



Fertilizer Week

Daily Alert



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► MARKETS

Urea

► Central and South America

Brazil: Granular urea sale confirmed at \$230/t CFR

A sale of 40,000 t granular urea for December loading at \$230/t CFR for Paranagua discharge has been confirmed concluded with a major importer in Brazil. The cargo is planned for loading from Indorama in Nigeria, booked by Oakley.

Fertipar is indicated as the buyer.

Freight and transaction costs for the parcel are assessed around \$15/t, suggesting a return to Oakley at \$215/t FOB Onne with no provisions for a margin.

The deal marked a slight improvement on sales of significant quantities concluded last week as low as \$228/t CFR off inbound carriers. Offers for residual volumes for late January arrival have since moved into the mid to upper \$230s/t CFR, as availability off inbound carriers to Brazilian ports in December into early January is limited. Purchasing interest at the higher prices is so far not in evidence.

The True Friend (43,000 t) and the Best Glory (50,000 t) carrying granular urea suggested to be of Iranian origin are expected to discharge at Paranagua and Sao Francisco do Sul, but clearance for berthing is so far not provided, according to local sources.

► Former Soviet Union (FSU)

Black Sea: More Yuzhnyy prills head for India

Drey Moor has increased the quantity due for loading against an RCF award on the Star Suzanna to 66,000 t, comprising about 43,500 t from OPZ and the balance from DniproAzot. The carrier is due to arrive in Yuzhnyy (Pivdennyi) December 6.

That shipment will be followed by about 50,000 t to load for Drey Moor from OPZ and DniproAzot on the Captain Akram which is due into the port December 10-14, also destined for India against an RCF award.

Offers for prills against open demand are maintained at \$215/t FOB, but there were no new sales reported so far in the week.

Ameropa is due to load 45,000 t EuroChem urea from Tuapse on the Knossos, also for RCF. The carrier is due to arrive at the port December 6.

► Middle East and Africa

Tanzania: Swiss awarded TFRA prills tender

An award is processed to Swiss Singapore in the November 25 Tanzania Fertilizer Regulatory Authority (TFRA) tender for 33,500 t prilled urea for mid-January arrival and local bagging, according to local sources.

As reported on the date of the tender, the trader provided the importer with an offer at \$265.99/t Delivered At Place (DAP), followed by offers from ETG/Agri Commodities at \$272.70/t DAP and by Premium Agro at \$288/t DAP. The offers were inclusive of 180 days credit.

The package for discharge, bags, bagging, financing and re-loading at the port is assessed around \$30/t, suggesting returns to Swiss just above \$235/t CFR in bulk.

Egypt: AQ to close urea tender December 10

Abu Qir Fertilizer (AQ) floated a tender for the sale of 25,000 t each granular and prilled urea for first-half January loading from El Dekheila (granular) and Abu Qir port (granular and prilled). The session is set to close December 10.

The producer will be aiming for returns for the granular in line with or above recent sales up to \$235/t FOB from other Egyptian producers that are largely committed into January via prior sales. There have not been recent sales of Egyptian prills following the AQ deal to load a full cargo for India that provided returns estimated below \$220/t FOB.

► Indian Subcontinent

India: Fresh urea tender termed possible

Delegates at this week's FAI conference in Delhi report that the Department of Fertilizers (DoF) is conducting a further review of urea availability into Q1 2020, and some indications are that DoF clearance may be provided to a canalising agency to proceed with tender issuance before the end of December.

The total volume procured by India for loading in 2019 does not suggest urgent need for added imports to arrive early in Q1 unless sales of urea will be up substantially in December. It should however be noted that November 2019 sales assessed via DBT monitoring by the DoF reached 3.11 Mt, up from 2.86 Mt in November 2018.

This followed October 2019 sales at 1.9 Mt, identical to the October 2018 volume. As reported earlier, December 2018 sales were 4.39 Mt, followed by January 2019 at 4.03 Mt before dipping to 1.99 Mt in February and to 1.4 Mt in March.

India is on track to import close to 8.8 Mt urea by the end of 2019, with about 600,000 t to 1 Mt of the 1.76 mt of urea secured under the November 14 RCF tender expected to be discharged and cleared by customs by the end of December. Reports of substantial backlogs at Indian ports suggest the remainder imported by RCF will be cleared in January 2020.

