

EXECUTIVE SUMMARY

More India DAP sales

Several new DAP sales emerged in India at the same levels as last week, but overall activity remained comparatively quiet in the subcontinent, as the market awaits clarification on importer economics. Several new cargoes emerged for the US, including Australian origin, while Brazil's MAP business was muted. Russian DAP/MAP traded for Argentina. Some suppliers into Europe withdrew offers to gauge fresh pricing levels.

MARKET DRIVERS

Indian subsidy decision imminent

Market participants expect an announcement on the Indian DAP subsidy or a change to maximum retail prices shortly. The market remains short for the fourth quarter, squeezed by difficult import economics.

European energy crisis causes uncertainty

Soaring gas prices in Europe, which have led to several fertilizer and ammonia plant closures over the past week, have so far not rippled into the phosphates market. But market participants are awaiting the settlement of October ammonia contracts, which will provide further price direction.

China policy to impact exports

The Chinese government published a directive, encouraging fertilizer producers to prioritise domestic supply over exports, which may lead to reduced export capacity in the fourth quarter. Recently published energy and environment policies also led producers to lower output, further reducing export availability.

30-60 DAY OUTLOOK

Stable to firm

Chinese DAP export availability will be hit in the fourth quarter by a series of policies and directives issued recently, while India still requires a lot of DAP to meet rabi demand. But importers are hesitant to accept shipment times beyond October. MAP demand remains in Argentina, but Brazilian prices were steady for another week.

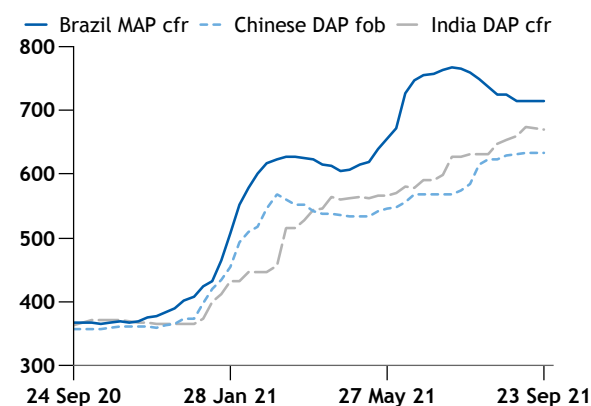
PRICES

Key price assessments	\$/t	
	23 Sep	16 Sep
Argus DAP index, points	183.693	183.438
DAP/MAP - fob bulk		
DAP/MAP Tampa	660-685	660-685
DAP China	633-635	630-635
DAP Saudi Arabia	645	645
MAP Baltic	655-665	647-657
DAP/MAP - cfr bulk		
DAP India	669-670	671-672
DAP Pakistan	678-682	678-682
MAP Brazil	710-720	710-720
Phosphoric acid India/t P ₂ O ₅	1,160	1,160
DAP - fca		
DAP Benelux fob/fob duty paid/free	700-710	695-710

See page 2 for full price table

Key Indicative Prices

USD/t



DATA & DOWNLOAD INDEX

- Ferts Phosphates Spot Deals
- Phosphate deliveries to Indian ports
- Phosphates producer commitments
- Moroccan phosphate and NPK exports
- DAP deliveries to Pakistan
- MAP deliveries to Brazil
- Russian MAP, DAP exports
- Phosphoric acid deliveries to Indian ports
- India DAP stocks and sales

View the methodology used to assess phosphate prices at www.argusmedia.com/methodology. Your feedback is always welcome at fertilizer@argusmedia.com

PHOSPHATE PRICES AND DERIVATIVES

Direct Hedge - 23 September			
Month	Bid	Offer	Mid
DAP fob Nola (st)			
Oct-21	665	675	670
Nov-21	650	660	655
Dec-21	650	660	655
Q4	655	670	662
Q1	640	660	650
MAP Brazil (mt)			
Oct-21	710	730	720
Nov-21	710	730	720
Dec-21	715	740	728
Q4	710	730	720

