.5	14 June	*Florianna*
Ameropa	MAP	Tuapse	27.5	18 June	*Persenk*
Mosaic	MAP/NP	Mosaic	37.6	18 June	*Cielo di Monaco*
Bulk Fertz	SSP/TSP	Egypt	31.3	19 June	*Intrepid Joanne*
Nitron	MAP	Russia	22.8	20 June	*Sunlight Lily*
EuroChem	MAP	Russia	16.6	23 June	*Bulgaria*
Ameropa	NP	China	28.0	23 June	*Josco Hangzhou*
DSW	SSP/MOP	Israel	20.3	27 June	*Sozon*
OCP	MAP	Morocco	26.4	3 July	*Mazury*
Ameropa	MAP	Australia	25.0	7 July	*Nordrubicon*
Ameropa	MAP	China	45.0	8 July	*Seto Gloria*

Rio Grande					
Mosaic	MAP/NP	US	21.0	4 June	*Rauli N*
Yara	TSP	Morocco	22.0	5 June	*Sea Smile*
Yara	MAP/DAP	Morocco	17.7	8 June	*Daiwan Wisdom*
Heringer	MAP	Morocco	4.0	8 June	*Daiwan Wisdom*
Mekatrade	NP 11-44	China	17.0	14 June	*African Puffin*
Mosaic	MAP/DAP	US	15.3	14 June	*Nord Houston*
Itaqui					
Yara	NPK	Norway	4.0	12 June	*Saga Spray*
Tocantins	SSP/MOP	Israel	7.7	14 June	*Hemus*
TBC	Ferts	Morocco	34.0	14 June	*Indigo Silva*
Recife					
Fertine	SSP	Egypt	4.0	14 June	*Koznitza*
Aratu					
TBC	MAP	Morocco	15.4	14 June	*Clipper Brilliance*
Itacoatiara					
Amaggi	SSP/MOP	Israel	42.5	18 June	*Hemus*
San Fransico do Sul					
TBC	MAP/DAP	Morocco	11.0	4 June	*Shou Chen Shan*
Mosaic	Ferts	US	19.0	4 June	*Orient Accord*
Ameropa	Ferts	China	25.0	5 June	*Josco Hangzhou*
Porto Alegre					
Heringer	MAP	Morocco	7.0	20 June	*Daiwan Wisdom*
Unifertil	MAP/DAP	US	6.3	21 June	*Rauli N*

CENTRAL AMERICA: Incofe is reported to have bought 20-25,000 t Chinese DAP in the low $330s fob for June shipment to west coast markets including Guatemala in combination with about another 10,000 t DAP/MAP for other buyers and amsul said to have been purchased by Incofe from Ameropa 2-3 weeks ago.

CHILE: The 37,423 dwt *Kmarin Mugunghwa* started loading in west coast Mexico 14-15 June, covering Fertinal's earlier reported sale of about 12,000 t each DAP, MAP and TSP, priced according to a formula, that was initially due to load 1-half June.

SUPPLIERS

EUROPE

BULGARIA: Agropolichim is reported to have resumed production following its scheduled turnaround that it took in line with the Pirdop copper smelter. The Pirdop smelter re-started production last week after its prolonged two month turnaround.

LITHUANIA: No new sales of Lifosa DAP have been reported this week although it has emerged that EuroChem loaded the residual 15,000 t it had available for May shipment on the *Orient Tribune* late last month for the US.

FSU

RUSSIA: **PhosAgro** is comfortable for July with rolling turnarounds underway at its Cherepovets plant and having placed a total of 300,000 t NPKs/MAP in domestic and regional markets, in addition to its earlier reported 45,000 t DAP and 20,000 t NPK 10-26-26 sale to Greenstar for July loading for India.

The producer also concluded about 30,000 t DAP/MAP for June loading for the US.

PhosAgro's DAP/MAP/NP/NPK commitments for June and July shipment are reported as follows:

June

- 60,000 t DAP to India
- 30,000 t DAP/MAP to US

- 30,000 t MAP to Nitron for Brazil
- 280-290,000 t NPKs/MAP for domestic and regional markets

July

- 45,000 t DAP and 20,000 t 10-26-26 to Greenstar for India
- 300,000 t NPKs/MAP for domestic and regional markets

One NPK line at Cherepovets is down for turnaround this month, cutting output by about 25%. It will take down one DAP/MAP line at Cherepovets next month, lowering production by about 50% to 60,000 t DAP/MAP. Its summer rolling turnaround programme will continue through to the end of Q3.