► Asia and Oceania

China: Traders still seeking urea cover for RCF

Traders still short on commitments to RCF in India via sales at \$251.37/t CFR for East Coast India discharge are still facing an uphill battle to secure cover at prices anywhere near break-even, let alone at a margin.

A firmer undertone in the regional freight market has lifted offers from ship owners above prior estimates at \$13/t, implying total costs from FOB China to CFR ECI above \$15/t, for netbacks no higher than \$235/t FOB. Offers from Chinese suppliers holding prior length are posted no lower than \$245/t FOB, and returns to Chinese producers from the domestic market are higher.

Mainstream deals in prills this week were relatively stable at RMB 1,640-1,680/t (\$232-238/t) EXW in Shandong, while prices in Henan were up by RMB 20-30/t (\$3-4/t) to RMB 1,640-1,660/t (\$232-235/t) EXW. Prices in Shanxi were up by RMB 30-50/t (\$4-7/t) on last week to RMB 1,580/t (\$223/t) EXW for truck delivery and to RMB1,600/t (\$226/t) FCA for deliveries by rail. The low-end reflects an export value of \$252/t FOB, with no provision for a margin to exporters.

Low-end pricing in Inner Mongolia surged to RMB 1,480/t (\$209/t) EXW from RMB 1,440/t EXW (\$204/t) last week and from RMB 1,400/t (\$198/t) two weeks earlier. The revised pricing also reflects export values at \$252/t FOB basis Tianjin loading, again net of margins to exporters.

The price-surge evident over recent weeks in the domestic market has triggered a more cautious approach by distributors and industrial buyers. NPK and resins manufacturers may reduce or even suspend output as early as December 20 into January 10 due to the early Chinese New Year holiday. Select buyers appear convinced that lower offers for urea will become available from producers towards the end of December as a result, and are holding off on added procurement.

Philippines: AFC yet to conclude prilled urea

Atlas Fertilizer Corporation (AFC) conducted negotiations this week with suppliers against a requirement for about 10,000 t prilled urea for January delivery to two southern ports.

No sales have been reported, possibly due to the onset of typhoon Kammuri.

Nitrates & Sulphates

► Global

Turkey: New AS purchase from South Korea

Turkish importers at Iskenderun are connected to a fresh purchase of caprolactam-grade AS from South Korea's Samsung at a price around \$125/t CFR including credit. Further details of the cargo were not immediately available at the time of writing.

Alp-Ateş Gübre recently bought a 30-35,000 t cargo of capro-grade AS from South Korea's Samsung at a price in the mid-to-high \$120s/t CFR including credit.

► Former Soviet Union (FSU)

Black Sea: Kuibyshev Azot AS availability for December

Russian chemical company Kuibyshev Azot is understood to have around 3,000 t of AS available for December shipment from the Black Sea. No further details were available at the time of writing.

Black Sea caprolactam prices were quoted by one regional source at \$122-124/t FOB. Prices are currently assessed at \$120-125/t FOB for caprolactam-grade product.

Ukraine: CherkassyAzot to ramp up output for spring stocks

CherkassyAzot increased planned UAN-32 output in December to 60,000 t to build stocks ahead of next year's season.

The Ukrainian producer's UAN output is currently down to 400 t/day from 700 t/day last week. Still, production will increase to 1,500 t/day from December 6 and then to 2,400 t/day from December 9. The company maintained its price at UAH 5,700-5,900/t (\$239-247/t) EXW.

All sales are domestic and have been since 2015.

► Asia and Oceania

China: AS price slide halted as urea firms

Caprolactam-grade AS prices in China were stable at midweek albeit under downward pressure.

Domestic urea prices in China firmed, halting the decline in domestic AS prices.

The export price of caprolactam-grade AS remains assessed at \$92-95/t FOB pending new information. Sales are slow, according to local sources, although some demand in Southeast Asia is understood to be building.

Offers for granular AS remain reasonably firm at \$115-120/t FOB for delivery in January.

Ammonia

► North America

Canada: Ammonia movement trailing slightly

Canadian producers' ammonia movement during September 2019 was down slightly from one year earlier, but July-September movement stayed ahead of the prior year period, according to the latest data provided in The Fertilizer Institute's November *Fertilizer Record*.

September 2019 ammonia shipments were 322,000 t, down 7% from September 2018. This brought July-September 2019 (the first quarter of the Canadian market year) producer shipments to 977,000 t, up 7% from the prior year period.