Phosphate freight			
Loading	Destination	Tonnage	Rate (\$/t) Low/High
Finished Phosphates			
Tampa	WC India	55-60	95 97
Morocco	Brazil	25-35	49 51
Tampa	Brazil	25-35	45 47
Baltic	Brazil	25-35	68 70
Baltic	India	25-35	101 120
KSA	EC India	25-35	59 61
China	India	45-55	32 38
China	Pakistan	40-45	44 46
China	Brazil	45-55	70 70
China (South)	Thailand	6-8	40 45
Phosphate Rock			
Morocco	South Brazil	30	49 51
Red Sea	WC/EC India	25-35	51 53
Red Sea	Indonesia	25-35	55 57
Morocco	US	25-35	48 50



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Average imported variable costs of DAP production			
	23 Sep	16 Sep	±
Imported ammonia and sulphur			
cfr China	234.638	234.625	0.01 ▲
cfr India	231.020	229.370	1.65 ▲
cfr North Africa	220.470	218.690	1.78 ▲
cfr US	213.718	214.268	0.55 ▼

For further information on how these assessments are calculated, please click here.

Argus freight rates are assessed in consultation with producers, traders and buyers and freight broker service provider Nueva Seas.

Phosphates prices			
	23 Sep	16 Sep	±
Argus DAP index, points	183.693	183.438	0.255 ▲
DAP/MAP/TSP - fob bulk			
DAP/MAP Tampa	660-685	660-685	0.00 ▲
DAP/MAP Tampa equivalent Brazil	664-674	664-674	0.00 ▲
DAP Tampa equivalent India	573-574	577-578	4.00 ▼
DAP Tunisia	665-670	665-670	0.00 ▲
DAP Egypt	660-670	660-670	0.00 ▲
DAP Morocco	630-670	630-670	0.00 ▲
DAP Morocco P2O5 equiv	947.31	1,004.73	57.42 ▼
DAP Morocco equivalent US terminals	676-688	676-686	1.00 ▲
DAP Lithuania Baltic	680-692	680-692	0.00 ▲
DAP Russia Baltic/Black Sea	585-615	585-610	2.50 ▲
DAP China	633-635	630-635	1.50 ▲
DAP China P2O5 equiv	982.70	1,011.34	28.64 ▼
DAP Saudi Arabia (KSA)	645	645	0.00 ▲
DAP Jordan	630-635	630-635	0.00 ▲
DAP Mexico	620-680	620-680	0.00 ▲
DAP/MAP Australia	626-670	583-640	36.50 ▲
DAP US Gulf domestic barge \$/st	660-675	650-673	6.00 ▲
DAP Central Florida railcar \$/st	655	640	15.00 ▲
DAP China ex-works	542-557	542-557	0.00 ▲
DAP Benelux fot/fob duty paid/free	700-710	695-710	2.50 ▲
MAP Baltic	655-665	647-657	8.00 ▲
MAP China 11-44	505-508	505-510	1.00 ▼
MAP China 10-50	600-620	588-600	16.00 ▲
MAP China 11-52	640-650	640-650	0.00 ▲
MAP Morocco	690-695	690-695	0.00 ▲
MAP Saudi Arabia (KSA)	648-658	647-657	1.00 ▲
TSP Tunisia	575-590	575-590	0.00 ▲
TSP Morocco	580-595	580-595	0.00 ▲
TSP China	540-550	540-550	0.00 ▲
TSP eastern Med (Lebanon/Israel)	570-590	570-590	0.00 ▲
DAP /MAP - cfr bulk			
DAP/MAP Argentina/Uruguay	693-725	693-725	0.00 ▲
MAP Brazil 11-52	710-720	710-720	0.00 ▲
MAP Brazil 11-52 P2O5 equiv	1,127.82	1,139.32	11.50 ▼
MAP Brazil 10-50 (ex-China)	658-670	658-670	0.00 ▲
MAP Brazil 10-50 (ex-China) P2O5 equiv	1,094.30	1,105.17	10.87 ▼
MAP Brazil 11-44 (ex-China)	575-578	575-580	1.00 ▼
MAP Brazil 11-44 (ex-China) P2O5 equiv	1,018.11	1,033.97	15.86 ▼
MAP South Africa	695-700	695-700	0.00 ▲
DAP India	669-670	671-672	2.00 ▼
DAP India P2O5 equiv	1,018.85	1,023.20	4.35 ▼
DAP Pakistan	678-682	678-682	0.00 ▲
DAP Turkey	700-710	700-710	0.00 ▲
DAP Romania (bagged fca)	695-720	695-720	0.00 ▲
DAP east coast Africa	705-710	705-710	0.00 ▲

