



# ICIS The Market

Fertilizer Prices | News | Analysis

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## Fertilizers at a glance

### Nitrogen

#### ■ Global urea market activity slows

The global urea market remains firm, but looks to be taking a breather this week with prices mostly stable and a lack of activity.

#### ■ AG prices rise, Egypt steady

Egyptian prices have stabilised in the mid-\$280s/tonne FOB, with the European system said to be full. Meanwhile, higher prices were seen from the Arabian Gulf, with a Kuwaiti cargo sold around \$280/tonne FOB.

#### ■ Pakistan offering urea

The Economic Co-ordination Committee (ECC) has allowed domestic producers to export 300,000 tonnes of urea until 28 April. East Africa and Turkey are being targeted.

#### ■ Chinese urea exports down 35%

Chinese urea exports totalled 8.87m tonnes in 2016, down 35% from the record 13.75m tonnes exported in 2015, according to latest trade data from China Customs.

shipment from 2H February/March despite the overall lack of demand so far in India.

#### ■ Tampa DAP price bounces up

Mosaic sold around 20,000 tonnes of DAP to Latin America at \$335-345/tonne FOB Tampa for February/March shipment.

### Ammonia

#### ■ No Yuzhny loadings in January

With no end in sight to the dispute between Togliatti and its Ukrainian pipeline partner, no ammonia will move from the Black Sea this month.

#### ■ SABIC spot cargo sold above \$302/tonne FOB

The Saudi producer secured a high price from Koch for up to 40,000 tonnes that will load in late February.

#### ■ OCP seals deals in the Americas

More than 75,000 tonnes of spot ammonia will move across the Atlantic shortly after the phosphates major acquired cargoes from producers in the US and Trinidad.

### Sulphur

#### ■ Q1 North Africa contracts agreed at \$70-85/tonne CFR

In North Africa, first-quarter sulphur contracts have settled in a \$70-85/tonne CFR price range, according to producers and consumers.

#### ■ Russian production cuts in Q1 support prices

The absence of any volumes from Gazprom during the first quarter has lifted spot prices in the Mediterranean and prevented spot prices from falling in China.

### Potash

#### ■ China potash imports down 28%, India lifting

China imported 28% less potash in 2016, with 6.83m tonnes received, down from 9.44m tonnes in 2015. However, Indian imports for April-December 2016 reached 2.9m tonnes, up over 7% from the previous corresponding period.

### Phosphates

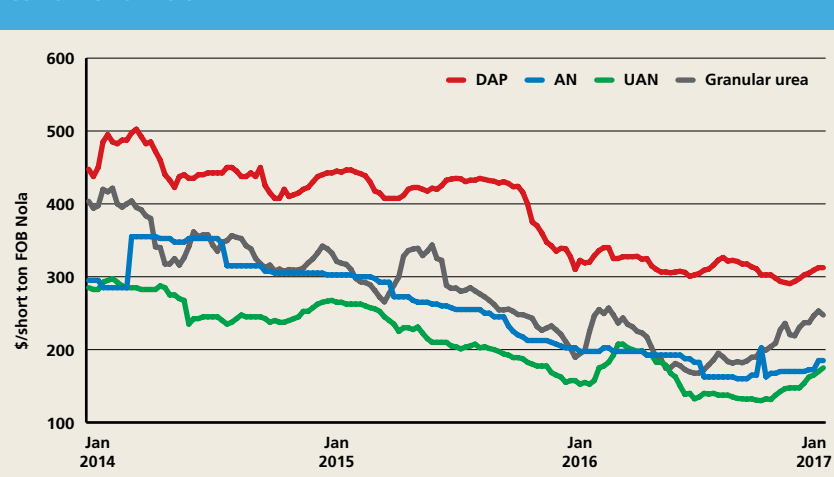
#### ■ Pakistan suspends DAP imports

Importers have announced that they would be suspending imports of DAP, as the government is yet to pay over Pakistan Rs5bn in subsidies for the last four months.

#### ■ India DAP demand picks up

NFL and GSFC have issued tenders for 400,000 tonnes of DAP in total for

US DOMESTIC PRICES



## The Market

PRICES ARE IN US\$ EXCEPT WHERE SPECIFIED					
NITROGEN			PHOSPHATES		
	26 January	19 January		26 January	19 January
<b>Urea prilled bulk</b>			<b>DAP bulk</b>		
Yuzhny FOB	245-250	245-247	US Gulf FOB	330-335	328-330
Romania FOB	255-260	255-260	Nola ps ton FOB barge	310-315	310-315
Baltic FOB	245-250	245-247	North Africa FOB	335-340	335-340
Arab Gulf FOB	265-270	260-265	Saudi Arabia FOB	345-350	337-342
SE Asia CFR	255-265	255-265	Baltic FOB	320-340	320-340
NW Europe €pt FCA	285-290	285-290	China FOB	345-355	340-350
China FOB	242-245	242-250	Pakistan CFR	330-340	330-340
<b>Urea granular bulk (spot)</b>			Benelux FCA €	343-348	343-348
Arabian Gulf FOB	275-280	270-273	<b>MAP bulk</b>		
Arab Gulf US netback FOB	242-258	248-263	Baltic Sea FOB	325-330	320-325
Iran FOB	230-235	225-235	Brazil CFR sight	345-355	340-350
Yuzhny FOB	255-265	255-265	<b>TSP bulk</b>		
Baltic FOB	255-265	255-265	North Africa FOB	250-260	250-260
SE Asia FOB	260-265	260-265	<b>NPK bulk</b>		
China FOB	265-270	260-265	Russia 16.16.16 FOB	280-290	280-290
SE Asia CFR	270-280	270-280	China 16.16.16 CFR	300-310	300-310
Egypt FOB	285-286	287	<b>Phos Acid P2O5 fert grade</b>		
Algeria FOB	282-292	282-292	N Africa FOB	505-630	505-630
North Africa FOB	282-292	282-292	NW Europe CFR	685-820	685-820
NW Europe €pt FCA	295-300	298-302	India CFR cash	580-610	580-610
Caribbean FOB	235-240	240-245	<b>Phosphate Rock</b>		
US Gulf ps ton FOB	238-253	246-260	Morocco 70-72 BPL FOB	95-110	95-110
US Gulf metric CFR equiv	258-274	267-282	India CFR	54-135	54-135
Brazil CFR	285-290	285-290	<b>POTASH</b>		
<b>Nitrates</b>				26 January	19 January
AN Baltic FOB bulk	198-202	198-202	<b>MOP bulk</b>		
AN B Sea FOB bulk	198-202	198-202	Vancouver standard FOB	205-245	205-245
AN France € deld bulk	282-292	282-292	Vancouver gran FOB	220-250	220-250
AN UK FCA £ bagged	225-230	222-225	Israel/Jordan standard FOB	205-245	205-245
AN FOB Nola ps ton	180-190	180-190	Baltic standard FOB	195-235	195-235
CAN Germany € cif blk	210-220	210-220	China CFR	219	219
UAN France € FCA 30%	170-172	170-172	SE Asia CFR	230-255	230-255
UAN FOB B Sea 32%**	150-160	150-160	Brazil gran CFR	235-245	235-245
UAN FOB Nola ps ton 32%	170-175	168-170	NW Europe € gran CIF	235-245	235-245
UAN CFR ec US 32%	190-195	190-193	<b>SOP bulk</b>		
<b>Am. Sulphate bulk</b>			NW Europe € FOB	440-450	440-450
Black Sea FOB (white)	140-145	140-145	<b>SULPHUR</b>		
Baltic FOB	140-145	140-145		26 January	19 January
Brazil CFR	140-145	140-145	Vancouver FOB (spot/contract)	87-91	87-91
SE Asia CFR	126-134	126-134	Middle East FOB	88-92	88-92
China FOB	108-115	108-115	Mediterranean CFR spot	95-100	90-94
<b>Natural Gas</b>			North Africa CFR contract	70-85	68-75
Nymex \$/mmBtu	3.47	3.38	China CFR	93-100	93-100
NW Europe TTF \$/mmBtu	6.41	6.17	India CFR	100-105	100-105
<b>AMMONIA</b>			Black Sea FOB	57-71	55-61
	26 January	19 January	Brazil CFR	88-93	77-95
Yuzhny FOB	270-280	250-260	<b>Liquid</b>		
Arabian Gulf FOB	265-303	217-241	Tampa CFR lton	75	75
Iran FOB	220-230	200-210	Benelux delivered	90-100	90-100
Caribbean FOB	210-220	210-220	** low end dutiable product		
US Gulf CFR	253-255	253-255			
Tampa CFR	250	250			
NW Europe CFR duty unpaid	320-340	300-340			
North Africa CFR	300-310	280-290			
India CFR	260-280	240-260			
Taiwan CFR	255-265	255-260			
Korea CFR	255-268	255-265			

## The Market

SUMMARY OF RECENT SPOT SALES							
Product	Origin	Seller	Buyer	Destination	'000t	\$pt	Ship
Urea - prilled	Romania	Nitron	Yildiz	Turkey	5	290-295 CFR 180d	January/Feb
	Baltic		Dalton	C America		mid-280s CFR	February
	China		Trader	India	25-30	low-240s FOB	January/Feb
Urea - granular	Egypt	Helwan	Trader		10	286 FOB	January/Feb
	Egypt	OCI/OFT		France	5	285 FOB equiv	February
	Kuwait	PIC	Yara?		30	280 FOB	February
	Iran	GF Trading		Italy	25	280-285 CFR	January/Feb
	AG	Keytrade		Brazil	30	290 CFR	January/Feb
DAP	US	Mosaic		Latin America	14	335 FOB	February/March
	US	Mosaic		Latin America	<6	345 FOB	March
	Saudi Arabia	Ma'aden		east Africa	30	350 FOB	February
Ammonia	Egypt	Abu Qir	Trammo	Turkey?	11	259 FOB	February
	Algeria	Sorfert	Trammo		23.5	315 FOB	February
	Algeria	Sorfert	OCI	NW Europe	23.5		January
	Saudi Arabia	SABIC	Koch	US?	25-40	302.50 FOB	February
	US	CF Industries	Trammo	Chile	23.4	Formula	January
	US	CF Industries	OCP	Morocco	23.4		February
	Trinidad	Koch	OCP	Morocco	30		January
	Trinidad		OCP	Morocco	23.4		January

WEEKLY FREIGHT RATE INDICATIONS			
Route	Product	'000 tonnes	\$/tonne
Yuzhny-WC India	Urea	60-70	19-21
Riga-Brazil	Urea	25-30	19-21
AG- US Gulf	Urea	35-45	15-17
Egypt-French Bay	Urea	6-8	20-22
USG-WC India	DAP	55-65	27-29
Morocco-Brazil	MAP	25-30	13-15
USG-Brazil	DAP	25-30	18-20
Baltic-Brazil	MOP	25-35	19-21
Baltic-China	MOP	55-65	26-28
Vancouver-Brazil	Sul/MOP	45-50	17-19
Vancouver-China	Sul/MOP	50-65	11-13
AG-WC India	Sulphur	15-20	14-15
AG-China	Sulphur	25-30	15-17

## Nitrogen

### OVERVIEW

The global urea market remains firm, but looks to be taking a breather this week with prices mostly stable and a lack of activity.

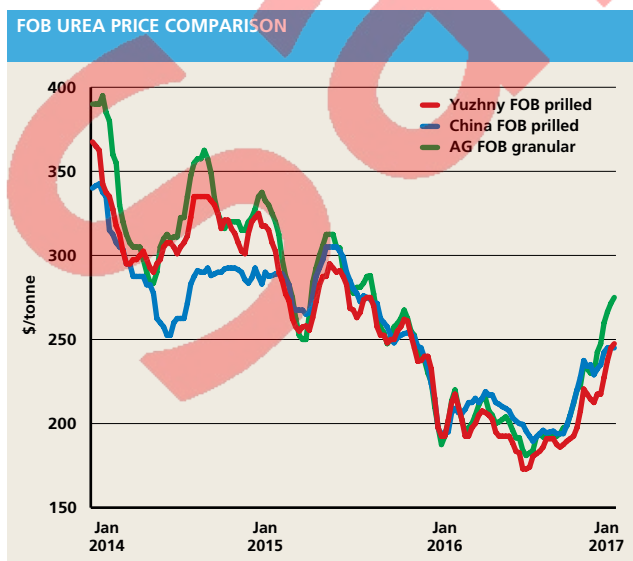
There are expectations the market will remain solid through February given little availability, but there is talk emerging that a weaker tone to the market could be seen in March.

Of interest this week was Pakistan prilled urea being offered to the market. The export of 300,000 tonnes has been approved for the time being and possible sales into east Africa and Turkey are heard targeted.

The Chinese market has slowed ahead of the Lunar New Year holidays, but the lack of tonnes moved from the supply source was underlined by full year 2016 export figures which were released this week. Urea exports totalled 8.87m tonnes in 2016, down 35% from the record 13.75m tonnes exported in 2015. Exports are not likely to pick up soon given that operating rates remain around 55% of capacity and the domestic market offers better netbacks.

A mixed bag of prices was seen this week, although levels were mostly stable to firm. Egyptian prices have stabilised in the mid-\$280s/tonne FOB, with the European system said to be full for now following recent demand. Meanwhile, higher prices were seen from the Arabian Gulf, with a Kuwaiti cargo sold around \$280/tonne FOB and producers now targeting \$285/tonne FOB.

An Arabian Gulf cargo which has been destined for the US, was diverted to Brazil instead given better price levels. The US is still lagging in terms of international price levels and not so attractive for import cargoes at present.



### BLACK SEA

In **Yuzhny**, a trader is heard to have sold prilled urea to Turkey this week, with the price level reflecting a netback around \$245-250/tonne FOB.