Even though producers' shipments were up over the relevant quarters, producers' ammonia inventories at the end of September 2019 also were up 14% to 210,000 t versus the end of September 2018.

Canadian September 2019 ammonia production was 346,000 t, down 7% from September 2018. This brought July-September 2019 ammonia production to 1.08 million t, up 6% from the prior year period.

► Former Soviet Union (FSU)

Black Sea: Trammo in talks for second December cargo

Trammo is still reported in negotiations with Rossosh and OPZ for the purchase of a second 15,000 t ammonia cargo for lifting on the Marycam Swan late December.

Last week Trammo revealed it secured a similar volume from Rossosh for lifting early Dec again on the Marycam Swan at \$217/t FOB or slightly higher. Indications of interest from the trader for the second cargo are suggested no higher than \$215/t FOB.

Latest Baltic Sea contract prices for December agreed at \$212-216/t FOB may place further downwards pressure on Black Sea prices this month given ample spot supply in the region. For the time being indications are at \$215-220/t FOB.

► Middle East and Africa

Qatar: Muntajat still seeking January cover

Muntajat is still seeking cover for about 23,000 t ammonia for a January contract delivery to India/Jordan.

The producer again declined to comment on widespread reports of a purchase of a mid-size cargo ex-Sabir from Trammo at a CFR formula price to cover contract commitments in India.

Latest contract netbacks from India are termed stable week on week at \$233/t FOB.

All Qafco plants are running well.

Phosphates

► Global

DAP/MAP trade data update

The following DAP/MAP trade data updates were released recently by IHS Markit:

- **Argentina:** Jan-Oct DAP imports up 1.4% year on year to 275,217 t, volumes from Morocco rise 28% to 102,000 t
- **Argentina:** Jan-Oct MAP imports up 19% year on year to 794,819 t, volumes from the US rise to 132,905 t from 32,191 t
- **Ecuador:** Jan-Sep DAP imports down 11% year on year to 52,889 t
- **Japan:** Jan-Oct DAP imports down 1.1% year on year to 352,980 t
- **Japan:** Jan-Oct MAP imports up 12% year on year to 114,644 t
- **New Zealand:** Jan-Oct DAP imports down 14% year on year to 251,206 t, 97% of volumes from China
- **Chile:** Jan-Oct MAP imports up 7.0% year on year to 119,791 t, volumes from the US up 67% to 34,412 t
- **Mexico:** Jan-Sep MAP imports down 28% year on year to 113,984 t, 83% of volumes from the US
- **Mexico:** Jan-Sep DAP imports down 10% year on year to 156,999 t, all volumes from the US
- **Pakistan:** Jan-Aug DAP imports down 73% year on year to 313,735 t, volumes from China down 75% to 224,789 t
- **Philippines:** Jan-Sep DAP imports down 3.5% year on year to 66,744 t, all volumes from China
- **South Africa:** Jan-Oct MAP exports drop 85% year on year to 9,338 t
- **South Africa:** Jan-Oct MAP imports increase 6.5% year on year to 225,771 t, volumes from Russia up 20% to 104,824 t
- **Uruguay:** Jan-Oct DAP imports up 36% year on year to 76,110 t, volumes from China rise to 53,105 t from zero

For a more detailed breakdown of trade data [click here](#) to view an excel file in the product library.

NPK/NP/NPS trade data update

The following NPK trade data updates were released recently by IHS Markit:

- **Argentina:** Jan-Oct NPK imports down 33% year on year to 51,337 t, volumes from Norway down 40% to 38,950 t
- **Argentina:** Jan-Oct NP/NPS imports up 41% year on year to 195,806 t, volumes from China rise to 68,550 t from 25,738 t
- **Ecuador:** Jan-Sep NPK imports down 56% year on year to 23,996 t,
- **Japan:** Jan-Oct NPK imports down 4.8% year on year to 75,347 t, volumes from South Korea down 28% to 23,273 t
- **Ethiopia:** Jan-Nov NP/NPS imports jump to 357,981 t from 54,232 t
- **Mexico:** Jan-Sep NP/NPS imports drop to 55,881 t from 234,478 t, volumes from Russia decline 85% to 27,842 t
- **Mexico:** Jan-Sep NPK imports drop 49% year on year to 110,420 t, 74% of volumes from Russia
- **Philippines:** Jan-Sep NP/NPS imports jump 98% year on year to 186,436 t, almost 100% from China

- **Philippines:** Jan-Sep NPK imports up 20% year on year to 207,723 t, 67% of volumes from China

For a more detailed breakdown of trade data [click here](#) to view an excel file in the product library.