Raw material contracts			
			±
Phosphoric acid/t - P2O5			
cfr India	3Q21	1,160 2Q21	998 162.00 ▲
cfr western Europe	3Q21	1,265-1,290 2Q21	1,103-1,128 162.00 ▲
Phosphate rock (% BPL)			
fob Jordan (68-70)	2Q21	112-117 1Q21	92-95 21.00 ▲
cfr India (68-70)	2Q21	141-146 1Q21	122-125 20.00 ▲
cfr India (70-72)	2Q21	180-185 1Q21	140-145 40.00 ▲
fob Morocco (69)	3Q21	130 2Q21	105-110 22.50 ▲
fob Algeria (65-68)	3Q21	62-68 2Q21	56-62 6.00 ▲
fob Egypt (66)	Aug21	58-62 Jul21	55-62 1.50 ▲
fob Egypt (57-61)	Aug21	38-50 Jul21	35-54 0.50 ▼
cfr Southeast Asia (57-61)	Aug21	100-118 Jul21	100-110 4.00 ▲
Sulphur			
cfr Tampa	3Q21	195 2Q21	192 3.00 ▲
cfr north Africa	3Q21	187-215 2Q21	187-225 5.00 ▲
Ammonia			
cfr Tampa	Sep21	615 Aug21	625 10.00 ▲