No other business is heard given the lack of availability in the region.

### OPZ/TIS- JANUARY 2017, '000 TONNES

Date	Vessel	Kt	Destination
1	Ostra	5.5	NCTC/Turkey
2	Southern Breeze	5	Actatrade/Turkey
9	Iris	6.5	AGT/Turkey
<b>17</b>			

OPZ and Cherkassy remain down for the time being, while Dnipro looks to be nearly sold out for February given earlier sales and domestic commitments. There is talk that another 5,000 tonnes might be available for February.

In the paper market, February and March bids and offers are at \$240-255/tonne FOB.

The future of OPZ could become clearer soon after government officials held talks with potential investors and partners. The State Property Fund of Ukraine (SPFU) is exploring four ways of resuming production at the plant after operations ground to a halt in late December 2016 as a gas supply deal failed to materialise.

Following several failed attempts at privatization, the plant could now be hired out to a third party or enter a gas tolling agreement in which feedstock would be exchanged for a share of ammonia and urea output.

SPFU is also looking to secure a natural gas supply contract and bring in private sector/foreign investment, with interested parties given until 24 February to submit proposals for any of the four options.

Naftogas is heard to have increased natural gas prices to industrial consumers on a prepayment basis from 1 February 2017 by 22% to Ukraine hryvnya (UAH) 9,215/thousand cubic metre (\$339/kcm) including VAT. The price is valid for consumers buying more than 50,000 cbm/month and absent of debt. All other consumers will pay UAH10,141/kcm (\$317/kcm).

**ICIS is considering discontinuing the FOB Romania prilled urea price quote. Please send any comments to [rebecca.clarke@icis.com](mailto:rebecca.clarke@icis.com)**

### BALTIC

In the **Baltic**, no new business is heard this week, although there is talk that prilled tonnes were sold to Central American under the Dalton tender last week but there is no confirmation of this.

Producer offers are now heard at \$250/tonne FOB and above.

PhosAgro has some availability for second half February, but its next full cargo will be for March shipment.

Mendelevsk is understood to have 5,000 tonnes of granular urea available for end February shipment but is yet to make a sale.

Prices are assessed at \$245-250/tonne FOB for prilled to reflect offer levels. Granular prices are unchanged in the absence of new indications.

In **Russia**, Acron produced 823,000 tonnes of urea in 2016, up 31.9% on the 624,000 tonnes of urea produced in 2015, according to the company's operating results. Of the total, 482,000 tonnes were used for internal consumption. (See also News)

## » EUROPE

In **Turkey**, Yildiz is understood to have purchased 5,000 tonnes of Romanian prilled urea from a trader at \$290-295/tonne CFR Marmara with 180 days' credit for prompt loading. Nitron was linked to the deal.

Iranian tonnes are heard on offer at \$252/tonne CFR, and there is also talk that Pakistan is targeting Turkey as a market but no offer levels have been heard.

Demand is expected to be for 50,000-60,000 tonnes in February, although others expect that buying will not pick up again until March.

In **France**, traders with positions at La Pallice are understood to be looking to sell before new cargoes arrive. Offers are indicated at €298-300/tonne FCA for granular urea.

The main issue for buyers at present is logistics, with warehouses full.

In **Italy**, GF Trading is heard to have sold 25,000 tonnes of Iranian urea at \$280-285/tonne CFR duty paid for arrival before 20 February.

Granular urea is heard on offer at \$295/tonne CIF Ravenna, while Egyptian prills are on offer in the high-\$280s/tonne CIF.

However, there is talk there is little interest from importers at present as warehouses in Ravenna are full and so deliveries need to move to dealers/retailers before new cargoes can be delivered.

In **Greece**, there is talk that 3,000 tonnes of Egyptian granular urea was liquidated at a low price, but this is not confirmed.

## AFRICA

In **Egypt**, granular urea deals were concluded in the \$285-286/tonne FOB range by OCI/EFC and Helwan respectively this week. Our range is assessed based on these deals.

Buying interest tapered off towards the end of the week with MOPCO/ENPC not being able to sell under its 26 January sales tender for an unspecified quantity.

Earlier this week, OCI/OFT sold 5,000 tonnes of granular urea at \$285/tonne FOB equivalent for first half February shipment to France. The buyer is undisclosed.

Late last week, Helwan sold 10,000 tonnes of granular urea at \$286/tonne FOB to an undisclosed trader under its 20 January sales tender, for shipment end January/early February. The tender was issued for a total of 15,000 tonnes.

The sales are at a \$1-2/tonne discount Alexfert's business earlier last week when it sold 10,000-15,000 tonnes at \$287/tonne FOB.

Abu Qir sold 10,000 tonnes of prilled urea at \$260/tonne FOB under its 24 January sales tender to an undisclosed trader, for shipment 15-23 February. The tender was for 20,000 tonnes, meaning a further 10,000 tonnes remains unsold.

The producer is yet to sell any granular urea after scrapping its 17 January sales tender for 25,000 tonnes.

Port congestion issues have eased since last week.

### DIRECT HEDGE FERTILIZER SWAPS PRICE INDICATIONS

26 January 2017

Urea	FOB Egypt, \$/tonne	
	Buyers	Sellers
February	275	280
March	275	280
April	-	-

### DIRECT HEDGE FERTILIZER SWAPS PRICE INDICATIONS

26 January 2017

Urea	FOB Nola \$/short ton		FOB Yuzhny	
	Buyers	Sellers	Buyers	Sellers
February	251	257	240	255
March	255	260	240	255
April	248	255	-	-

### DIRECT HEDGE FERTILIZER SWAPS PRICE INDICATIONS

26 January 2017

UAN	FOB Nola \$/short ton	
	Buyers	Sellers
February	184	188
March	188	195
April	192	196

There is no update yet on the final monthly quantity that producers will allocate to the domestic market. The number is likely to be around 30-55%.

The domestic price was agreed last week at Egyptian Pound 2,800/tonne ex-works (\$148.5/tonne) and Egyptian Pound 2,960/tonne delivered to farm.

In **Nigeria**, the Indorama plant is down for three weeks of maintenance until 20 February, for a guaranteed test run to take its operating capacity to 100% from 90-95% at present.

In **Algeria**, there is no fresh business heard this week and our price range is left unchanged.

AOA Edeola/Bahwan was heard to be in the market last week but did not conclude any sales. Last done business was at \$282/tonne FOB for January shipment to the US.

Last Sorfert business was at \$292/tonne FOB for a smaller lot.

Sorfert loaded the following cargoes in January:

- 10,000 tonnes on the Arklow Manor
- 6,550 tonnes on the Navin Osprey
- 5,000 tonnes on the Vlistdiep
- 6,000 tonnes on the Burhan Dizman
- 4,000 tonnes on the Lauren
- 4,000 tonnes loading on the Burhan Dizman



## The Market

» Total 35,550 tonnes to be loaded in January

In **Libya**, one urea and one ammonia line at Lifeco are running.

The producer is sold out for prills and has no availability until March.

### MIDDLE EAST

In the **Arab Gulf**, granular urea prices are firm with a deal concluded at \$280/tonne FOB this week from Kuwait to Yara/Canada.

Supply is tight with FERTIL UAE being the only producer with spot availability for February. Other producers are sold out, while Oman and Qatar will have maintenance in February.

Netbacks from Brazil are also higher, and heard in the mid-\$270s/tonne FOB. The range this week is assessed at \$275-280/tonne FOB based on Brazil netbacks and spot business.

Prilled prices are notionally assessed higher, in the \$265-270/tonne FOB range.

In **Kuwait/Bahrain**, PIC sold 30,000 tonnes of granular urea at around \$280/tonne FOB over the weekend to Yara, for February shipment. The cargo is to be shipped to North America, likely Canada.

FERTIL **UAE** has a granular urea spot cargo available for sale in February. The producer rejected a bid at \$280/tonne FOB for the US and is targeting \$285/tonne FOB.

In **Oman**, there is unconfirmed talk the SIUCI plant is undergoing maintenance in February for around a month.

In **Saudi Arabia**, it is clarified that SABIC is not offering any granular urea for February as it has no material available.

In **Qatar**, Muntajat is not expected to have urea spot availability the first quarter, and possibly until June, due to contract commitments.

In **Iran**, GF Trading is heard to have shipped 20,000-25,000 tonnes of Shiraz tonnes to Italy at a netback of around \$230/tonne FOB.

For fresh tonnes, prices are pegged in the mid-\$230s/tonne FOB.

The range this week is assessed at \$230-235/tonne FOB for granular urea. Prilled prices are also heard to be at similar levels in Iran.

Pardis is heard to be sold out for February, while Shiraz and KPIC have limited tonnes.

Earlier this month, a 30,000-tonne granular urea cargo was heard sold to Toros in Turkey at a netback in the \$225-230/tonne FOB range for January/February shipment. Global Transnational was linked to the deal.

Another 10,000 tonnes of prilled urea was heard shipped by Transagri to Coromandel/India.

### ASIA

In **Pakistan**, the Economic Co-ordination Committee (ECC) has allowed domestic producers to export 300,000 tonnes of urea until 28 April. Producers will not be paid any subsidy on the exported urea.

Pak Arab, Fauji Fertiliser, Fatima, Dawood and Engro are expected to

export the urea based on their availability.

Producers are heard to have begun preliminary talks with traders and are looking to export urea to markets such as Turkey and Africa given lack of prilled availability from the Black Sea. Early price indications were around \$240s/tonne FOB although there still continues to be scepticism if this will go through.

There is talk that another 500,000 tonnes maybe exported in two tranches if this first export of 300,000 tonnes is successful.

However, the government has said it will ban any exports if domestic prices increase more than 5% from current levels.

In **India**, stocks of urea are estimated at 2m tonnes at present, which has led to further belief that a fresh tender is not likely to be announced until March.

Local urea production in April-December 2016 has been 18.3m tonnes, largely in line with the same period in the previous year, according to data from FAI.

Imports during the period were 5m tonnes, down 38% from 6.9m tonnes in April-December 2015.

Domestic sales in April-December 2016 were 22.4m tonnes, down over 7% from 24.2m tonnes a year ago.

#### FAI UREA DATA: DECEMBER 2016 (TONNES)

	Dec 2016	Apr-Dec 16	Apr-Dec 15
<b>Production</b>	2,158,000	18,309,310	18,364,660
<b>Imports</b>	134,000	4,988,000	6,871,000
<b>Sales</b>	3,544,160	22,378,000	24,190,280

In **Nepal**, AICL will close an import tender for 30,000 tonnes of urea on 6 February. Offers are requested to remain valid for 21 days and the material is to be delivered in 90-110 days on a CIP Nepal basis (Biratnagar, Birgunj and Bhairhawa AICL warehouses) with insurance up to Nepal.

In **South Korea**, there is talk of a requirement for one tonnes of urea in jumbo bags, but the market is generally quiet due to the Lunar New Year holidays.

In **Taiwan**, TFC closed a tender on 26 January for 400 tonnes of industrial grade urea for February delivery. No prices have been heard yet.

In **Indonesia**, it is understood that an export licence for 1m tonnes has been approved but is not yet being offered to the market. Expectations are that exports will not start until mid-February at the earliest after the Lunar New Year holidays.

Of the total, Kaltim is expected to be allocated 700,000 tonnes, Pusri 100,000 tonnes with the balance to Kujang and other sellers.

There is talk that an export licence for an additional 200,000 tonnes could be issued later if tonnes are available.

In **China**, the market is quiet this week ahead of the Lunar New Year holidays.



» There is talk that a trader has covered another 25,000-30,000 tonnes of prilled urea for shipment to India in the low-\$240s/tonne FOB.

Some prilled offer levels have slipped with talk of product available in the mid-\$240s/tonne FOB, although offers above \$250/tonne FOB also continue to be heard.

Granular prices continue to be heard in the mid/high-\$260s/tonne FOB, but with little interest. China Coal was heard looking to sell at these levels.

There are also higher offers up to \$280/tonne FOB are also heard with talk that level could be concluded by Fudao. There is unconfirmed talk that volume were sold at this level for shipment to Australia, with Ameropa linked to the business.

There is talk that Chinese granular urea has been sold to the Mexican west coast reflecting a net back around \$270/tonne FOB.

Chinese urea exports totalled 8.87m tonnes in 2016, down 35% from the record 13.75m tonnes exported in 2015, according to latest trade data from China Customs. India was the main destination with 2.13m tonnes, but this was down 64% from the 5.95m tonnes exported to the same country in 2015.

Deliveries to the US and Chile were also down sharply year on year, while shipments to Mexico, Indonesia, Malaysia and Bangladesh showed increases.

In December 2016, exports were 742,616 tonnes, down nearly 60% on the 1.83m tonnes exported in December 2015.

CHINA TOP 10 UREA EXPORTS (TONNES) 2016			
Destination (2016 % share)	2016	2015	2014
<b>India (24.02%)</b>	2,130,543	5,952,048	5,200,615
<b>Mexico (8.68%)</b>	770,186	750,039	815,138
<b>US (7.87%)</b>	698,085	1,112,232	1,280,244
<b>Indonesia (6.95%)</b>	616,184	111,328	99,725
<b>South Korea (6.76%)</b>	599,724	641,832	556,105
<b>Malaysia (4.40%)</b>	390,122	377,361	311,264
<b>Chile (4.04%)</b>	357,936	672,951	443,041
<b>Bangladesh (3.87%)</b>	343,199	249,417	505,002
<b>Philippines (3.47%)</b>	307,561	342,907	459,083
<b>Myanmar (3.02%)</b>	267,459	57,113	72,685
<b>Total</b>	8,870,706	13,748,000	13,615,522

Source: China Customs/IHS

Operating rates continue to be talked around 55% of capacity, but there are some expectations they could increase further. Stock levels at ports are said to be steady with little new product moving to ports given that domestic prices are offering better netbacks.

