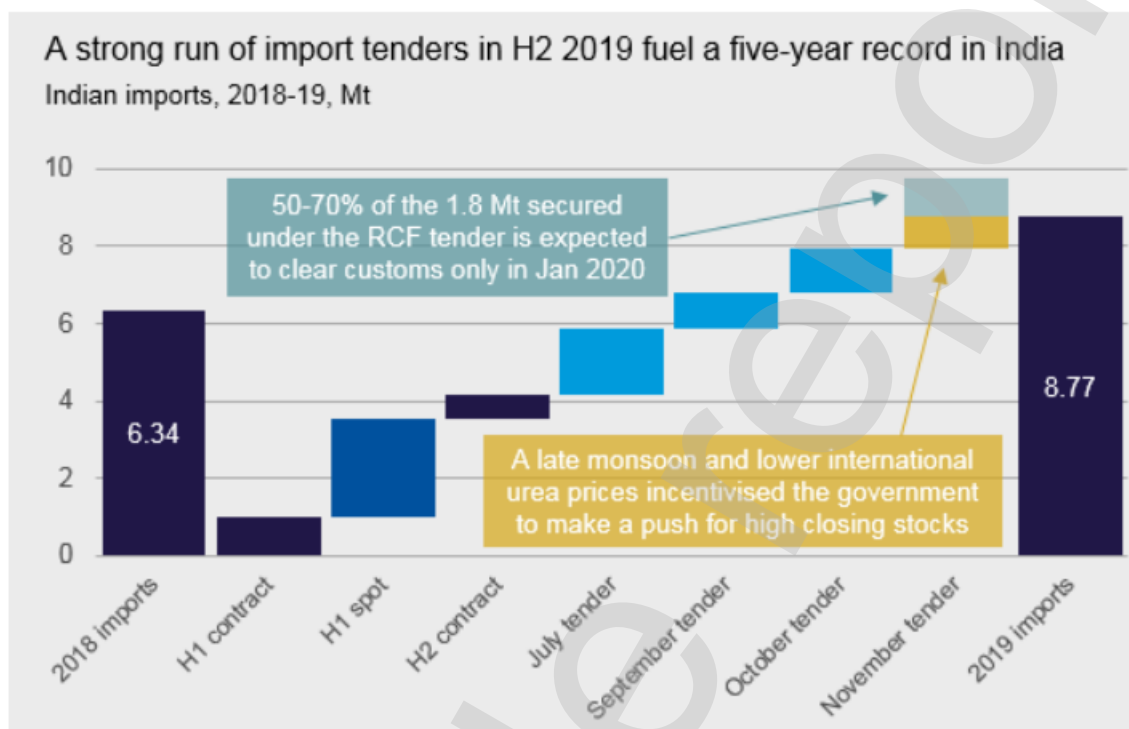


# The Fertilizer Week Ahead

## Chart of the Week: India's urea import boom hits 5-year high



### Urea

Price improvements for some urea suppliers are possible as traders rush to cover shorts for India to load by December 19, but lack of demand thereafter provides a bleak outlook for a sustained recovery.

### Nitrates and Sulphates

Trade in UAN at Rouen is limited and participants expect prices may extend declines in the weeks ahead with storage tanks near capacity and wet weather weighing on demand.

### Ammonia

The ammonia outlook is unchanged from prior weeks with prices set to come under further downwards price pressure in December owing to limited spot demand and improved supply.

## Phosphates

DAP/MAP markets are expected to remain largely inactive through this week as suppliers attempt to limit price declines in response to dire import demand across multiple markets.

## Potash

Potash buyers are likely to continue to hold back from global spot markets this week and this may add further downwards pressure on prices.

## Sulphur

Prices stabilised last week after falling further in recent weeks, as limited prompt availability slowed the decline. As the new year approaches and contract negotiations progress, buyers will continue to push for further decreases as downstream markets continue to struggle.

## Sulphuric Acid

Negotiations for India's import contracts for 2020 should progress during this week's FAI conference. Buyers have been pushing for prices below \$30/t CFR, but most market participants view this as unlikely, particularly given high freight rates. Some traders believe that buyers are now facing the upper \$30s/t CFR, but there will be resistance to this given weak fertilizer markets.

| Nitrogen   | 52wk | Previous | Current | Chg.  |
|--|------|----------|---------|-------|
| Urea granular, FOB Middle East spot                      | 252  | 212      | 214     | ▲ 1%  |
| Urea granular, FOB New Orleans barge spot <sup>(a)</sup> | 248  | 203      | 204     | ▲ 0%  |
| Urea prilled, FOB Black Sea spot                         | 244  | 213      | 216     | ▲ 1%  |
| Urea prilled, FOB China spot                             | 279  | 237      | 241     | ▲ 2%  |
| Ammonia, FOB Black Sea spot                              | 240  | 223      | 220     | ▼ -1% |
| Ammonium Nitrate, FOB Baltic Sea spot                    | 182  | 182      | 183     | ▲ 1%  |
| UAN, FOB Black Sea spot                                  | 148  | 135      | 135     | ▶ 0%  |
| Ammonium Sulphate, FOB China spot                        | 112  | 95       | 94      | ▼ -2% |