EuroChem's DAP/MAP commitments for June shipment are reported as follows:

- 25-30,000 t MAP to Tocantins for Brazil ex-Kingisepp

AFRICA

MOROCCO: OCP is reported to have sold 200,000 t MAP, NPS and DAP netting the mid $340s fob for the MAP and the DAP for July shipment to Brazil.

The producer is also understood to have a programme in place to load 100,000 t/m ammoniated phosphates for the US in June, July and August.

OCP's June-July DAP/MAP/NP/NPK commitments are reported ('000 t) as follows:

OCP/Morocco	June	July
Est. Production	**550**	**550**
E. and W. Europe	90	-
Turkey	30	-
Africa	230	-
Bangladesh	30	-
US	100	100
Argentina	35	-
Brazil	-	200
Paraguay/Uruguay	35	-
Total	**550**	**300**

TUNISIA: GCT has sold 10,000 t DAP to Trammo at $350-355 fob for 2-half June shipment to Romania, $5 below a previous end May sale of another 10,000 t DAP to the trader for the same destination that loaded early June.

GCT's May-June DAP commitments are as follows ('000 t):

GCT/Tunisia	May	June
Est. Production	**60**	**60**
Romania	-	20
Turkey	24	-
Total	**24**	**20**

MIDDLE EAST

SAUDI ARABIA: For a second week in a row, no new business has been reported for Ma'aden or Sabic although it has emerged that Ma'aden agreed 40,000 t DAP reflecting the mid/high $340s two weeks ago for June shipment to India.

Sabic has been in the freight market for 30,000 t DAP to load in Ras Al Khair 21-23 June for east coast India and is reported to have fixed the *Kohinoor*, covering its earlier reported sale to Greenstar.

Ma'aden has been in the freight market for 50,000 t DAP to load in Ras Al Khair 24-26 June for west coast India and is reported to have fixed the *Sea Moon*, covering its earlier reported sale netting about $345 fob.

Further to last week, Ma'aden loaded 30-35,000 t DAP on the *Nord Imabari* end May/early June against its supply contract with Kribhco.

MPC's DAP/MAP commitments for May and June shipment are reported as follows ('000 t):

MPC/Saudi Arabia	May	June
Est. Production	**240**	**240**
East Africa – Ma'aden	-	20
India – Ma'aden	85	95
India – Sabic	70	95
Pakistan – Ma'aden	25	-
Pakistan – Sabic	25	-
East Asia – Ma'aden	-	11
Brazil – Ma'aden	35	-
Total sales	**240**	**221**

ASIA

CHINA: Producers appear to be comfortable on DAP for June and are refusing to offer below $333 fob although it appears that attempts to take prices up to $335 fob on sales to India have yet to come to fruition.

Incofe is reported to have bought 20-25,000 t DAP in the low $330s fob for June shipment to Central America in combination with about another 10,000 t DAP/MAP for other buyers and amsul said to have been purchased by Incofe from Ameropa 2-3 weeks ago.

Yihua is reported to have sold 50,000 t DAP to Fertisul about two weeks ago at $333 fob for June loading for India.

There are rumours that the producer also concluded about 50,000 t DAP with KIT about two weeks ago netting the low/mid $330s fob for June shipment to India.

The *New Lotus* is reported to have been fixed to load a handysize DAP cargo for Pakistan this month, covering Ameropa's earlier reported sale to Pacific Chartering.

The market for 11-44-0 MAP remains weak and while there is talk of prices below $270 fob being achievable this appears to be wishful thinking at this stage.

PHILIPPINES: Philphos has been negotiating the purchase of 5,000 t ammonia and although it is not clear if the purchase is finalised, the company reports that some limited granulation will start again soon at the Leyte plant.

SOUTH KOREA: There were exports of 28,300 t NP fertilizers in May, nearly all shown going to Thailand.

VIETNAM: The Lao Cai DAP plant is understood to be down and the Dinh Vu DAP facility running well below capacity.

Unofficial data shows the export of 20,400 t NPKs in May, including 9,000 t to Cambodia, 3,300 t to the Philippines and nearly 2,600 t to Myanmar. Exports of DAP were only 2,700 t and NP fertilizers just over 1,000 t. There were exports of 5,200 t fused magnesium phosphate, mostly to Malaysia.

OCEANIA

AUSTRALIA: It is reported that Ameropa was the buyer of the earlier reported 35-40,000 t MAP sale by Quantum in the high $330s fob for June shipment to Latin America, part of which the trader has sold in Brazil in recent weeks to Koch and a distributor. The *Nordrubicon* sailed from Townsville on 7 June to cover the sale.