Demand is said to be healthy in the domestic market, with factories having received full orders last week, but activity has now slowed ahead of the holidays. Prices are steady, with latest levels heard as follows:

- CNY1,660-1,760/tonne EXW and CNY1,760-1,800/tonne EXWH in northern provinces
- CNY1,680-1,740/tonne EXW and CNY1,770-1,930/tonne EXWH in

southern provinces

- CNY1,670/tonne EXW from the Luxi factory, Shandong

## AMERICAS

In the **US**, urea barge prices have come off this week on a continued lack of demand. There are expectations that demand is still a way off from returning.

Barge inventory levels are building, while warehouse sales remain slow as retail bins have already been filled but not been sold.

A low of \$238/short ton FOB Nola was heard this week, understood to have traded several times, prompt deals were also heard at \$240-242/short ton FOB. February deals were heard in a \$245-253/short ton FOB range. Prices are assessed at \$238-253/short ton FOB this week to reflect deals heard.

March business was heard at \$250-257/short ton FOB, while April traded at \$250-251/short ton FOB.

Warehouse prices are indicated at \$280-285/short ton FOT at the Twin Cities, Catoosa and Clinton, although lower prices have been talked at St Louis.

In the paper market, February bids and offers are at \$251-257/short ton FOB, with March at \$255-260/short ton FOB.

In **Central America**, there is talk that Dalton purchased Baltic prilled urea under its enquiry for 35,000 tonnes, but no other details are heard. Offers has been heard in the mid-\$280s/tonne CFR.

In **Brazil**, Keytrade is understood to have sold a 30,000-tonne Arabian Gulf cargo at \$290/tonne CFR. The cargo had initially been intended for the US. Yara was linked to the deal but this was not confirmed.

Other buying interested was heard to be muted at present.

In clarification of last week's report, FITCO did not buy urea above \$286/tonne CFR.

It is now understood Venezuelan granular urea was sold last week in the high-\$270s/tonne CFR.

## Ammonium nitrate

The AN market has been inactive this week with most participants away at an industry event. Prices are firm and unchanged, with **Baltic** and **Black Sea** levels around the \$200/tonne FOB mark.

Last done business was a 7,000-tonne sale from EuroChem to a trader at \$200/tonne FOB Baltic for February shipment. Nitron is heard to have purchased the tonnes as part of a combination cargo for Latin America.

In **Russia**, Acron produced a record 1.7m tonnes of AN in 2016, up 15% from 1.5m tonnes in the previous year. The higher output was due to additional availability of ammonia due to commissioning of a new ammonia unit in Veliky Novgorod.

In **Turkey**, the government issued an official notification earlier this week confirming that the ban on sale of CAN has been lifted.

The CAN ban was informally lifted last week while the ban on AN is to continue permanently. The ban on potassium nitrate has also been lifted.

## The Market

» Some domestic sales of CAN have begun in the country with prices estimated in the Turkish lira 800-900/tonne range.

On 8 June 2016, the government banned the sale or distribution of AN, CAN and potassium nitrate with immediate effect. At the time, the government had said the ban would continue until February 2017.

In **France**, Yara last week increased the price of AN by €10/tonne to €292/tonne delivered bulk. The previous hike on 9 January saw Yara raise the price by €12/tonne to €282/tonne delivered bulk.

This was the second price increase announced by Yara in 2017, and the seventh since October 2016. Since mid-October 2016, French prices have increased by €78/tonne.

Borealis' nitrates plant in Grand-Quevilly near Rouen continues to be shut down due to technical issues. The duration of the force majeure, which began on 23 December 2016, has yet to be determined, but there is talk it may last for the majority of the current quarter.

In **Germany**, water levels are low and this has resulted in lack of activity for the nitrates market.

Yara last increased CAN prices on 5 January to €220/tonne CIF, a hike of €10/tonne from €210/tonne CIF previously.

From 26 September 2016 until now, Yara has increased the price of CAN by €63/tonne in six stages.

In the **UK**, CF Industries is heard to have increased offers for February/March but business is not confirmed at new levels.

Prices are notionally increased to £225-230/tonne FCA.

In **Tunisia**, it is now understood that GCT's AN line is running well.

In **Brazil**, offers of AN were last heard to be around \$220/tonne CFR.

In the **US**, AN barges remain in the \$180-190/short ton FOB Nola range.

CHINA'S TOP 10 AN EXPORTS (TONNES) 2016			
Destination (% Share)	2016	2015	2014
<b>Myanmar (17.42%)</b>	49,119	42,914	29,649
<b>Vietnam (14.14%)</b>	39,879	46,804	126,969
<b>Thailand (12.63%)</b>	35,620	34,382	21,477
<b>Indonesia (11.81%)</b>	33,303	59,123	40,023
<b>Australia (10.13%)</b>	28,561	19,236	65,516
<b>Malaysia (8.63%)</b>	24,328	44,275	40,238
<b>Laos (3.04%)</b>	8,576	7,642	10,564
<b>Philippines (2.56%)</b>	7,217	9,590	11,207
<b>Namibia (1.59%)</b>	4,480	1,900	0
<b>Oman (1.52%)</b>	4,284	5,735	4,327
<b>World Total</b>	<b>282,042</b>	<b>324,008</b>	<b>426,358</b>

Source: China Customs/IHS

## Ammonium sulphate

The international AS market was particularly quiet this week, with very little activity heard in China ahead of the holidays. An industry event in Latin America also contributed to the lull in market discussion.

While the AS market was lacking in confirmed spot trades, sentiment remained firm on the basis of tight supply globally, as well being supported by a stable nitrogen market.

Expectations of a boost in seasonal demand from Brazil and continued interest from Turkey were also viewed by international traders as positive.

In the **Black Sea**, no material was heard for the export market as domestic demand soaked up any spare tonnage. Since no firm bids or offers were heard this week, the range remains steady.

In the **Baltic Sea**, the situation was similar, with no product heard offered for export.

Grodno's Belarus was again absent from the market.

In **Europe**, the market appeared void of any new offers, possibly because the majority of suppliers were sold-out. Capro grade AS was recently quoted at \$125-135/tonne FOB Belgium.

In the European capro market, some contracts firmed in early January at increases of €210-250/tonne, while firming European benzene spot prices make the remaining discussions more difficult. Some players said the increases could get even higher in the next few days given the upward feedstock movement.

In **China**, AS prices remain steady, although most number numbers heard in the market are in the \$100s/tonne FOB. However, owing to the absence of industry presence this week, the range remains unchanged.

Exports of Chinese AS dropped 5% in 2016 year on year, according to China Customs. The most notable change among the top ten importers of Chinese AS was the 106% increase into Myanmar followed by Guatemala at 105%. China continued to export its largest percentage share of ammonium sulphate to Indonesia, which accounted for 19% of total import volumes.

CHINA'S TOP 10 AS EXPORTS (TONNES) 2016

Destination	2016	2015	2014
<b>Indonesia</b>	954,438	1,032,527	493,176
<b>Vietnam</b>	707,199	730,823	597,005
<b>Brazil</b>	624,407	589,646	169,637
<b>Malaysia</b>	408,816	331,012	493,660
<b>Philippines</b>	408,337	357,109	396,228
<b>Myanmar</b>	191,272	92,695	61,158
<b>Turkey</b>	161,254	365,640	384,960
<b>Thailand</b>	158,788	112,570	137,016
<b>Guatemala</b>	150,283	73,489	97,404
<b>United States</b>	98,775	287,668	87,591
<b>World Total</b>	<b>5,023,284</b>	<b>5,284,159</b>	<b>4,158,660</b>

Source: China Customs/IHS

In **southeast Asia**, contract volumes are understood to be moving without any problems or delays, but invariably the market has quietened because of the Lunar New Year holidays.

In the Asian capro market, the market remains tight as availability was shortened by plant troubles at capro and also feedstock cyclohexanone units in China, resulting in the overall lower operating rates. Despite a quiet trading week on downstream nylon chips sector as facilities reduce their run rates ahead of Lunar New Year, most market participants were bullish





## CHINA'S TOP 5 UAN EXPORTS (TONNES) 2016

Destination (% share)	2016	2015	2014
<b>US (68.35%)</b>	246,624	327,342	147,947
<b>Australia (23.50%)</b>	84,797	63,238	75,310
<b>Mexico (7.66%)</b>	27,644	19,611	0
<b>Chile (0.28%)</b>	999	607	0
<b>New Zealand (0.20%)</b>	713	460	190
<b>World Total</b>	<b>360,806</b>	<b>411,356</b>	<b>223,446</b>

Source: China Customs/IHS

that activities will pick up after the holiday, with healthy fundamentals and positive demand for nylon chips and nylon yarn sectors.

In **Brazil**, prices are assessed unchanged, albeit on a notional basis. Traders said buying interest was starting to emerge, but slowly.

A local fertilizer producer said it had not heard any business concluded above \$138-140/tonne CFR Brazil. While the producer spoke of business concluded at \$128-130/tonne CFR, traders claimed the volume was secured when AS prices were considerable lower.

In **Turkey**, the only material heard on offer was Chinese product. Demand was described as flat, but traders were expecting to see an emergence of demand moving into February.

In **South America**, Monomer's **Colombia** was understood to have purchased a 12,000 cargo of capro grade AS. However, no further details were obtained.

## UAN Solutions

It has been another quiet week for the UAN market. The only market which is seeing some interest is the US domestic market with barges for March heard at a \$5-10/short ton premium to current month levels.

In the **US**, Nola barge prices were heard in the \$170-175/short ton FOB range this week by most participants.

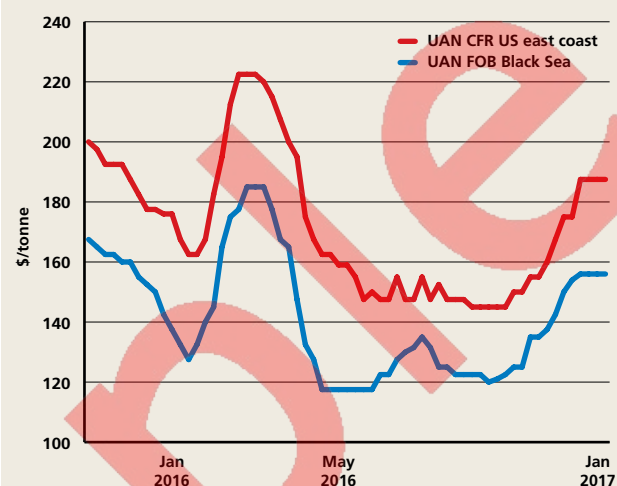
Prices were heard at lower levels as well, in the mid-\$160s/short ton FOB Nola but are not confirmed and not included in our assessment.

A firm offer for March was heard at \$180/short ton FOB Nola, and another offer was heard in the \$190s/short ton FOB Nola, but these are outside our methodology cut-off of four weeks forward and not included in our range.

## UAN FIXTURES AND ENQUIRIES IN JANUARY-FEBRUARY 2017

Supplier	Destination ('000 tonnes)	Quantity	Charterer/ Vessel	Ship-ment Period	Freight (\$/tonne)
<b>Donald-sonville</b>	Guaymas	30	Silver Sawson (Keytrade)	1-5 January	
<b>Novorossysk</b>	US east coast	32	Nordic Ruth	11-18 Jan	
<b>China</b>	Stocton	30	Argent Gerbera	Prompt	low-30s
<b>China</b>	Stocton	30	Milestone TBN	10-20 January	high-20s
<b>Lanshan</b>	Australia	15	TBN	Jan	
<b>Klaipeda</b>	Great Yarmouth	4	Enquiry	beginning February	

## UAN PRICE COMPARISON



At terminals, prices are competitive with prompt levels heard in the \$200-215/short ton range to prompt buying for top off tons for the spring.

Q2 values have moved up in line with the March/April barge indications in most places and sellers are offering around \$220-230/short ton FOB.

On the **east coast**, prices are notionally assessed higher at \$190-195/tonne CFR although trading interest is thin.

In the **Black Sea**, prices are left unchanged in the absence of any fresh business.

EuroChem's next spot availability is likely to be in early March with the producer shipping 70,000 tonnes in February to its own system.

In the **Baltic**, Acron produced a record 1.1m tonnes of UAN in 2016, up 31% from 860,000 tonnes in the previous year. The higher output was due to additional availability of ammonia due to commissioning of a new ammonia unit in Veliky Novgorod.

In **Belarus**, it is not clear if Grodno will issue a sales tender in February after being away from the market this month due to domestic commitments.

Last export deals were concluded at around \$150/tonne FOB Klaipeda equivalent.

In Lithuania, Achema is expected to have UAN availability only in April.

**ICIS is considering starting the FOB Baltic UAN price quote. Please send any comments to [deepika.thapliyal@icis.com](mailto:deepika.thapliyal@icis.com)**

In **France**, prices are unchanged with trading activity continuing to be thin. Buying interest is expected to pick up only in March-April after the first application.

In **Egypt**, UAN production at Abu Qir remains down.

The producer was not able to sell 25,000 tonnes of UAN under the 11 January tender as it is targeting prices above \$170/tonne FOB given lack of export availability in Europe.

## Phosphates

### OVERVIEW

The phosphates market is subdued in the east this week, as Chinese players are out of the market due to the Lunar New Year holiday.