► Central and South America

Brazil: MAP activity seen at \$285/t CFR

Brazilian MAP prices extended declines this week with good stocks in the market and limited import demand likely until February.

PhosAgro is understood to have sold around 10,000 t MAP to Brazil at \$285/t CFR for January shipment.

There are reports of availability from other suppliers and traders around \$285/t CFR though some offers remain around \$290/t CFR.

Bids are generally reported at \$275-280/t CFR with limited demand and no indications of sales this low.

The Brazil MAP price is pegged at an indicative \$290/t CFR, down from last week's \$290-294/t CFR.

There was once again a lack of reported MAP 11-44 sales to Brazil with Chinese suppliers generally unable to accept prices necessary to make sales to the market.

The Brazilian MAP v soybean barter ratio has now reached its most affordable rate for farmers since June/July 2016 and is nearing the most affordable in six years, though a return to high demand is unlikely until the first quarter 2020.

Brazil MAP/DAP Imports November/December 2019

ETA	Supplier	Receiver	Volume (kt)	Product	Vessel	Disport
Dec-22	EuroChem	tbc	13,600	MAP	Isabelle G	Paranagua
Dec-17	PhosAgro	tbc	42,750	MAP	Ocean Prince	Paranagua
Dec-17	Mosaic	own system	5,480	MAP	Princesse Oui	Rio Grande
Dec-16	Ma'aden	Yara	6,000	MAP/DAP	Praslin	Rio Grande
Dec-14	tbc	multiple	12,780	MAP	Julietta D	Aratu
Dec-12	Ameropa/Mexico	Tocantins	32,500	MAP	Super Trader	Itaqui
Dec-08	Ma'aden	tbc	19,000	MAP	Praslin	Santos
Dec-07	Mosaic	tbc	24,800	MAP	Princesse Oui	Santos
Nov-25	Mosaic	tbc	29,665	DAP	Nord Annapolis	Paranagua
Nov-22	OCP	Heringer	13,000	MAP	Intrepid Eagle	Vitoria
Nov-16	Ma'aden	tbc	28,742	MAP	Nordic Alianca	Paranagua
Nov-14	OCP	Fertipol	4,500	MAP	Asia Pearl III	Paranagua
Nov-13	OCP	Rocha/Fertipar	29,973	MAP	Interlink Fidelity	Paranagua
Nov-12	Mosaic	own system	33,750	MAP	Maple Star	Paranagua
Nov-10	OCP	Fertipar/Yara	13,720	MAP	Intrepid Eagle	Itaqui
Nov-10	OCP	Fertipar	32,400	MAP	SE Nicky	Paranagua
Nov-10	Mosaic	own system	21,000	MAP/DAP	Saint Dimitrius	Paranagua
Nov-10	Mosaic	own system	21,300	MAP	Pelagiani	Paranagua
Nov-08	Mosaic	own system	28,000	MAP	Chios Luck	Santos
Nov-05	PhosAgro	tbc	22,000	MAP	Asia Champion	Paranagua
Nov-02	Mosaic	own system	5,000	MAP	Chios Luck	Itaqui
Total (December)			156,910			
Total (November)			283,050			

Brazil: NPS price falls in line with MAP

Further declines in Brazilian MAP prices in recent weeks have pressured indicative NPS prices lower in the country, according to market sources.

With MAP now quoted no higher than \$285/t CFR from most sources, November shipment NPS 12-46-0-7 from OCP is now also assessed at an indicative \$285/t CFR, reflecting around \$270/t FOB Morocco.

There are no reported NPS deals from OCP for Brazil in December. OCP scheduled at least 20,000 t NPS 12-46-0-7 to Brazil in combination cargoes with MAP and TSP during October.

► Former Soviet Union (FSU)

Baltic/Black Sea: DAP/MAP prices extend declines

There are no confirmed DAP deals from EuroChem to European buyers above \$300/t FOB this week with latest activity to northwest Europe around \$295/t FOB, according to market sources.