IPL's DAP/MAP commitments for May and June shipment are reported as follows ('000 t):

IPL/Australia	May	June
Pakistan	25	-
Thailand	25	-
EC Latin America	-	35-40
Total sales	**50**	**35-40**

NORTH AMERICA

UNITED STATES: No new business has been reported this week, leaving DAP prices to mark time at $346-347 fob.

Mosaic's export commitments for June shipment are reported to include:

- 6,000 t DAP to various markets in Latin America at $350 fob
- 15,000 t DAP to various markets in Central America at $346-347 fob in combo with a total of 8,000 t MES/powdered MAP.

MEXICO: Reports of a labour dispute that started late last week together with already existing output issues are understood to have put Fertinal 7-10 days behind on slated phosphate production for this month and to have delayed the loading of the 37,423 dwt *Kmarin Mugunghwa* that arrived 8 June at Lazaro Cardenas to lift 36,000 t MAP, DAP, TSP to cover the producer's earlier reported sale to Chile. However, late reports indicate the vessel started loading 14-15 June and has loaded 13,500 t so far.

The planned maintenance of the sulphuric acid unit at Lazaro Cardenas, previously reported to be taking place end September/October, is now reported to be due to take place end October/November. Some disruption is expected to overall phosphate production during this period although the extent of such a curtailment is not yet clear.

Fertinal's DAP/MAP/TSP commitments for June-August shipment are reported as follows ('000 t):

Fertinal/Mexico	June	July	August
Est. Production	**65**	**65**	**65**
Chile	36	35-40	35-40
Colombia	10	-	-
Mexico	15-20	22	22
Latin America (containers)	2	2	2
Total sales	**63-68**	**59-64**	**59-64**

PHOSPHORIC ACID

INDIA: Phosphoric acid vessels identified for June arrival are as follows:

India – Phosphoric Acid Arrivals, June				
Buyer/Port	**Supplier/Origin**	**'000 t solution**	**Vessel**	**Arrival**
IFFCO/Kandla	JIFCO/Jordan	29.0	*Stolt Endurance*	1 June
MCFL/Mangalore	OCP/Morocco	10.0	*Mid Fortune*	1 June
PPL/Paradeedp	OCP/Morocco	19.6	*TRF Kashima*	04 June
PPL/Paradeep	OCP/Morocco	9.8	*Greenwich Park*	06 June
DFCL/JNPT	OCP/Morocco	8.5	*Chemroad Wing*	09 June
ZIL/Goa	OCP/Morocco	8.1	*Chemroad Wing*	10 June
CIL/Kakinada	JPMC/Jordan	29.4	*Stolt Vestland*	10 June
ZIL/Goa	OCP/Morocco	8.8	*Chemroad Lily*	12 June
GSFC/Sikka	OCP/Morocco	13.8	*Chem Bulldog*	17 June
GSFC/Sikka	-	19.0	*GT Star*	18 June
FACT/Cochin	-	8.9	*Genuin Galaxy*	18 June
GSFC/Sikka	OCP/Morocco	12.0	*Chemroad Wing*	20 June
PPL/Paradeep	-	5.2	*Ginga Tiger*	21 June
GSFC/Sikka	OCP/Morocco	19.0	*Houyoshi Park*	23 June
IFFCO/Kandla	-	29.4	*Stolty Courage*	24 June

Total June to date	230.5

PHOSPHATE ROCK

INDIA: Phosphate rock vessels identified for June arrival are as follows:

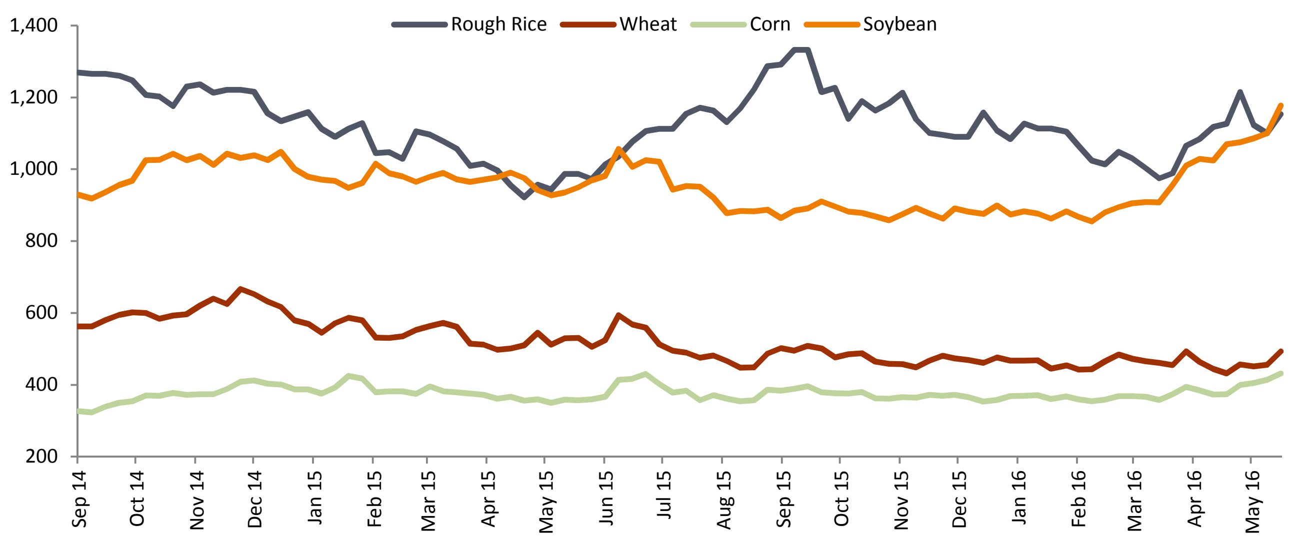
India – Phosphate Rock Arrivals, June				
Discharge Port	**Origin**	**Quantity**	**Vessel**	**ETA**
IFFCO/Paradeep	JPMC/Jordan	51,150	*Defiant*	3 June
Sterlite/Tuticorin	JPMC/Jordan	54,000	*Yasa Aysen*	5 June
Hazira	Egypt	46,650	*Arybbas*	9 June
IPL/Vizag	JPMC/Jordan	14,100	*Carvos Liberty*	13 June
IFFCO/Paradeep	-	55,000	*AS Victoria*	13 June
Hazira	Egypt	22,949	*Melimas*	14 June
IFFCO/Paradeep	Peru	66,000	*Perly*	18 June
Hindalco/Dahej	Togo	50,006	*Egret Bulker*	19 June
Total June to date		**359,855**		

COMPANY NEWS

UNITED STATES: **Trammo**, Inc. has announced that it has reorganized some of the product lines in its Commodities Division and that this has led to a reduction in workforce of 8 people among offices in Tampa, New York, Zurich and Singapore.

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	429.0	-2.2	434.0	439.4	359.2
Wheat	456.6	-36.15	474.4	499.4	505.4
Soybean	1,156.0	-21.6	1,155.0	1,145.0	969.0

Rough Rice	1,161.5	+8.5	1,189.0	1,213.0	973.0

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

CORN:	**WHEAT:**
While forecasts calling for hot temperatures were somewhat supportive, the Midwest is also expected to see some beneficial rain over the next few weeks.	Early yield reports generally beat expectations in the southern Plains, which was bearish. However, persistent production issues elsewhere in the world helped to stem the decline.
SOYBEAN:	**RICE:**
Good US crop weather and ideas that planted area may end up above earlier projections eroded prices. Improving nearby Midwestern weather forecasts were also bearish.	Rice futures increased again in Chicago as efforts to cut global supply, especially in the largest growing regions in Asia, continue to provide underlying support.

REGIONAL MARKETS

MALAYSIA: **Palm** oil prices have continued to tumble this week to their lowest levels in five months, as demand concerns heightened and Malaysia raised its export tax for the commodity. Futures fell again on Thursday morning, with the September contract on the Bursa Malaysia Derivatives Exchange hitting MYR2,426 (US$593) /t.

Malaysia, the world's second-largest palm oil producer after Indonesia, will raise its crude palm oil export tax to 6% in July from 5.5% in June, a circular on the Malaysian Palm Oil Board website showed on Wednesday.

Production is forecast to rise in line with seasonal trends until the fourth quarter of the year. Malaysian output in May climbed 4.9% from April to 1.36 million t, according to government data.

AUSTRALIA: Australia raised its forecast for **wheat** production for the 2016/17 season as favourable weather in key growing regions drive production to a four-year high in the world's fourth largest exporter.

Production of wheat, Australia's largest winter crop, for the season ending 1 July 2017 is now expected at 25.4 million t, said the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES). Its previous estimate in March was 24.5 million t. If the latest forecast is achieved, 2016/17 would see Australia's biggest annual production since 2012/13.