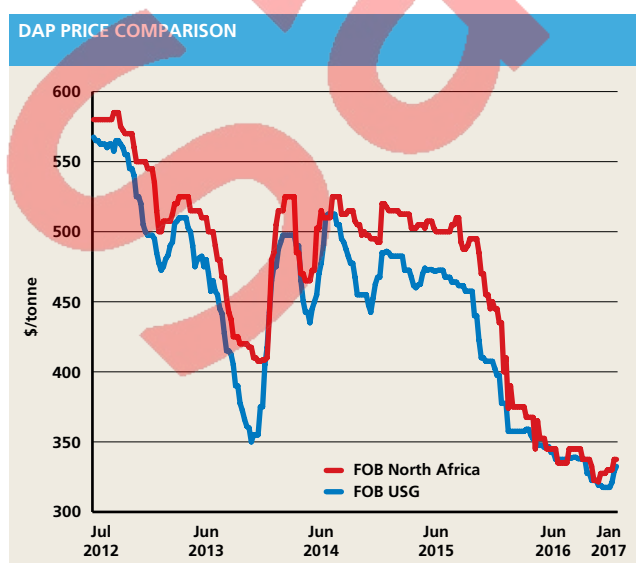
However, some DAP demand has been heard in India this week, as three tenders have been issued for 100,000-200,000 tonnes of DAP, but the shipment period is from March/April. It seems that buyers want to get tonnes at today's prices before the fertilizer subsidies are announced in March and prices edge upwards.

In addition, there is still no settlement on the phosphoric acid contracts for Q1 deliveries to India between OCP and its customers. This is expected to give a price direction to the market and essentially determine how much DAP needs to be imported in 2017 and whether it would be cheaper to import rather than produce DAP in India.

Elsewhere in the Indian subcontinent, Pakistani importers have announced that they would be suspending imports of DAP as the government is yet to pay over the subsidies for the last four months. It remains to be seen how much of an impact this move will have in the global market, as Pakistan requirements have been covered by previous DAP purchases recently.

West of Suez, the Tampa DAP price has risen on a Mosaic sale to Latin America. In the domestic market, DAP and MAP prices are stable, but Mosaic has increased its offer prices for February and March in anticipation of more spring demand.

On the supply side, most producers are looking to March to secure business. With Chinese suppliers reducing production due to pollution issues and slow demand in the Indian subcontinent, the rest of the producers are looking to compete in other active regions, such as Australia, Africa and Latin America.



### ASIA

In India, NFL has issued a purchase enquiry, closing on 9 February, to enter into a long-term purchase contract/MOU for 200,000 tonnes (+/- 10%) of black/dark brown/dark grey DAP and an additional 100,000 tonnes (+/- 10%) at seller's option.

The first lot of 50,000 tonnes of DAP (+/-10%) is to be shipped to west coast India by April 2017, second and third lots for a similar quantity to east coast by June 2017 and July 2017 respectively and the last lot by October 2017 to the west coast.

The price will be negotiated 20 days prior to shipment based on minimum spot CFR India prices published in publications and taking into account the prevailing market.

The contract will be for 12 months from 1 April and shipment is required from April 2017 until March 2018 to ports in the east and west of the country. There is an option to extend the contract for another year if both parties reach such an agreement by December 2017.

NFL issued a purchase tender, closing on 20 February, for 100,000 tonnes (+/-10%) of DAP for shipment of half of the product to Kandla/Mundra and the balance to Vizag/ Kakinada/Krishnapatnam by mid March.

Offers are requested to remain valid until 23 February.

GSFC has issued a purchase tender for 100,000 tonnes of coffee brown colour DAP (10% Moloo), with a preference for delivery by three vessels, each carrying 33,000 tonnes.

The first vessel is due to arrive during 2H February, with the second required in 2H April and the third in 2H May.

The vessels may be taken to the west coast – Kandla/Rozi/Mundra – or the east coast – Vizag/Chennai.

The tender closes on 31 January.

Offers were requested on a CFR basis with 180 days' credit for payment by LC, and should remain valid until 21 February.

No award has been heard under RCF's 9 January purchase tender for 20,000 tonnes of DAP lite/MAP 10.50 for February shipment to Mumbai.

Offers are requested to remain valid for 30 days from the tender opening date.

The lowest offer for DAP was from Wilson at \$339.85/tonne CFR, which also offered the lowest price for MAP at \$338.55/tonne CFR.

According to data from the FAI, sales of DAP decreased by 7.8% during April-December 2016 compared with the same period a year earlier. Domestic DAP production increased by 23% and imports were 28.8% lower. The data is summarised below:

#### FAI DAP DATA: DECEMBER 2016 ('000 TONNES)

	December 2016	Apr-Dec 16	Apr-Dec 15
Production	347.40	3,178.14	2,583.35
Imports	82.00	4,185.00	5,874.00
Sales	523.54	6,952.11	7,538.74

» Sales of NPs and NPKs were down 5.6% during April-December 2016 compared to the same period a year earlier. Domestic production was down 3.2%, while imports were 21.6% lower compared to the same period last year. The data is summarised below:

## FAI NP/NPK DATA: DECEMBER 2016 ('000 TONNES)

	December 2016	Apr-Dec 16	Apr-Dec 15
<b>Production</b>	654	6,317.37	6,527.89
<b>Imports</b>	-	493	629
<b>Sales</b>	701	6,045.14	6,392.01

There is talk a 20,000-tonne Jordanian phosphoric acid cargo has been sold to GSFC via Midgulf on a formula basis, \$20/tonne less than the price for Q1 for prompt shipment.

Green Star Fertilisers is understood to have bought a Mexican phosphoric acid cargo at \$520/tonne CFR for end January arrival to Tuticorin via Wilson International. Innophos/Helm is heard to be the seller.

So far, OCP has not settled phosphoric acid contract prices for Q1 deliveries and is asking for a rollover on the Q4 price of \$580/tonne CFR, while buyers are looking for \$520-540/tonne CFR.

Phosphoric acid imports reached 2.274m tonnes in 2016, up 31.9% year on year.

## INDIA PHOSPHORIC ACID IMPORTS ('000 TONNES)

Origin	Jan - Dec 2016	Jan - Dec 2015	% change over 2015
<b>Morocco</b>	893	962	-7.17
<b>Senegal</b>	418	171	144
<b>USA</b>	220	191	15
<b>Jordan</b>	456	198	130
<b>Tunisia</b>	127	68	87
<b>Israel</b>	41	51	-19.6
<b>South Africa</b>	57	39	46
<b>Vietnam</b>	51	40	27
<b>Indonesia</b>	-	4	-
<b>TOTAL</b>	<b>2,274</b>	<b>1,724</b>	<b>31.9</b>

India imported 7.869m tonnes of phosphate rock in 2016, down 2.64% from the year before.

## DIRECT HEDGE FERTILIZER SWAPS PRICE INDICATIONS

26 January 2017

	DAP FOB Nola \$/short ton		MAP CFR Brazil	
	Buyers	Sellers	Buyers	Sellers
<b>February</b>	319	322	345	355
<b>March</b>	320	325	345	355
<b>April</b>	320	330	-	-

## INDIA PHOSPHATE ROCK IMPORTS ('000 TONNES)

Origin	Jan - Dec 2016	Jan - Dec 2015	% change over 2015
<b>Jordan</b>	2,983	3,144	-5.12
<b>Egypt</b>	2,097	1,701	23.28
<b>Morocco</b>	1,288	1,348	-4.45
<b>Peru</b>	844	851	-0.82
<b>Togo</b>	457	595	-23.19
<b>Israel</b>	104	120	-13.33
<b>Algeria</b>	97	231	-58
<b>Senegal</b>	-	33	-
<b>Nauru</b>	-	26	-
<b>Others</b>	-	33	-
<b>TOTAL</b>	<b>7,869</b>	<b>8,082</b>	<b>-2.64</b>

IFFCO is heard to have decreased its scheduled turnaround from four weeks to three weeks instead.

In **Pakistan**, fertilizer importers have announced that they would be suspending imports of DAP, as the government is yet to pay over Pakistan Rs5bn in subsidies for the last four months.

The government had earlier announced a subsidy of Rs300/bag on DAP imports. The claims were to be paid within 15 days of sales being made.

More than 60% of the country's DAP requirements are met through imports.

Traders said the move is not expected to have any impact on the international market, since it is currently the offseason in Pakistan for purchasing DAP.

In **China**, the market is subdued, as players are out of the market due to the Lunar New Year holiday.

DAP offers are heard higher above \$350/tonne FOB, but there is no business confirmed at these levels.

Average operating rates at domestic plants are around 50% for DAP and MAP.

There is talk a trader has built a position of up to 100,000 tonnes of DAP to cover tenders in India.

It is understood that there was a meeting of producers last week that have agreed to maintain current operating rates and to hold ex-works price at a minimum of CNY2,400 and try and push it up too.

Domestic prices are firm and are expected to remain so until 1H March, so export levels will too.

China exported 6.8m tonnes of DAP in 2016, down 15.23% from the 8.02m tonnes the year before, according to the latest China Customs data via IHS.

## The Market

### CHINA TOP 10 DAP EXPORTS (TONNES) 2016

Destination (2016 % share)	2016	2015	2014
<b>India (42.02%)</b>	2,856,572	3,866,535	1,562,747
<b>Vietnam (12.09%)</b>	821,723	904,193	690,713
<b>Pakistan (10.60%)</b>	720,403	663,981	809,420
<b>Thailand (6.86%)</b>	466,523	424,530	239,651
<b>Bangladesh (5.39%)</b>	366,304	387,178	129,517
<b>Indonesia (3.16%)</b>	214,925	292,640	155,228
<b>Japan (3.10%)</b>	210,490	214,337,632	172,501,440
<b>New Zealand (3.03%)</b>	205,906	223,203,480	167,323,200
<b>Philippines (1.81%)</b>	123,028	173,372	171,497
<b>Mexico (1.36%)</b>	92,653	56,098	34,535
<b>World Total*</b>	6,797,629	8,019,282	4,882,057

Source: China Customs/HIS

\*Global total includes countries not listed in table and exceeds sum of table figures

China exported 911,338 tonnes of DAP in December, up 14.67% from 794,747 tonnes in the same period the year before.

The main market for exports from China was India with 289,728 tonnes.

Meanwhile, MAP exports in January-December fell by 26.11% and totalled 2.03m tonnes, compared with 2.74m tonnes in 2015.

The main destination in 2016 was Brazil with 773,099 tonnes, followed by Australia with 343,272 tonnes.

In December 2016, China exported 150,018 tonnes of MAP, down 47.99% year on year from 288,435 tonnes. The main destination was Australia with 30,762 tonnes.

Stocks in **Beihai** are heard at 34,000 tonnes of DAP, while stocks at **Zhangjiang** total 17,000 tonnes of DAP and 58,000 tonnes of DAP in **Fangcheng**.

In **Thailand**, DAP offers are heard at \$366-367/tonne CFR for DAP and even higher, but buyers are not willing to accept these levels.

In **Vietnam**, there is talk of DAP offers in the \$380s/tonne CFR.

### EUROPE

In **Russia**, PhosAgro is fully committed for January.

EuroChem has DAP/MAP availability for February.

The Baltic MAP price range has been edged upwards notionally to reflect netbacks from Brazil.

Acron Group posted a sharp year-on-year rise in annual output across its entire portfolio of nitrogen fertilizer products, as the Russian firm benefited from the commissioning of an ammonia plant. (See also News)

Production of complex fertilizers such as NPK edged up 2.5% year on year to 1.95m tonnes.

In **Italy**, Panfertil is heard offering Lifosa DAP at \$355-358/tonne CIF equivalent, with other importers offering \$10/tonne higher.

DAP prices in **Germany** are heard at \$380/tonne FCA and \$390 FCA/tonne in **France**.

In **Germany**, the government is ordering municipal sewage plants to upgrade their treatment facilities to enable the recovery of phosphorus from sewage sludge, officials confirmed. (See also News)

Under a regulation passed by Chancellor Angela Merkel's cabinet, the upgrades have to be implemented within 12 years for sewage plants serving 100,000 or more people, and within 15 years for plants serving 50,000 or more people. Germany's upper house, the Bundesrat, has yet to give its approval.

In **France**, the Court of Justice of the European Union (CJEU) confirmed that a fine of nearly €60m has been imposed on the Roullier group over a phosphates cartel.

In 2010, the Commission imposed fines amounting to €175m on six groups of producers who had participated in a price-fixing cartel and shared the phosphate market for animal feed for more than 30 years. In that cartel, the companies concerned shared sales quotas by region and by customer, coordinated prices and, in some cases, the conditions of sale. A fine of €59.8m was imposed on the Roullier group, of which Timab Industries is a subsidiary, for having participated in that cartel from 1993 to 2004.

### AMERICAS

In the **US**, Mosaic is understood to have sold 14,000 tonnes of DAP at \$335/tonne FOB Tampa for February/March shipment to Latin America earlier this week, and a small DAP parcel of less than 6,000 tonnes to Latin America at \$345/tonne FOB for March shipment later this week.

US DAP/MAP exports in November totalled 221,775 short tons P2O5, up more than half from the 106,753 short tons P2O5 exported in November 2015, according to data by The Fertilizer Institute. The main market was Canada with 71,499 short tons P2O5, followed by Brazil with 40,713 short tons P2O5 and Australia with 35,772 short tons P2O5.

Please note the data is in short tons of P2O5 for DAP/MAP combined due to changes in the TFI reporting.

In the domestic market, Mosaic sold five DAP barges at \$315/short ton FOB Nola for February shipment and has raised its asking price to \$320/short ton FOB for February shipment and \$325/short ton FOB for March.

Mosaic has also increased its MAP asking price to \$335/short ton FOB Nola for February shipment and to \$340/short ton FOB for March.

DAP barges traded in the \$310-313/short ton FOB price range.

MAP barge prices are heard at \$325-329/short ton FOB.

In Central Florida, prices by truck remain unchanged at \$325/short ton FOT for DAP, with a \$10-15/short ton premium for gMAP.