Sales to Southern Europe are now likely to reflect around \$280-285/t FOB though EuroChem is largely sold out of DAP for December shipment from Lifosa.

PhosAgro sold another 30,000 t DAP via trader Midgulf to India's Kribhco as part of a combination cargo with NPK. The deal is reported at around \$305/t CFR, reflecting no higher than \$270/t FOB.

Latest European DAP prices would likely netback no higher than \$275/t FOB for PhosAgro.

PhosAgro recently sold a DAP/MAP vessel to the US New Orleans for December shipment. Latest US DAP prices would likely netback around \$250/t FOB while MAP prices reflect \$255/t FOB.

PhosAgro also sold another 10,000 t MAP to Brazil at \$285/t CFR for January shipment, reflecting no higher than \$260/t FOB. Eurochem's MAP price to Brazil is rumoured at \$285-290/t CFR but no deals have been confirmed this week.

Bulk MAP deals to European buyers from EuroChem are now likely to net back no higher than \$275/t FOB, according to market sources.

There are also indications that 6,000 t Russian MAP was recently sold to Uruguay's Ususa in the low \$290s/t CFR. If part of a larger cargo this would reflect around \$260/t FOB Baltic/Black Sea.

Eurochem and PhosAgro are largely sold out of DAP/MAP in 2019.

The Baltic/Black Sea DAP price is now pegged at an indicative \$250-300/t FOB, a slight decline from \$250-305/t FOB, while the Baltic/Black Sea MAP price is assessed at \$255-275/t FOB, down from \$255-280/t FOB.

Russia/Lithuania DAP/MAP Prod v Exports

Producer		Prod (Dec estimate kt)
PhosAgro		~170-200
Region		Sales (Dec exp)
Europe		~20-30
Domestic (approx)		~80
India		~20
USA		~40
Latin America		~30
Total		~190-200
Producer		Prod (Dec estimate kt)
EuroChem		~130
Region		Sales (Dec exp)
Europe		~40
USA		~30
Latin America		~20
Domestic (approx)		~20
Total		~110

► Europe

Europe: DAP eases lower again

DAP prices across European markets extended declines this week as sluggish demand is being met by high competition for sales, according to sources.

Northwest Europe import prices are now pegged around \$315-320/t CFR, a slight decline week on week, with Terneuzen/Ghent DAP prices pegged at \$325-330/t FCA, down from \$330/t FCA.

South Europe and Turkey DAP prices are now generally pegged around \$310/t CFR.

OCP's DAP shipments for European buyers for shipment in December are understood to include roughly 30-35,000 t to France, 30,000 t to Belgium, 10,000 t to Spain and volumes to Slovenia and Croatia.

With much of North African and Russian DAP availability now sold out for December, price declines may slow in the near-term for European markets.

► Middle East and Africa

Morocco: OCP's December availability limited

Recent delays due to bad weather and further sales for December have limited sales availability for the month and eased downward pressure on Morocco DAP prices.

Jorf Lasfar port closures of 15-17 days through November delayed some planned shipments by as much as three weeks, pushing at least 200,000 t granular phosphates shipments into December.

Along with at least 400,000 t granular phosphates sales secured for December, the OCP shipment schedule for December is now at least 600,000 t.

The company is shipping at least 100,000 t DAP/MAP/NPK to Europe/Turkey in December, including roughly 30-35,000 t to France, 30,000 t to Belgium, 10,000 t to Spain and volumes to Slovenia and Croatia.

OCP recently said its latest DAP sales to European buyers for December shipment were at around \$300/t FOB with most market sources now pegging Moroccan DAP prices for European buyers now at \$290-295/t FOB.

The company is likely shipping roughly 250,000 t DAP/NPK/NPS to African markets in December, including 150,000 t NPS to Ethiopia, roughly 60-80,000 t DAP to West Africa at unconfirmed prices and at least 50,000 t NPK to West Africa.

OCP is also shipping reported to be shipping at least 50,000 t MAP to Brazil in December, although this may be set for warehouse. Latest MAP prices in Brazil would netback around \$270/t FOB but offers from OCP are not this low.

The company is also shipping one or two panamax DAP/MAP cargoes to the USA in December. These are believed to have been pushed back from November. The cargoes are under formula prices while latest spot DAP prices at New Orleans would likely netback around \$250/t FOB from Morocco.