Australia has seen near ideal crop weather in its biggest grain producing region of Western Australia in recent weeks, while the end of the strongest El Niño in nearly 20 years has aided crops on the country's east coast.

UNITED STATES: Supplies of **corn** and **soybeans** will be tighter than expected in the US as problems with crops in Brazil and Argentina have raised demand for US supplies from overseas buyers, the US Agriculture Department revealed in its latest WASDE report.

In its monthly supply and demand report, the USDA cut its new-crop and old-crop ending stocks outlooks for both corn and soybeans by more than analysts had forecast. The USDA said US ending stocks for 2016/17 end stocks would be 51 million t from its view in May of 54.68 million t.

The USDA also trimmed its 2015/16 Brazil corn harvest outlook by 3.5 million t to 77.50 million t and its Brazil soy harvest outlook by 2 million t to 97 million t, reflecting dryness in key growing areas. The department meanwhile left its estimate of Argentine 2015/16 crops unchanged, at 27 million t for corn and 56.5 million t for soybeans, but indicated that harvest delays there have helped boost US exports.

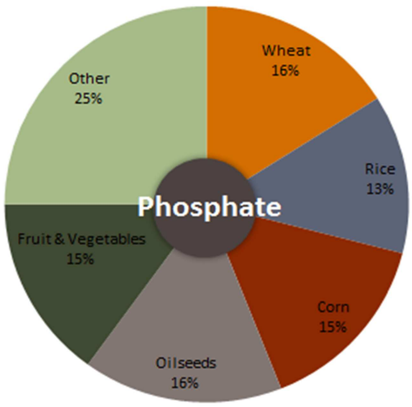
Wheat supplies are expected to rise to a 29-year high even as the corn and soybean balance sheet tightens. The USDA pegged 2016/17 US wheat ending stocks at 28.58 million t, up from its May outlook of 27.99 million t, due to a record winter wheat yield of 50.5 bushels per acre. For global wheat supplies the USDA's 2016/17 outlook was raised by 3.9 million t with production increases for the EU (157.50 million t), Russia (64 million t), and the US (56.53 million t).

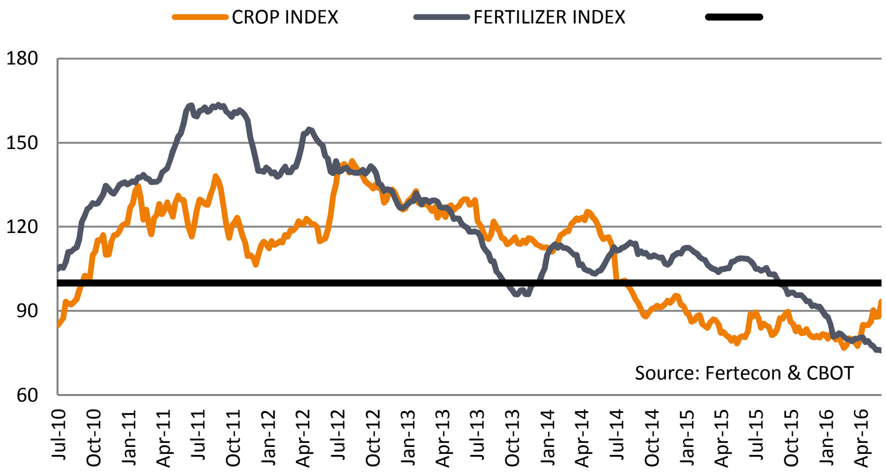
ARGENTINA: Argentina's Rosario grains exchange on Wednesday revised its forecast for the 2015/16 **soy** harvest up to 55.3 million t from 55 million t previously. The exchange raised its forecast for the 2015/16 corn harvest to 27 million t and said 4.7 million t would likely be planted for the upcoming wheat crop.

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.

FREIGHT

DATE	Baltic Capesize	Baltic Panamax	Baltic Supramax	Baltic Handysize	Baltic Dry Index
10 June	1006	543	557	327	610
13 June	1014	542	554	322	609
14 June	1018	543	552	317	608
15 June	1000	545	552	315	604
16 June	976	545	554	314	598

Source: Baltic Exchange

FERTILIZER DERIVATIVES

DAP fob Tampa (metric tonne)				DAP fob NOLA (short ton)			
Month	Bid	Offer	Mid	Month	Bid	Offer	Mid
June	346	363	355	June	304	310	307
July	343	352	348	July	310	312	311
Aug	336	347	342	Aug	309	312	312

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