Warehouse prices are heard at \$340-345/short ton FOB, with MAP at a \$10/short ton premium.

In **Canada**, PotashCorp posted a drop in phosphates sales to 700,000 tonnes in Q4 and 2.7m tonnes for 2016, down from 800,000 tonnes and 2.9m tonnes respectively. The producer attributed the drop to



## The Market

» weaker demand for its feed and industrial products. (See also News)

In **Brazil**, there is talk MAP was sold at \$355/tonne CFR, but no other information is available.

Traders are heard quoting MAP at \$355-360/tonne CFR. Hence, our price range has been edged upwards notionally.

DAP/MAP prices are firming fast on ammonia price increases.

The following cargoes are expected at Brazilian ports in January-March:

### BRAZILIAN PHOSPHATES SHIPMENTS JANUARY-MARCH

Santos			
Supplier/Buyer	Vessel/Arrival	Tonnes	Product
Vale/Vale	Unison Medal 20 January	33,000	phosphate rock
TBC/Vale	Esperance Bay 9 February	31,900	phosphate rock
Mosaic/Mosaic	Honey Island 30 January	30,441	MAP/MES 15
TBC/PhosAgro	Ocean Galaxy 20 February	22,000	MAP
TBC	Wulin 8 March	9,000	NPK
Saudi Arabia/Indagro	Zografia 21 January	18,700	MAP
Paranagua			
Supplier/Buyer	Vessel/Arrival	Tonnes	Product
OCP/Rocha	Lone Star 1 February	25,000	NP/MAP
China/Nitron	Bulk Hero 12 February	33,000	DAP/NP
China/Dreymoor	Pacific Island 1 March	25,000	MAP
Morocco/TBI	Transcenden Time 14 February	30,852	DAP
US/Mosaic	Cielo di Pisa 20 February	31,241	DAP/NP
Mosaic/TBI	Ks Flora 31 January	34,502	DAP/NP
OCP/TBI	Saldanha Bay 27 January	30,000	phosphate rock
Sao Francisco do Sul, Antonina, Rio Grande & Aratu			
Supplier/Buyer	Vessel/Arrival	Tonnes	Product
Mosaic/TBI	Turquoise Ocean 15 January	19,746	NP
Vale/Yara	Orient Transit 30 January	25,000	phosphate rock
Yara/Yara	Naes Courageous 30 January	6,000	gMAP
US/Various	Clipper Tradition 28 January	15,295	DAP/MAP/gMAP
UK/Piratini	Strategic Fortune 28 January	7,104	MAP
Morocco/Various	Alma 19-27 January	46,100	MAP/gMAP
Vale/Timac	Western Carmen 17 January	12,000	phosphate rock
Chile/SQM	Interlink Capacity 13 February	19,202	NKS/DCP

In **Mexico**, Fertinal is sold out for January/February.

### AFRICA/MIDDLE EAST

In **Tunisia**, GCT is heard running at normal rates.

In **Morocco**, production at OCP is heard running at regular rates.

The MTM New Orleans was expected to sail on 26 January from Jorf Lasfar port with 11,000 tonnes of phosphoric acid.

In **Saudi Arabia**, Ma'aden sold around 30,000 tonnes of DAP to various customers in East Africa for February loading at around \$350/tonne FOB.

In **South Africa**, Foskor is currently running its phosphates operations at 60% capacity.

It will also consider cutting its phosphoric acid production if the first-quarter contract phosphoric acid price moves down, a company source said.

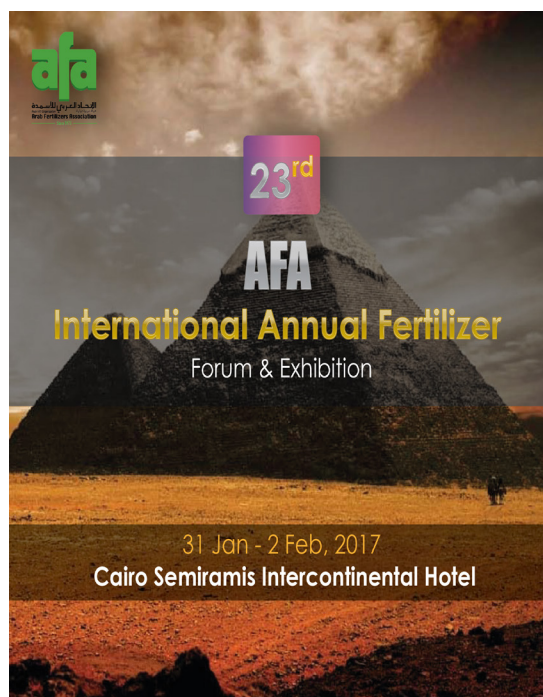
In **Nigeria**, the federal government said it will slash the price of NPK to Nigerian Naira (NGN) 5,000/bag (\$16.39) to encourage farmers to boost agricultural production in the country.

A bag of NPK is currently being sold between N7, 500 and N9, 000 in the open market.

The government is expected to take delivery of the first shipment of 800,000 tonnes of NPK from Morocco by 27 January.

The Dangote Group and OCP had signed an agreement in December 2016 to import more than 2m tonnes of customised fertiliser into Nigeria.

Follow Sylvia Traganida on Twitter @ICIS\_Sylvia for daily tweets on the latest phosphates information.





## Ammonia

### OVERVIEW

Amid talk of a potential \$80/tonne jump in the Tampa price for February loadings to \$330/tonne CFR, ammonia prices in most other regions face upward pressure due to the complete absence of cargoes from the Black Sea.

The supply squeeze triggered by the Yuzhny shutdown – no cargoes will load during January – together with talk of an imminent turnaround at a Koch plant in the Americas means there is unusual competition for cargoes.

The race to secure material was highlighted by SABIC's sale to Koch at slightly above \$300/tonne FOB for late February lifting – up more than \$60/tonne on previous business in the Arabian Gulf.

That SABIC sale made producers more confident about securing better prices – even though the latest spot business in Algerian saw a relatively tame \$15/tonne hike.

Indeed, producers' optimistic price targets are likely to meet strong resistance from buyers in India and Asia Pacific who argue the supply squeeze will last only as long as Yuzhny tonnes remain out of reach.

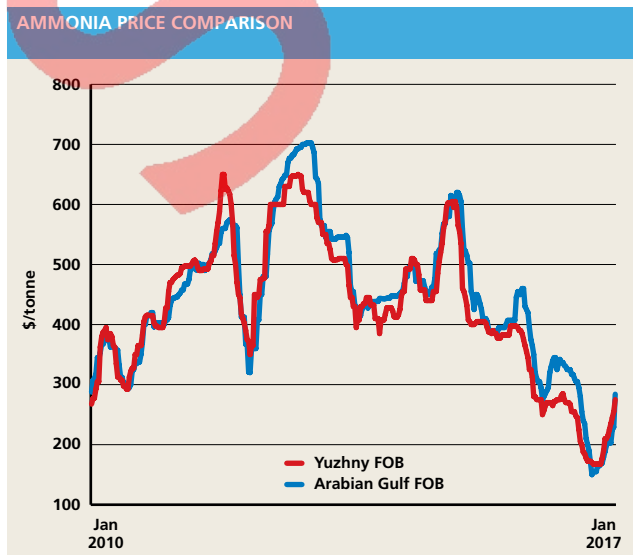
Rather than concentrate on the potential impact of Koch's purchase from SABIC, buyers point to the steady flow of material from Indonesia, Australia and the Caribbean as evidence the market is fundamentally balanced.

Buyers in India, who have yet to emerge for first quarter spot material, will hope the supply situation improves before they look to obtain non-contract cargoes.

The first indication of February and March price ideas in India should appear next week when FACT closes its first purchase tender of the year.

Despite the odd spot cargo threatening to distort the market, it was mainly business as usual this week, with OCP securing more than 75,000 tonnes from the Americas.

Trammo acquired cargoes in the US and Algeria, with some of the North African tonnes likely to move to Turkey where buyers are seeking parcels for February arrival.



### BLACK SEA

In **Yuzhny**, no cargoes will load this month as the dispute between Russia's Togliatti and Ukrainian pipeline operator Ukrhimtransammiak (UKHTA) remains unresolved.

While representatives from both sides are understood to have held talks aimed at ending the row, no product will move to the port during January.

Earlier this week, Togliatti filed a lawsuit with the Ukrainian Chamber of Commerce and Industry (CCI) for \$11.5m in damages from state-run (UKHTA).

Togliatti has the capacity to pump 6,000 tonnes/day to the Black Sea, but no material has been transported since 22 December.

Ameropa has yet to determine its line-up for next month, but is optimistic pumping could resume in early February.

The trader has several vessels in the region, waiting to load. Meanwhile, the future of OPZ could become clearer soon after government officials held talks with potential investors and partners.

The State Property Fund of Ukraine (SPFU) is exploring four ways of resuming production at the plant after operations ground to a halt in late December as a gas supply deal failed to materialise.

Following several failed attempts at privatization, the plant could now be hired out to a third party or enter a gas tolling agreement in which feedstock would be exchanged for a share of ammonia and urea output.

SPFU is also looking to secure a natural gas supply contract and bring in private sector/foreign investment, with interested parties given until 24 February to submit proposals for any of the four options.

Prices are again assessed higher on a notional basis to reflect bullish market conditions.

### BALTIC AND NORTHWEST EUROPE

In the **Baltic**, producers continue to target prices above \$300/tonne FOB for February business, with one manufacturer head seeking as high as \$320/tonne FOB.

However, at least one late January cargo is heard priced around \$260/tonne FOB – which would reflect a \$250/tonne FOB price in the Black Sea based on the usual \$10/tonne freight differential.

URALCHEM recently said it only has very limited availability for February as it focuses on contract cargoes from Ventspils.

In **Belgium**, OCI is heard to have sold 11,000-12,000 tonnes of spot ammonia to BASF or EuroChem for first half February discharge at Antwerp by the Al-Jabirah.

The identity of the buyer and the price for the Algerian cargo have not been disclosed.

Last week, EuroChem secured 23,400 tonnes of Saudi spot ammonia from an undisclosed supplier for mid-February arrival at Antwerp on the Leo Sunrise.

BASF appears poised to receive 25,000 tonnes of Caribbean material

## The Market

» from long-term supply partner PCS, as the Libramont will arrive at Antwerp on 3 February.

In the **Netherlands**, OCI will receive 11,000-12,000 tonnes of Algerian spot ammonia on the Al-Jabirah at Rotterdam in early February after securing a cargo from Solfert.

The Wilhelm Schulte will deliver an identical-sized cargo on 29 January. The buyer needs the extra material to satisfy strong demand from distributors.

### NW EUROPE DELIVERIES FOR JANUARY/FEBRUARY, '000 TONNES

Supplier/Origin	KT	Vessel	Recipient/Dest	Load
Ameropa/Alg+Fra	23.4	Gas Grouper	EuroChem/Belgium	7
Yara/Netherlands	8	Temse	Yara/Finland	8
CF Industries/US	23.4	Touraine	EuroChem/Belgium	9
URALCHEM/Ventspils	11	W.Schulte	OCI/Netherlands	11
URALCHEM/Ventspils	4	Coral Ivory	Yara/Finland	11
Yara/UK	13.7	Yara Nauma	Yara/Germany	12
Acron/Sillamae	13.7	Yara Kara	Yara/Norway	12
URALCHEM/Ventspils	4	Coral Ivory	Yara/Sweden	15
Yara/Germany	8	Temse	Yara/Finland	16
Yara/Netherlands+UK	13.7	Yara Kara	Yara/Germany	19
Solfert/Algeria	11	W.Schulte	OCI/Neth+Sweden	22
Grupa Azoty/Poland	4	Coral Ivory	Yara/Sweden	23
Yara/Algeria	13.7	Yara Sela	Yara/France	23
URALCHEM/Ventspils	8	Temse	Yara/Norway	23
PCS/Trinidad	25	Libramont	BASF/Belgium	23
Grupa Azoty/Poland	4	Coral Ivory	Yara/Sweden	23
Yara/Algeria	13.7	Yara Nauma	Yara/France	25
Acron/Sillamae	13.7	Yara Kara	Yara/Norway	26
Solfert/Algeria	23.5	Al-Jabirah	OCI/Neth+Belgium	29
	<b>239.5</b>			

### TURKEY AND MEDITERRANEAN

In **Turkey**, Trammo is heard to have sold 6,000-8,000 tonnes of spot ammonia to Isgas for February delivery and approached Bagfas about a similar deal.

The trader is said to have offered a 7,000-tonne cargo to Bagfas at \$370/tonne CFR Bandirma, amid talk a sale to Isgas was concluded at \$340/tonne CFR.

The Sanko Innovator will deliver a Trammo parcel to Samsun for Toros on 28 January, with the Marycam Swan due to arrive in early February with up to 15,000 tonnes.

Gemlik has still to restart its ammonia unit so has no imminent export availability.

In **Spain**, the Queen Isabella discharged an Algerian parcel at Sagunto for Fertiberia on 24 January, with the group likely to send the Andesgas to Aviles in early February.

The Sanko Innovator will deliver up to 10,000 tonnes to Castellon for Ube next week on behalf of Trammo.

### AFRICA

In **Algeria**, Solfert sold 23,500 tonnes of spot ammonia to Trammo at

\$315/tonne FOB for second half February loading in Arzew – up \$15/tonne on last week's deal by the pair for a first half February cargo.

OCI will load 23,500 tonnes on the Al-Jabirah in the next few days after it agreed additional spot tonnes from Solfert, with a price of around \$300/tonne FOB suggested.

Fertial placed 13,700 tonnes on the Yara Sela on 25 January for Yara, along with 10,000 tonnes on the Andesgas and 7,000 tonnes on the Queen Isabella, both for Fertiberia.