There are also some indications OCP is shipping 60,000 t DAP to China in December, likely under a government to government deal, but this has yet to be confirmed.

The Morocco DAP price is pegged at \$280-300/t FOB, a slight decline from \$285-300/t FOB, while MAP prices are pegged at an indicative \$275-295/t FOB, down from \$280-300/t FOB.

Morocco DAP/MAP/TSP/NPK Prod v Exports

Producer	Prod (Dec estimate kt)
OCP	~650
Region	Sales (Dec exp)
Europe/Turkey	~150 (DAP/MAP/TSP/NPK)
USA	~100-150 (DAP/MAP/TSP)
Brazil	~50-80 (MAP/NPS/TSP)
West Africa	~100-120 (DAP/NPK)
Ethiopia	~150 (DAP/NPK)
Domestic	~50 (DAP/MAP)
Total	~600-700

Tunisia: DAP price pegged at \$300/t FOB

There are no new DAP sales reported from Tunisia this week with a further indicative price decline due to weaker prices in European markets.

Latest prices in southern Europe around \$310-315/t CFR and to northwest Europe at \$320/t CFR would now likely net back no higher than \$300/t FOB Tunisia.

Deals for December shipment from Tunisia have yet to be confirmed.

GCT recently said it sold 8,000 t DAP to south European buyers for November delivery at \$320-325/t FOB and it remained in negotiations with buyers in Italy and France for further sales.

The Tunisia DAP price is now pegged at \$300/t FOB, down from \$300-305/t FOB last week, pending further sales.

India: Imported NPK prices extend declines

Imported NPK activity is reported at lower prices this week amid high stocks and competition for sales, according to market sources.

Kribhco is rumoured to have purchased roughly 30,000 t NPK 12-32-16 at \$255-260/t CFR while NFL report they recently bought 12-32-16 at \$256-260/t CFR.

In October, PhosAgro sold 20,000 t NPK 12-32-16 to India's Chambal for prompt shipment at roughly \$300/t CFR, sources noted.

NFL said it recently purchased NPS 20-20-0-13 at \$260-265/t CFR, a slight decline from recent indications around \$265-268/t CFR. Latest offers of 20-20-0-13 are reported in the high \$250s/t CFR but this has yet to be confirmed.

NPK 10-26-26 offers are currently too high to gain interest from Indian buyers. Bids are reported below \$280/t CFR while latest offers were as high as \$310-320/t CFR.

India's NP/NPK imports are expected to reach a record of roughly 725-750,000 t in 2019, up around 8% year on year.

► Asia and Oceania

China: MAP production rates very slow

Chinese MAP production rates have slumped in the last two months with domestic MAP demand still very weak, NPK producers yet to build up operations for the winter/spring season, and options for export limited.

Domestic powdered MAP 11-44 is pegged lower at RMB 1,680-1,780/t (\$238-252/t) EXW from RMB 1,700-1,800/t EXW.

MAP 10-50 prices are still pegged at RMB 1,900-2,000/t (\$269-284/t) EXW.

The current price spread has made DAP more attractive to some buyers and there players remain worried about lower demand for MAP in China.

MAP export activity has also dropped, due partly to low price indications for 11-44 and 11-52 in Brazil. Suppliers are looking towards demand in Australia from December for further MAP 10-50 activity.

Latest MAP 10-50 prices for export are pegged at around \$275-280/t FOB China, reflecting a roughly \$20/t discount on latest DAP export prices.

Chinese countrywide MAP production rates are now indicated as low as 35-40% of capacity, this is down from over 50% this time last year.

China: Domestic DAP prices decline

Domestic DAP prices declined further this week, with distributors limiting purchases somewhat on good stocks and expectations of lower prices ahead through December and January.

Inland prices are now pegged at RMB 2,300-2,400/t CPT (\$326-340/t), down from RMB 2,350-2,400/t CPT.

Factory-level prices for domestic sales are now at RMB 2,150-2,200/t (\$305-312/t) EXW, down from RMB 2,150-2,250/t EXW, with some indications of availability as low as RMB 2,100/t EXW (\$298/t).

Export netback DAP prices are still roughly \$10/t lower than reported domestic prices.

Most sales are still being made to distributors under provisional prices, with any credit to be repaid after the spring season. Distributors are generally expecting further price declines before spring, due partly to lower feedstock prices, worries over demand, and high competition for sales.