Urea - FOB Middle East Granular (spot), USD/t

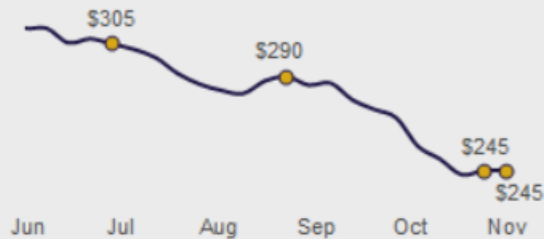


Ammonia - FOB Black Sea (spot), USD/t

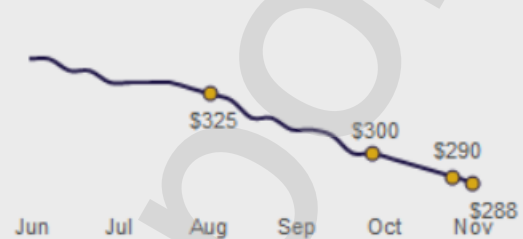


| Phosphate & Potash                             | 52wk | Previous | Current | Chg.  |
|--|------|----------|---------|-------|
| DAP, FOB Tampa spot                            | 355  | 278      | 275     | ▼ -1% |
| DAP, FOB New Orleans barge spot <sup>(a)</sup> | 318  | 245      | 245     | ► 0%  |
| DAP, FOB China spot                            | 356  | 303      | 301     | ▼ -1% |
| MAP, CFR Brazil spot                           | 371  | 292      | 290     | ▼ -1% |
| TSP, FOB Morocco spot                          | 319  | 275      | 275     | ► 0%  |
| MOP, CFR Brazil Granular (spot)                | 335  | 290      | 288     | ▼ -1% |
| MOP, CFR SE Asia Standard (spot)               | 296  | 275      | 275     | ► 0%  |
| NPK 16-16-16, FOB Baltic Sea spot              | 294  | 273      | 273     | ► 0%  |

DAP - FOB NOLA (spot), USD/st

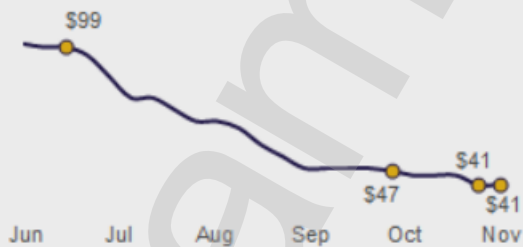


MOP - CFR Brazil Granular (spot), USD/t



| Raw Materials & Key Metrics                  | 52wk  | Previous | Current | Chg.   |
|--|-------|----------|---------|--------|
| Sulphur FOB Middle East                      | 88    | 41       | 41      | ► 0%   |
| Sulphuric Acid FOB Northwest Europe          | 56    | 35       | 35      | ► 0%   |
| Phos. Rock 68-72% FOB M'cco contract         | 96    | 89       | 89      | ► 0%   |
| Phosphoric Acid CFR India contract           | 701   | 625      | 625     | ► 0%   |
| Brent crude oil <sup>(1)</sup>               | 62.1  | 62.4     | 60      | ▼ -3%  |
| Gas - Henry Hub <sup>(1)</sup>               | 2.68  | 2.67     | 2.28    | ▼ -15% |
| Gas - TTF <sup>(2)</sup>                     | 15.4  | 16.1     | 15.7    | ▼ -3%  |
| USD:EUR <sup>(3)</sup>                       | 0.89  | 0.91     | 0.91    | ▲ 0%   |
| USD:BRL <sup>(3)</sup>                       | 3.93  | 4.20     | 4.24    | ▲ 1%   |
| USD:RUB <sup>(3)</sup>                       | 65.08 | 63.85    | 64.40   | ▲ 1%   |
| USD:RMB <sup>(3)</sup>                       | 6.90  | 7.04     | 7.03    | ▼ 0%   |
| USD:INR <sup>(3)</sup>                       | 70.40 | 71.79    | 71.75   | ▼ 0%   |
| Corn FOB US Gulf <sup>(4)</sup>              | 175   | 171      | 171     | ► 0%   |
| Soybeans FOB US Gulf <sup>(4)</sup>          | 345   | 359      | 350     | ▼ -3%  |
| Wheat (Milling) FOB Black Sea <sup>(4)</sup> | 214   | 206      | 208     | ▲ 1%   |
| Rice FOB Thailand <sup>(4)</sup>             | 391   | 394      | 392     | ▼ -1%  |
| Palm Oil FOB Malaysia <sup>(4)</sup>         | 529   | 635      | 645     | ▲ 2%   |

Sulphur - FOB Middle East (spot), USD/t



CRU Fertilizer Affordability Index



| Fertilizer stock prices <sup>(5)</sup> | 52wk  | Previous | Current | Chg.  |
|--|-------|----------|---------|-------|
| Mosaic, NYSE USD                       | 25.1  | 18.2     | 19.1    | ▲ 5%  |
| Nutrien, NYSE, USD                     | 50.9  | 46.6     | 47.4    | ▲ 2%  |
| CF Industries, NYSE USD                | 44.9  | 45.0     | 46.2    | ▲ 3%  |
| Yara, OSE NOK                          | 371   | 347      | 348     | ▲ 0%  |
| K+S, XETRA EUR                         | 15.4  | 10.5     | 10.3    | ▼ -2% |
| PhosAgro, MOEX RUB                     | 2,463 | 2,418    | 2,416   | ▼ 0%  |
| Israel Chemicals, TASE ILS             | 1,863 | 1,558    | 1,630   | ▲ 5%  |
| Incitec Pivot, ASX AUD                 | 3.36  | 3.28     | 3.23    | ▼ -2% |