In **Morocco**, OCP will receive almost 80,000 tonnes of spot ammonia in first half February after securing three cargoes from manufacturers in the Americas.

First to arrive at Jorf Lasfar will be 30,000 tonnes of Caribbean material from Koch on a CFR basis, with the Navigator Eclipse bringing 23,400 tonnes from the island and the Cambridge arriving mid-month with US product.

Trammo delivered only 8,000 – not 23,400 – tonnes of Caribbean material on the Sanko Innovator, with the Gas Ray set to arrive with 17,000 tonnes from Brazil shortly.

OCP continues to consume around 3,000 tonnes/day of ammonia as feedstock, with inventory levels heard earlier this week at 45,000 tonnes.

In **Egypt**, Abu Qir sold 11,000 tonnes of spot ammonia to Trammo at \$259/tonne FOB for February loading.

The cargo – sold almost two weeks ago – will likely load on the Marycam Swan, most probably for discharge in Turkey.

In **Tunisia**, the Clipper Mars will arrive at Gabes in the next few days with 30,000 tonnes of Arabian Gulf ammonia for GCT from long-term supplier Ameropa.

GCT's ammonia consumption rates were heard at just under 800 tonnes/day this week, with Ameropa due to deliver a further contract cargo in late February.

In **Libya**, the ammonia and urea units at Lifeco are running normally following a recent shutdown, although it is unclear if Yara will lift an export cargo next month.

In **Madagascar**, the Anafi discharged around 10,000 tonnes of Saudi ammonia at Toamasina on 24 January for a client of Muntajat.

In **South Africa**, Muntajat clients Omnia and Foskor are set to receive a contract cargo at Richards Bay later this month, most probably from the Arabian Gulf on the Anafi.

### MIDDLE EAST

In **Saudi Arabia**, SABIC raised eyebrows with the sale of 25,000-40,000 tonnes of spot ammonia to Koch at \$302.50/tonne FOB for late February loading.

The buyer has yet to nominate a vessel or disclose a destination for the cargo – priced well above last Saudi spot business for January at \$241/tonne FOB.

Koch is understood to have paid the significant premium due to an

## The Market

» imminent shortage of its own material in the Americas, although no further details have been heard.

Should the buyer send the cargo to contract customers in Asia Pacific, clients in Korea and Taiwan will be looking at a sharp rise in prices to above \$350/tonne CFR.

No fresh spot business has been heard by Ma'aden, but the producer says its latest contract netback was in the high-\$260s/tonne FOB Ras Al-Khair (RK).

### SAUDI ARABIA LINE UP FOR JANUARY/FEBRUARY, '000 TONNES

Supplier/Destination	KT	Vessel	Load Date
Trammo/India	23.4	Sylvie	9 Jan
SABIC/Taiwan	23.4	Al-Barrah	10 Jan
Muntajat/S.Africa+Madag	23.4	Anafi	14 Jan
Ameropa/Tunisia	30	Clipper Mars	19 Jan
Ma'aden/Korea	23.4	Eupen	22 Jan
Mitsui/Asia Pacific?	23.4	Leo Sunrise	24 Jan
Muntajat/India?	23.4	Gas Columbia	25 Jan
Trammo/India	23.4	Sylvie	30 Jan
SABIC/India	23.4	Al-Jabirah	15 Feb
Koch/TBC	40	TBN	25-28 Feb
	<b>257.2</b>		

In **Qatar**, no spot business has been heard by Muntajat, but the supplier may need to enter the market soon as the QAFCO I ammonia plant will be taken offline in second half February for a one-month scheduled turnaround.

In **Bahrain/Kuwait**, no fresh business has been seen by PIC since the sale of 10,000-15,000 tonnes of formula-priced spot ammonia to Trammo.

The cargo loaded on the Marycam Swan on 20 January, but the vessel does not appear to have lifted any material from **Oman**.

Arabian Gulf prices are assessed higher to reflect latest contract netbacks and spot business.

In **Iran**, the Standorf (Paracas) and the Gas Cat are scheduled to arrive at BIK on 29 January to load cargoes for CIFIC and Raintrade.

Prices are assessed higher on a notional basis.

### INDIA

The market remains quiet, with next spot business expected by FACT under its 1 February tender for 7,500 tonnes (+/- 5%) for delivery to Kochi (Cochin) 1-5 March.

No new contract prices have been heard for cargoes to either coast, although prices are assessed higher on a notional basis to reflect more elevated prices in the Middle East.

### CONFIRMED INDIAN AMMONIA DELIVERIES, '000 TONNES

PPL/Paradip			
CIFIC/Iran	18-23	TBN	5-10 February

### ASIA PACIFIC

In **Korea**, spot cargoes have been offered to buyers for February and March delivery, but no business has been heard or supplier price targets disclosed.

Prices could soon rise to reflect higher prices in the Arabian Gulf and bullish market conditions West of Suez, but for now only small hikes are seen.

Namhae's contract prices are unchanged at \$255-260/tonne CFR Yeosu, while LFC's contract price range has climbed to \$260-267.50/tonne CFR Ulsan.

### CONFIRMED KOREAN AMMONIA DELIVERIES, '000 TONNES

LFC			
Trammo/Indonesia	14	Warisoulx	30 January
Mitsubishi/Arab Gulf	10	BW Nice	1-3 February
Ma'aden/Arab Gulf	23.4	Eupen	10-20 February
Koch/Trinidad	20	Clipper Neptun	20-28 February
Namhae			
Mitsubishi/Arab Gulf	10	BW Nice	31 January
Yara/Australia	25	Viking River	10-20 February
Koch/Trinidad	15	Clipper Neptun	20-28 February

In **Taiwan**, no fresh spot business has been heard by CPDC, TFC or Formosa ahead of the Lunar New Year – with the latter preparing for a 21-28 day turnaround of its ACN unit at Mailliao.

SABIC will load 100,000 tonnes of ammonia for TFC between January and June after the pair renewed their supply deal – albeit for six months rather than the usual 12.

The first cargo under the new agreement will arrive at Taichung on the Al-Barrah on 25 January, with the cargo priced at \$250-260/tonne CFR.

CPDC reports contract prices at \$260/tonne CFR Taichung, with that price forming the mid-point of this week's range amid bullish conditions.

### CONFIRMED TAIWANESE AMMONIA DELIVERIES, '000 TONNES

CPDC			
Koch/Trinidad	12	Clipper Orion	1-5 February
Mitsui/Indonesia	15	Gaz Millennium	5-10 February
Mitsui/Indonesia	6-8	Gaz Millennium	1-5 March
TFC			
SABIC/Arabian Gulf	23.4	Al-Barrah	26 January
Formosa			
Mitsubishi/Australia	8.5	Nordic River	5-10 February

In **Indonesia**, the Gaz Millennium will lift 15,000 tonnes of KPA ammonia for Mitsui on 29 January and will return to Bontang in February to load an identical-sized cargo.

Trammo used the Warisoulx to load 25,000 tonnes of KPI product late

## The Market

» last week, with the trader expected to load at least one vessel during February.

In **Malaysia**, PETRONAS has yet to confirm its loading schedule for February, with the Bunga Kemboja likely to arrive early next month to lift up to 16,500 tonnes.

In **Australia**, the Nordic River loaded 25,000 tonnes at Dampier on 26 January following its discharge of 18,000 tonnes of contract material from Yara for CSBP/Kwinana.

The Viking River will lift a similar volume on 2 February for delivery to a long-term customer of Yara in northeast Asia.

### AMERICAS

In the **US**, the Tampa benchmark contract is expected to settle \$50-80/tonne higher than January's \$250/tonne CFR when negotiations conclude in the next few days

Sellers are pushing for a significant hike to reflect recent spot business in other regions, with imminent spring demand likely to support for such an increase.

Buyers are again resistant to major rises but will likely have no choice but to agree to a large premium, particularly amid higher natural gas curtailments in Trinidad and talk one of Koch's plants will soon require maintenance.

In trading on 25 January, the corn contract for March ended at \$3.66/bu, up a cent week-on-week. March soyabeans closed at \$10.55/bu, down 20 cents from last week.

The average retail price of ammonia this week was at \$478/short ton

ex-dealer, an increase of \$11/short ton from the previous report.

In **Trinidad**, natural gas curtailment rates have spiked from 5-10% to above 30% over the past week with ammonia plant operators unclear as to why there has been a return to more severe restrictions.

Through this month operating levels had been greatly improved but had left participants cautioning that the drop could only be temporary.

No official explanation has been provided to account for the latest increase in cutbacks.

At Point Lisas, PCS loaded the Libramont and the Sombeke with 25,000 tonnes each, while the Kaprijke will arrive shortly to lift 23,400 tonnes.

Yara will use the Yara Freya to lift 25,000 tonnes on 26 January, with the Marola due to arrive to lift an identical-sized cargo on 6 February.

Koch placed at least 30,000 tonnes on the Clipper Sky on 24 January, around the same time Trammo loaded 23,400 tonnes on the Sanko Independence.

In **Mexico**, the Brussels will arrive at Topolobampo in early February a 23,400-tonne formula-priced US spot cargo for PEMEX following a recent deal with Trammo.

In **Chile**, Trammo has nominated the Sanko Independence for its next delivery too Mejillones, with 23,400 tonnes of US material due to arrive in first half February.

In **Brazil**, the Yara Freya will deliver 15,000 tonnes of Caribbean ammonia to Santos on 29 January for long-term Yara client Vale.

## Sulphur

### OVERVIEW

The market was particularly quiet this week, with virtually no buying or selling interest for major importer China. A national holiday in India, coupled with an industry event in Latin America also contributed to the lull in trade across the international market.

Typically in a market where there is little demand, particularly from the largest importer in the world China, prices would ease, but a halt in sulphur exports from Russia during the first quarter and recent gains in the value of downstream phosphates has prevented any price erosion.

The market in India was particularly quiet this week, with no new tenders seen.

The first quarter North Africa contract price was heard fully settled in a \$70-85/tonne CFR price range. OCP was said to be actively seeking spot cargoes owing to the absence of any product available from Russia during the first quarter because of production issues for Gazprom.

According to GTIS, Russia exported close to 257,000 tonnes of sulphur to Morocco and 259,000 tonnes to Tunisia in the first quarter of 2016.

Confirmation from Brazil in relation to the final outcome if its first

quarter contracts remained pending although market sources believed that volumes secured from the US were in the high-\$80s/tonne CFR. Vale confirmed it agreed its first-quarter volumes with the Middle East at \$93/tonne CFR.

The Mediterranean proved the most interesting market in terms of price developments. Because of the Gazprom production cuts, traders said OCP was in the market looking to mop-up any tonnage available. Because of this, sellers were considering offering above the \$100/tonne CFR mark for the first time since early 2016.

### MIDDLE EAST

In the **UAE**, ADNOC has now concluded all of its contracts with traders and major contract partners. It agreed Q1 contracts with trader partners in the low/mid-\$80s/tonne FOB Ruwais.

ADNOC no longer discloses its quarterly contract price with its major contract partners.

In **Qatar**, the market is now eagerly waiting for Tasweeq's February QSP. Tasweeq was heard to have awarded its monthly sales tender at \$88/tonne FOB Ras Laffan, the same price as its January QSP.

In **Saudi Arabia**, Saudi Aramco Trading said it was sold-out for January and February. Despite a lack of availability, a company source said it continued to get a high level of spot enquiries.

## The Market

» In **Iran**, Raintrade announced a sales tender for 40,000 tonnes (+/-10%) of granular sulphur from Razi Petrochemical for 8-14 loading at BIK. The tender closed 25 January, with offers to remain valued until 26 January. The tender results were not established.

This week's Middle East range is stable in the absence of any spot activity.

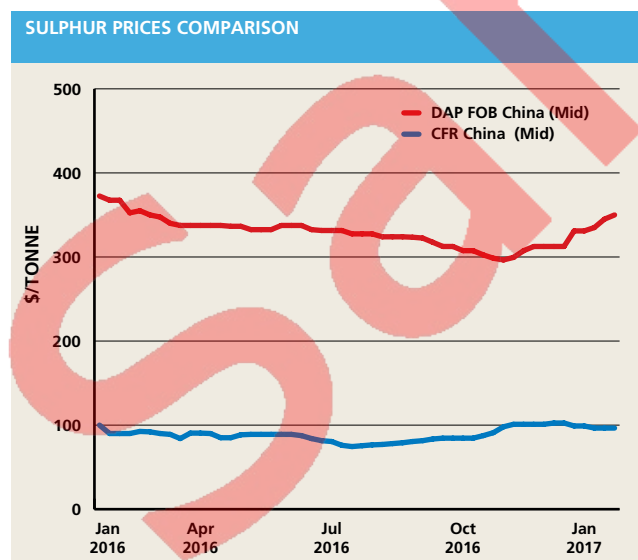
### ASIA

In **China**, it proved to be a very quiet week in terms of buying or selling interest. As a result, prices were unchanged for import cargoes and domestic business. Preventing prices from falling has been rise in the value of downstream phosphates, coupled with a lack of imports available from Russia.

China-formed sulphur inventories were unchanged week on week, in the absence of any activity because of the holidays. Current levels remain at 1.45m tonnes.

The Tasweeq tender, heard awarded at \$88/tonne FOB last week, equated to around \$103/tonne CFR with freight at \$15/tonne. However, sources agreed it would not be possible to sell above \$100/tonne CFR if there had been any new buying interest.

In the phosphates market, DAP prices in China have increased by 14% over the past three months and this was also seen to be supporting market sentiment. Production rates in China are currently 50% for DAP and MAP.



Sinopec Puguang Gas Field's truck prices at Dazhou for solid and liquid sulphur were stable at CYN750/tonne, while truck prices at Wanzhou were also unchanged at CNY880/tonne.