Potash

► Indian Subcontinent

India: MOP importers maintaining MRP

India's potash importers report there are no plans to decrease the maximum retail price (MRP) of MOP despite the recent decline in the import contract price.

Importers remain uninterested in lowering their prices due to concerns over margins, with the MRP still set at INR 19,000 (\$266)/t, according to market sources.

Most importers are reportedly struggling to increase MOP sales in India and compete with IPL, which is said to be offering heavier discounts to its customers after settling fresh import contracts at a headline price of \$280/t CFR for supply through Q1 2020, a \$10/t decrease year on year.

Apart from IPL, Indian importers are said to be unwilling to consider bringing down the MRP to encourage higher consumption until the end of current contract supply periods.

The importers are also waiting for the eventual settlement of a fresh China contract price before considering further action regarding lowering the MRP or providing discounts on sales, market participants report.

► Asia and Oceania

China: QSL lowers potash prices

Chinese potash producer QSL decreased its monthly nominal offer levels for December sales.

The company posted a nominal price for standard 60% K₂O product of RMB 2,180/t CPT, but sales to large distributors were reported below RMB 2,000 (\$284)/t CPT after rebates.

QSL reportedly informed buyers that it will not increase its nominal monthly potash prices if market prices increase, but it will decrease prices if market prices decline, effective until February 29, 2020.

The producer's inventories have swollen to roughly 1.1 Mt at site as of early this week, some market sources in China said.

Other participants suggested that QSL is trying to attract as much buying interest as possible prior to China's spring application season amid strong sales competition with importers, low domestic demand and high port inventories.

China's MOP port inventories have increased to a new record-high slightly above 3.7 Mt as of the end of November, up from around 3.3 Mt at the end of September and roughly 3 Mt around the end of August, market sources report.

China: Port wholesale MOP prices pressured again

China's port wholesale MOP prices were again under downwards pressure this week amid the persistence of high inventories and a decline in offer levels by domestic producer QSL (see separate markets item).

Mainstream Russian red standard MOP prices remain around RMB 2,050/t FCA (\$291/t FCA), but bids have fallen to as low as RMB 1,980/t FCA and transactions were suggested as low as RMB 2,000/t FCA.

Sales had been made even below RMB 2,000/t FCA at ports in northeast China, one source said, but this was not backed up by other market participants at the time of writing.

The high end of confirmed port wholesale MOP sales is unchanged this week at RMB 2,250/t FCA for small volumes of white 62% K2O product.

White 62% K2O sales were reported by some market sources as low as RMB 2,150-2,180/t FCA at Lianyungang port in eastern China.

Chinese port wholesale prices are pegged at an indicative RMB 2,000-2,250/t FCA, down by RMB 10/t on the lower end of the range from last week.

Sulphur

► Global

Sulphur trade data update

The following sulphur trade data updates were released recently by IHS Markit:

- **Japan:** Jan-Oct exports decrease 9% year on year to 919,328 t
- **South Africa:** Jan-Oct imports down 44% at 545,430 t; exports down 48% at 280,045 t

For a more detailed breakdown of trade data [click here](#) to view an excel file in the product library.

Sulphuric Acid

► Global

Sulphuric acid trade data update

The following sulphuric acid trade data updates were released recently by IHS Markit:

- **Japan:** Jan-Oct exports decrease 6% year on year to 2.46 Mt; volume to Philippines up 30% at 1.1 Mt
- **Mexico:** Jan-Oct imports down 97% at 2,811 t; exports down 34% at 411,172 t
- **Chile:** Jan-Oct imports increase 31% year on year to 3.06 Mt

For a more detailed breakdown of trade data [click here](#) to view an excel file in the product library.

► Central and South America

Chile: January-October acid imports jump 31%

Chile's imports of sulphuric acid for January-October 2019 increased 31% year on year to 3.06 Mt, according to data via IHS Market.

Peru remained the main source of Chilean acid imports over the 10-month period with 1.06 Mt, though this was down 1% year on year.

Imports from China jumped to 613,572 t from 216,873 t.

Imports from South Korea climbed 119% to 561,956 t, with Japan down 15% at 379,917 t.

Other sources of acid for the period included Mexico (206,400 t), Spain (58,403 t), India (47,468 t), and the Philippines (39,206 t).

33rd

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Fertilizer Week



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