Imports of sulphur to China increased by 0.25% in 2016 year on year, according to China Customs. The most notable change among the top ten exporting countries to China was the 124% increase in Russian imports which was somewhat counterbalanced by the 62% drop in imports from Kazakhstan. China continued to import its largest percentage share of sulphur from Saudi Arabia, which accounted for 21% of total import volumes.

### CHINA TOP 10 SULPHUR IMPORTS (TONNES) 2016

Country (2016 % share)	2016	2015	2014
Saudi Arabia	2,528,209	2,377,623	1,840,740
UAE	1,841,389	1,563,095	431,541
Korea South	1,267,809	1,144,126	989,002
Japan	1,154,833	990,627	1,008,117
Iran	922,516	1,285,938	1,320,517
Canada	835,935	758,757	495,132
Qatar	707,982	638,743	577,415
Russia	630,542	281,154	791,955
India	571,673	438,389	327,041
Kazakhstan	469,518	1,220,512	1,444,227
World Total	11,960,765	11,930,889	10,238,154

Source: China Customs/IHS

Chinese-formed sulphur inventories are unchanged week on week.

### CHINESE-FORMED SULPHUR INVENTORY LEVELS, '000 TONNES

	26-Jan	19-Jan
Fangcheng	50	50
Zhanjiang	7	7
Beihai	0.14	0.14
Zhenjiang	30	30
Nantong	50	50
Qingdao	6	6
Rizhao	0	0
Longkou	2	2
Tianjin	0	0
Total	145.1	145.1

In **Taiwan**, Formosa recently closed a sales tender for 15,000 tonnes (+/-10%) of solid sulphur for loading in Mailiao first-half February at \$94/tonne FOB.

In **India**, the market was particularly quiet owing to the national holidays. There was also an absence of any new tenders or spot interest.

IFFCO recently confirmed it would be halting phosphates production at its Paradeep facility from 15 February for four weeks of planned maintenance. But it was heard the outage had been reduced by two weeks. It had originally been scheduled to take place in April, but owing to poor downstream demand, it has been brought forward.

This week's range is stable owing to a lack of any firm bids or offers, as well as steady pricing in India.

### AMERICAS

In **Canada**, it is understood a cargo will load in Vancouver before the end of the month for Noracid in Chile.

Two other ships are scheduled to depart the port by the end of the month for China.

Prices are steady.

In the **US**, the market was described as illiquid. Business currently



## The Market

underway is on a contractual basis, with little spot activity seen. However, a spot cargo was heard sold to OCP Morocco at \$75/tonne FOB. Freight is estimated at \$29/tonne.

A contract cargo is soon to be on the way from Beaumont to Vale in Brazil, but no spot sales were heard.

A cargo should load before the end of the month out of California for Minera y Metalúrgica del Boleo (MMB) in Mexico.

In **Brazil**, the contract price range remains unconfirmed. Vale has so far said it agreed its contracts with the Middle East at \$92-94/tonne CFR. Settlements are also heard in the high-\$80s/tonne CFR.

The following cargoes are heard arriving in Santos:

### BRAZIL SULPHUR SHIPMENTS JANUARY-FEBRUARY

Santos			
Supplier/Buyer	Origin	Vessel/Arrival	Tonnes
Adnatico/TBC	TBC	Navios Armonia/26 Jan	38,200
Trammo/Vale	Ust Luga	Illeao/4 Feb	36,500
Val/Vale	Shuaiba	Nordic Dalian/6 Feb	29,999
Vale/Vale	Beaumont	Kouyou/12 Feb	38,000
Oxbow/Coperbras	Ruwais	Boston Harmony/17 Feb	36,500
TBC/Coperbras	Ruwais	African Spoonbill/22 Feb	42,000
<b>TOTAL</b>			<b>221,199</b>

Source: Foreign Trade Secretariat/GTIS

The price range has moved up to represent prices heard in the market and the recent movement of cargoes moving to Brazil.

### AFRICA

In North Africa, the contract price has settled at \$70-85/tonne CFR, according to producers and consumers.

OCP **Morocco** recently confirmed a wide range of \$65-85/tonne CFR, but the low end was not established from sellers. OCP was heard to looking for spot cargoes since it would not be receiving any material from **Russia** during the first quarter.

A spot sale was also heard out of the US at \$77/tonne FOB, which

equated to the low-\$100s/tonne CFR Jorf Lasfar, traders said. Confirmation from OCP was unobtainable.

**Tunisia's** GCT, recently said its contract negotiations were proving tough because of margin pressure stemming from falling phosphates prices. The company also continues to run its downstream production at 50-55% operating rates.

In South Africa, Foskor said it was fully covered with cargoes purchased in the fourth quarter of 2016. A cargo will soon be arriving from Vancouver. Depending on its downstream production, it may consider coming to the market again for a second-half March purchase.

Foskor is currently running its downstream phosphates production at 60%. It will also consider cutting its phosphoric acid production if the first quarter contract price moves down.

### EUROPE

In **Russia**, Austrofin said it will have no material available for export throughout the first quarter, although it might be in a position to conclude some spot sales. This is because Gazprom export will have no product available because of production issues.

In the **Black Sea**, the range has moved in line with the adjustment to the first quarter North Africa contract price.

In **northwest Europe**, the market was quiet but stable following the final settlements of first-quarter contracts all agreed at rollover levels.

In the **Mediterranean**, sulphur prices were being supported by a lack of spot availability from the FSU (Former Soviet Union), at a time when major buyers in North Africa are actively seeking top-up cargoes.

One trader said OCP Morocco was vacuuming up the whole of the Mediterranean and this was why prices were moving up so quickly.

A second trader, also fully focused on the Mediterranean sulphur market, valued sulphur spot prices at \$95-100/tonne CFR, although it expected to see prices firming again in the coming weeks. It was now offering \$101/105/tonne CFR.

In **Italy**, sulphuric acid producer Nuova Solmine said burner acid remained uncompetitive compared to smelter acid. While its domestic demand was improving, export prices at €30/tonne FOB for sulphuric acid remain hugely unattractive for the export market. Sulphur was currently offered at \$70-75/tonne FOB, but the origin of the material was not specified.

## Potash

### OVERVIEW

Results from Canada's PotashCorp showed while producers enjoyed a strong fourth quarter, with sales volumes up 27% for PCS, global low price continue to dent earnings.

PCS's potash gross margin was \$120m for Q4 and \$437m for the year, trailing 2015's respective totals of \$183m and \$1.3bn.

Asia was quiet in the lead up to the Lunar New Year holidays. Full year imports of potash to China fell 28% in 2016, with 6,831,518 tonnes received, down from 9,437,886 tonnes in 2015, according to the latest customs data.

Russia overtook Belarus and Canada as the top importer during 2016, posting an increase in its volumes, while Belarusian and Canadian volumes declined 54% and 35% respectively.

However, good demand continues to be seen in India. MOP imports were at 327,000 tonnes in December 2016 and for April-December 2016 at 2.9m tonnes, up over 7% from the 2.7m tonnes imported in April-December 2015.

Prices were assessed as stable in all regions.

### ASIA/AFRICA

In **southeast Asia**, prices were stable with limited business heard concluded.

In **India**, MOP imports were at 327,000 tonnes in December 2016 and for April-December 2016 at 2.9m tonnes, up over 7% from the 2.7m tonnes imported in April-December 2015.

MOP sales during the nine-month period were also higher, at 2.2m tonnes compared to 1.9m tonnes in April-December 2015.

FAI UREA DATA: DECEMBER 2016 (TONNES)			
	Dec 2016	Apr-Dec 16	Apr-Dec 15
Production	2,158,000	18,309,310	18,364,660
Imports	134,000	4,988,000	6,871,000
Sales	3,544,160	22,378,000	24,190,280

India continues to take good volumes of contract shipments, with current arrival from July-January at 2.9m tonnes. Based on the breakdowns, Uralkali will likely be more active in delivering tonnes in the next two months, with 59% of its firm tonnes yet to be delivered.

### INDIAN MOP CONTRACT DELIVERIES (JULY 2016-JANUARY 2017) AT \$227/TONNE

Supplier	Buyer	Contract (firm tonnes)	Contract (optional tonnes)	Delivered so far
BPC	IPL	700,000	100,000	505,653
	Zuari & Chambal	100,000	100,000	118,304
	RCF	70,000		67,000
	Deepak	35,000	35,000	32,500
	<b>Total</b>	<b>870,000</b>		<b>723,457</b>
Uralkali	IPL	650,000	65,000	350,030
	Zuari	75,000	50,000	78,484
	MMTC	50,000		31,500
	RCF	50,000		30,650
	<b>Total</b>	<b>825,000</b>		<b>490,664</b>
Canpotex	IPL	200,000		99,580
	Zuari & Chambal	225,000		240,362
	CIL	350,000		238,522
	Tata	350,000		200,557
	Mosaic	60,000		63,650
	<b>Total</b>	<b>1,185,000</b>		<b>842,671</b>
ICL	IPL	625,000	60,000	433,379
APC	IPL	275,000	27,000	202,000
	Zuari	175,000	25,000	122,700
	<b>Total</b>	<b>450,000</b>		<b>324,700</b>
K+S	IPL	125,000	25,000	36,750
<b>Grand Total</b>		<b>4,080,000</b>		<b>2,851,621</b>

\* Individual breakdowns not confirmed. Canpotex deliveries estimated to March 2017, Uralkali deliveries to July 2017, remainder are agreements from July 2016-March 2017.

In **China**, imports of potash fell 28% in 2016, with 6,831,518 tonnes received, down from 9,437,886 tonnes in 2015, latest data from China Customs showed.

Russia overtook Belarus and Canada as the top importer during 2016, posting an increase in its volumes, while Belarusian and Canadian volumes decline 54% and 35% respectively.

Exports from Israel and Jordan declined 12% and 28% respectively.

Imports to China were severely affected by the late signing of annual contract agreements, with the benchmark deal only agreed in July. Market participants are hopeful of timely agreements this year following Lunar New Year holidays.



## CHINA TOP FIVE MOP IMPORT REGIONS (TONNES) JANUARY-DECEMBER

Country (2016 % share)	2016	2015	2014
<b>Russia (35%)</b>	2,414,456	2,174,800	2,613,227
<b>Canada (21%)</b>	1,483,101	2,281,371	1,298,239
<b>Belarus (17%)</b>	1,185,469	2,600,411	1,764,136
<b>Israel (12%)</b>	836,984	949,275	1,306,524
<b>Jordan (7%)</b>	492,418	688,258	574,214
<b>World total</b>	6,831,519	9,437,886	8,031,155
<b>Month of December</b>	1,034,455	1,335,068	806,433

Source: China Customs

Weekly domestic prices are as follows (\$1=CNY 6.88):

- Russian red MOP at CNY 1,950-2,000/tonne. No price heard for northeast border.
- Russian white 62% MOP at CNY 2,050-2,100/tonne. Northeast border CNY 1,950/tonne.
- Canadian red MOP at CNY 2,250-2,450/tonne.
- Canadian white MOP at CNY 2,080/tonne.
- Dead Sea MOP at CNY 1,950-2,000/tonne.
- Domestic prices (Qinghai Salt Lake prices) 57% potash – CNY 1,680/tonne, 60% potash at CNY 1,950/tonne, 62% potash at CNY 2,010 /tonne.
- Standard SOP at CNY 2,300-2,450/tonne.
- Granular SOP at CNY 2,600/tonne.

In **Eritria**, Danakali said it appointed Knight Piesold and Elemental Engineering for the front end engineering design of its Colluli potash. The engineering process is being led by Fluor, appointed in early January, with the team currently on the first phase of value engineering and optimisation.

In **Congo-Brazzaville**, Kore Potash said it has intersected several metres of high grade sylvinite resources at its flagship Kola project.

In **Gabon**, Plymouth Minerals Limited said equipment is set to arrive at its Banio potash project. The equipment has cleared customs and has been loaded onto barge transport for movement. The cargo includes equipment for earth moving, loading and off-loading, drilling support and a camp that can accommodate 40 people.

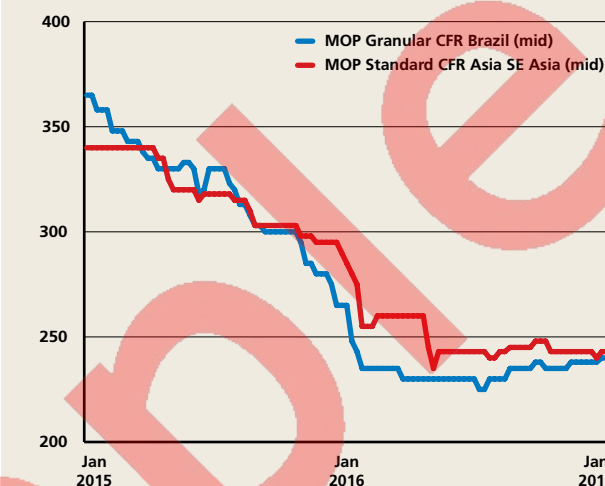
## EUROPE

In **northwest Europe**, no new business was heard in the region and prices are stable this week.

In the **Mediterranean**, offers from K+S are heard at €240-245/tonne CIF while APC is heard offering at €245-250/tonne CIF for granular MOP. Spanish origin tonnes are head offered in the low-€240s/tonne CIF.

In **Russia**, exports to China were at 2.41m tonnes up 11% from the 2.17m in 2015, but down from 2.61m in 2014, according to China Customs.

## MOP PRICE COMPARISON



## AMERICAS

In **Canada**, PotashCorp announced in its annual results it sold 8.64m tonnes during full-year 2016, down from 8.77m in 2016. PCS has 16.1m tonnes of annual capacity, however it has suspended New Brunswick and reduced capacity at Cory. Full-year net income fell 74% to 336m compared to \$1.27bn in 2015.

Gensource said it has received positive results, reflecting excellent mineralisation, from the exploration drilling campaign completed in early January at its Vanguard project area in central Saskatchewan. Results show an average potassium grade of between 18.29-36.9% within the site with consistent thickness in the layers.

In the **US**, demand was absent and farmers not expected to get underway with spring activities for at least four to six weeks. The market has remained fairly muted although buying has been focused on volumes set to arrive within the spring planting timeframe.

While there are initial expectations of planting acreages switching from corn to soybeans in greater numbers this season, with farmer margins still tighter than desired, there is similar anticipation that potash will climb upwards given its considerable value in light of reduced crop commodity levels.

For barges, the prompt levels are at \$208-212/short ton FOB Nola, which is a decrease of \$3-5/short ton from last week.

However, deliveries into March have a slight premium at \$212-215/short ton, with market talk that a considerable amount of volume has been concluded within that range.

Wet weather has continue to impact market activity especially for warehouse movement but despite this slowdown in pace the levels remain stable and are unchanged at \$245-\$265/short ton EX-WH.

The average retail price of potash this week was \$324/short ton ex-dealer, which is an increase of \$4/short ton from the previous week.

In **Brazil**, demand from the region was a keen topic at an industry conference in Buenos Aires this week.

## News

### WEAKER PRICES WEIGH ON POTASHCORP IN Q4

PotashCorp's fourth-quarter net income dropped 71% year on year to \$59m due to lower pricing for potash, nitrogen and phosphate fertilizers, as work on its merger with competitor Agrium continues, the Canada-based fertilizers producer said.

Fourth-quarter sales fell 21% to \$1.06bn, while weaker pricing squeezed profit margins for the quarter, falling over \$200m year on year to \$183m, the company said.

A thaw on potash pricing noted in the second half of 2016 has continued into 2017, hinting at a potential pricing recovery for the material, but the outlook for nitrogen and phosphates pricing was less positive, according to PotashCorp CEO Jochen Tilke.

"Our work on the merger of equals with Agrium continues. The regulatory review and integration processes are advancing, and we expect the transaction will close mid-2017," he added.

Margins fell year on year for all for all three minerals, with phosphates pricing for the quarter standing at \$404/tonne compared to \$522/tonne during the same period in 2015, due to weaker pricing.

Fourth-quarter average nitrogen pricing was \$182/tonne compared to \$288/tonne during the last three months of 2015, as lower global energy costs and market oversupply dragged down pricing. Lower spot and contract prices over the course of the year resulted in average fourth quarter potash prices falling to \$157/tonne compared to \$238/tonne during the same period in 2015.

Contributions from stakes in Arab Potash Company, Israel Chemicals Ltd and Sociedad Quimica y Minera de Chile contributed \$28m to earnings during the quarter compared to \$27m in the closing three months of 2015, the company added.

Full-year net income fell 74% to 336m compared to \$1.27bn in 2015, PotashCorp added.

The company predicted that 2017 will be a transitional year for nitrogen as the market adapts to new capacities, while little relief is expected to challenging market conditions for phosphate pricing, the company added.

### ACRON POSTS 20% JUMP IN 2016 OUTPUT

Acron Group posted a sharp year-on-year rise in annual output across its entire portfolio of nitrogen fertilizer products as the Russian firm benefited from the commissioning of an ammonia plant.

Ammonia output surged nearly 29% year on year to 2.2m tonnes from 1.7m tonnes in 2015, with AN production up 15% year on year to 1.75m tonnes, and urea output 32% higher than the year prior at 823,000 tonnes.

Output of UAN also advanced by almost a third to 1.12m tonnes from 860,000 tonnes in 2015, while production of complex fertilizers such as NPK edged up 2.5% year on year to 1.95m tonnes.

Total commercial output for mineral fertilizers climbed 20% to 5.28m tonnes, versus 4.4m tonnes recorded in the previous year, the company noted in a statement.

In mid-2016, Acron commissioned its Ammonia-4 unit at Veliky Novgorod, with the \$420m plant expected to generate 550,000 tonnes/year of merchant ammonia from 2017.

"In 2016, the group's output of key products hit record high due to commissioning of the new ammonia unit at Acron's site in Veliky Novgorod," said the firm's chairman, Alexander Popov.

"Excluding operating results of the sold Hongri Acron, the commercial output of the group's key products in 2016 totalled 6.5m tonnes, up 13.5% year on year; while fertilizers output was up 19.8% to 5.3m tonnes.

"The new Ammonia-4 [plant] has displayed sustainable operation at increased capacity, with ammonia output totalling 371,000 tonnes in 2016. Significant additional volume of ammonia made it possible to operate processing facilities at full capacity.

As a result, output of nitrogen fertilisers in 2016 was up 23.3% to 3.7m tonnes, the group's all-time record for all key products, AN, urea and UAN."

### DAKOTA GASIFICATION EYES UREA START-UP

Dakota Gasification has undertaken upgrades at an ammonia plant in preparation for the start-up of its new urea plant, which should begin operations later this year, the company said.

The upgrades will improve the efficiency and reliability of the ammonia plant. The work included installing new compressors and turbine work. The new compressors should improve efficiency.

In addition, Dakota has lowered the operating temperature of the feed gas heater, which has reduced fuel consumption. The work should also improve the reliability of the heater.

In July a severe storm struck the facility, and caused damage that delayed the start-up of the urea plant project. As a result, Dakota gas moved the start-up date from early 2017. It should now start operations during the first half of the year.

First announced in October 2013, the producer is building the urea plant at its Great Plains Synfuels Plant in Beulah, North Dakota, which will eventually produce 1,100 tons (1,000 tonnes) daily.

Currently the facility produces anhydrous ammonia, AS and carbon dioxide. The addition of urea will mark the tenth co-product for the facility.

### DANAKALI COMPLETES DESIGN TEAM

Australian fertilizer developer Danakali Limited announced it has made the final appointments for the front end engineering design of its Colluli potash project in Africa with the selection of Knight Piesold and Elemental Engineering.

With team in place, officials said the optimisation process has commenced for the project and that Knight Piesold has a deep understanding of the Colluli project as a result of its significant contribution to both the prefeasibility and definitive feasibility studies.

Elemental Engineering has previously completed the mass balance modelling work for both the prefeasibility and definitive feasibility studies for Colluli.

## The Market

» The engineering process is being led by Fluor, which was appointed in early January with the team currently on the first phase of value engineering and optimisation.

Danakali said this phase will identify key capital reduction and optimisation areas prior to the development of the final equipment lists and procurement packages.

Other infrastructure work and market engagement will commence shortly after this phase, which is expected to also deliver the contract strategy and detailed the implementation schedule.

In an update on the mining contract, officials said that, as a precursor for the tendering of the contract, an expression of interest process is currently under way.

West Perth-based Danakali has anticipated that output at the project will initially reach the 425,000 tonnes of sulphate of potash (SOP) capacity, with plans to expand by five years to 850,000 tonnes.

Officials have touted Colluli as one of the most advanced greenfield SOP developments and that to this point are encouraged as it has demonstrated the potential to have bottom quartile operating costs and unrivalled product diversification opportunities.

In December the Eritrean Ministry of Land, Water and Environment approved the social and environmental impact assessment, which allows project advancement and permitted the upcoming issuance of the mining license and final project approvals.

"We are excited to be advancing the Colluli project and bringing the project construction closer to reality. Assembling and aligning a quality team, highly familiar with the project to support the final project definition work has been a priority for the project team, and they have successfully delivered," said Paul Donaldson, Danakali Limited managing director.

### GERMAN SEWAGE PLANTS TO RECOVER PHOSPHORUS

Germany's government is ordering municipal sewage plants to upgrade their treatment facilities to enable the recovery of phosphorus from sewage sludge.

Under a regulation ("Verordnung") passed by Chancellor Angela Merkel's cabinet this week, the upgrades have to be implemented within 12 years for sewage plants serving 100,000 or more people, and within 15 years for plants serving 50,000 or more people. Germany's upper house, the Bundesrat, has yet to give its approval.

One of the main objectives of the measure is the preservation of phosphorus, which is irreplaceable in the production of fertilizers, the government said in a statement explaining the new regulation. Germany has no phosphorous or phosphate rock resources and must meet its phosphate fertilizer requirements through imports.

In a wider sense, the measure responds to growing international concerns about bottlenecks in global supplies phosphorus over the mid-term. The EU in 2014 listed phosphorus as a "critical raw material".

According to Germany's environment ministry, about one third of the country's municipal sewage sludge is used as fertilizer in agriculture and landscaping. The use of sewage sludge in agriculture is regulated under a "sewage sludge ordinance" and under an EU directive. The

remaining sewage sludge is incinerated, without the phosphorus being recovered first.

### GENSOURCE GAINS POSTIVE DRILLING RESULTS

Canadian fertilizer producer Gensource Potash Corporation announced it has received positive results, reflecting excellent mineralisation, from the exploration drilling campaign completed in early January at its Vanguard project area in central Saskatchewan.

Officials said the current results are from the second well drilled and that the grades and thicknesses encountered fully met expectations, which were based in part on previous data from wells drilled in the same area in 2012.

Over 200 samples were selected from the sylvinitic-bearing core and were assayed by SRC Geoanalytical Laboratories, an accredited testing facility in Saskatoon, Canada. The resulting data have also been analysed by Gensource's independent geologist from Terra Modelling Services.

The results show an average potassium grade of between 18.29-36.9% within the site with consistent thickness in the layers.

"We had hopes that our new wells would compare favourably. In fact, well number two does provide evidence of consistency of resource from the earlier wells in both grade and thicknesses of the prairie evaporative members," said Mike Ferguson, Gensource Potash president and CEO.

"This validates the potential extraction potential, tonnes of final sellable potash product per square mile that was used in the preliminary economic assessment completed in May 2016, representing cost-efficient drilling and mining using our selective dissolution technique."

Ferguson said with the positive results in hand the firm will now begin efforts towards updating the project's resource report.

Currently the producer is undertaking a feasibility study, which is expected to be completed by the end of the first quarter 2017, using an anticipated output of 250,000 tonnes/year.

That study will also focus on utilising a mining method by which Gensource undertakes selective dissolution using horizontal caverns, which is believed will reduce environmental impacts as there will be no salt tailings or brine ponds and no requirement for fresh water consumption.

The Vanguard project is the name given to the two mineral leases acquired from Yancoal Canada Resources (YCR) in April 2016.

In November Gensource announced it had signed a non-binding memorandum of understanding with Essel Group Middle East (EGME) to form a joint venture for the project by which Gensource will contribute its project and resources, as well as its execution team including technology and techniques.

EGME will provide business and logistics expertise, and financing in two stages. The first funding stage is dedicated to completion of the feasibility study at Vanguard.

The second round of funding will finance construction of the project. When construction financing has been committed, EGME will own 70% of the joint venture.



## » KORE POTASH FINDS HIGH GRADES AT AFRICA SITE

Advancing its potash development in the Republic of Congo-Brazzaville, Australian producer Kore Potash Limited announced it has intersected several metres of high grade sylvinite resources at its flagship Kola project.

Formerly known as Elemental Minerals Limited, Kore began a three-hole drilling campaign in November with a goal of further expanding and adding confidence to the Kola resource for the pending definitive feasibility study.

Officials said Kore is very pleased to advise it has intersected in the first hole 4 metres of sylvinite with a grade of 58.9%. Currently the next two holes are being drilled within the existing sylvinite resource.

The producer stated that the mineralization within the first hole is comprised of almost 60% sylvite with the remainder being halite, and is without visible insoluble material. In addition the reported thickness is well above the minimum required for the planned mining method.

The Kola resource is now being updated and completion of this work is expected in the second quarter of 2017, and will be the basis for the definitive feasibility study.

The company has previously said it intends to move quickly in completing the study for Kola and upon its finalisation will begin preparing the engineering, procurement and construction contracts, and will be targeting an annual output of 2m tonnes rather than a previously revealed phased approach.

Following the drilling at Kola, the rigs will move to the Dougou extension prospect for testing of that resource.

"We are really excited that Kola continues to produce sensational results, demonstrating the high quality of the project," said Sean Bennett, Kore managing director. "The company is considering ways in which to incorporate these results into the Kola mining plan and

definitive feasibility study in order to improve plant design and projects economics."

## EQUIPMENT SET TO ARRIVE AT GABON POTASH SITE

Australian fertilizer developer Plymouth Minerals Limited announced that equipment is set to arrive at its Banio potash project in Gabon.

Officials said the project equipment has cleared international customs and has been loaded onto barge transport for movement. The cargo includes equipment for earth moving, loading and off-loading, drilling support and a camp that can accommodate 40 people.

Upon arrival to Banio, the barge will unload and then make a second trip to deliver the drill rig, with drilling currently scheduled for February and will initially focus on the Alpha sylvinite target, with plans to subsequently drill the Southern carnallite target.

The firm said that staff is preparing the site for the drill rig and the camp infrastructure.

Banio is 450km to the southeast of Libreville along the country's Atlantic coast, where historical work for oil exploration discovered broad zones of potash salts.

In November the firm announced an exploration target, based on extensive seismic and downhole geophysics data, of 6bn-10.4bn tonnes at a grade of 12-14%, including 260m-420m tonnes grading at 18-22%.

It is one of two projects acquired by Plymouth in October 2015, when it bought Equatorial Potash. The other is Mamana, 200km to the southeast of Libreville.

All assessments in this report are made according to the published methodology, found at [icis.com/compliance](http://icis.com/compliance). The term "range" refers to the high and low prices gathered and verified in the week.