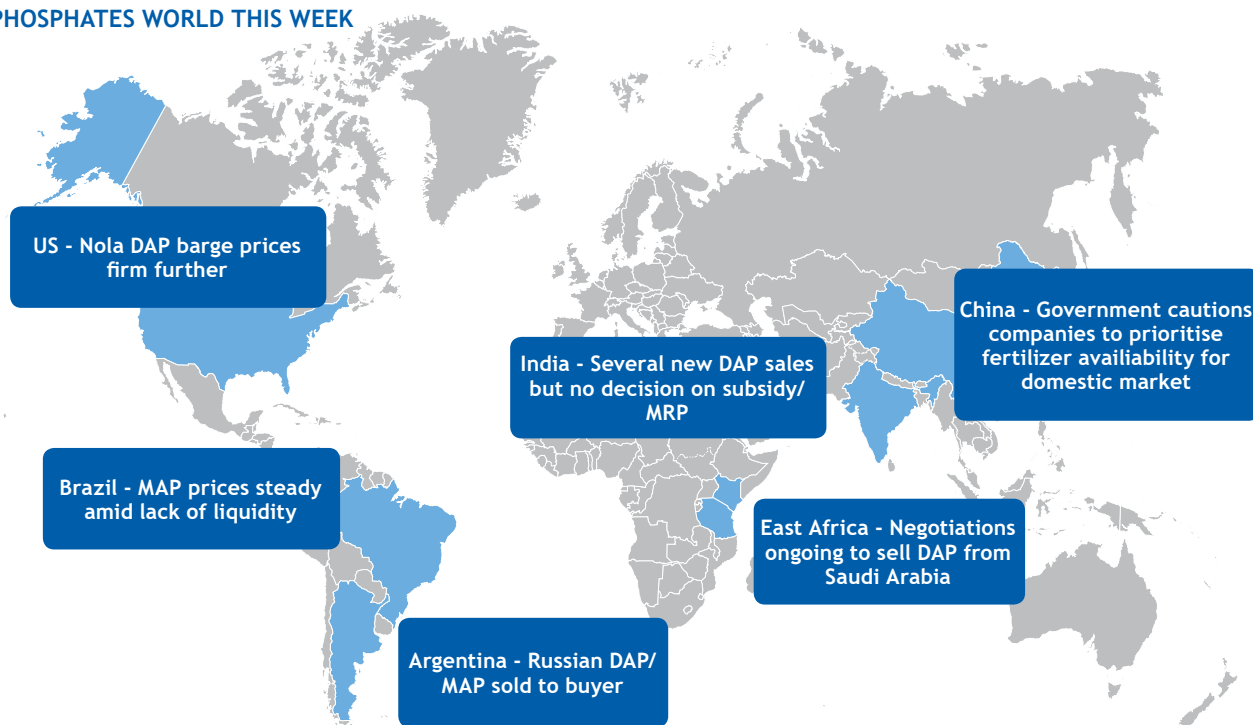
Spot Sales Selection - 23 September

Origin	Seller	Buyer	Destination	Volume ('000t)	Price	Delivery Period
Morocco	OCP	TBC	India	50	\$670/t cfr	October
Morocco	OCP/Trading firm	TBC	India	50	\$669/t cfr	October
China	Trading firm	TBC	India	50	\$670/t cfr	October
Russia	Producer	TBC	Argentina	32 DAP/MAP	TBC	October

Recent 2021 phosphate tenders

Country/Holder	Product	Volume ('000t)	Closing date	Shipment	Status
Democratic Republic Congo	DAP	10	10-Sep	October	Offers in
Fact/India	Phosrock	40	13-Sep	Arrival 25 October - 10 November	Offers in
BCIC/Bangladesh	Phosacid	10	14-Sep	52-54pc P205	Offers in
KSCL/Nepal	DAP	25	17-Sep		Offers in
BCIC/Bangladesh	Phosrock	25	6-Oct	72pc BPL	Open
Mauritania/CSA	DAP	9	21-Oct		Open

THE PHOSPHATES WORLD THIS WEEK



Disclaimer: Argus depicts geo-political borders as defined by the United Nations Geospatial Information Section.
For more information visit <http://www.un.org/Depts/Cartographic/map/profile/world.pdf>

NORTH AMERICA

US

Mosaic reported no export sales.

US domestic

Nola DAP values climbed on trade this week, though thin availability weighed on MAP liquidity.

Loaded and September DAP barges traded at \$675/st fob Nola to frame the high end of this week's \$660-675/st fob Nola range, while an early-week barge trade for 2H September/1H October supported the low end. Forward barge values also climbed on trade up to \$665/st fob Nola for October/November shipment.

But MAP values were unchanged from \$685-700/st fob Nola on stable indications in the absence of trade, which industry participants attributed to thin nearby availability amid ongoing supply concerns. Repairs to Mosaic's Faustina,

Louisiana, phosphate complex following Hurricane Ida are expected to take another four weeks, compounding earlier production lost during an August equipment failure at the company's New Wales facility. Several buyers this week said they expect slim-to-no additional MAP availability in 2021, though the producer denied being sold out through the end of the year.

Overall market sentiment remains bullish as buyers seek to position their remaining estimated fall needs, though the bulk of demand is expected to shift to inland warehouses as the fall application season draws nearer.

At least 155,000t of offshore MAP and DAP were expected to arrive this month, though several vessels have been delayed by ongoing recovery efforts following Hurricane Ida. At least 90,000t should arrive in October.



Argus Phosphates Daily

New daily price reporting service has now launched



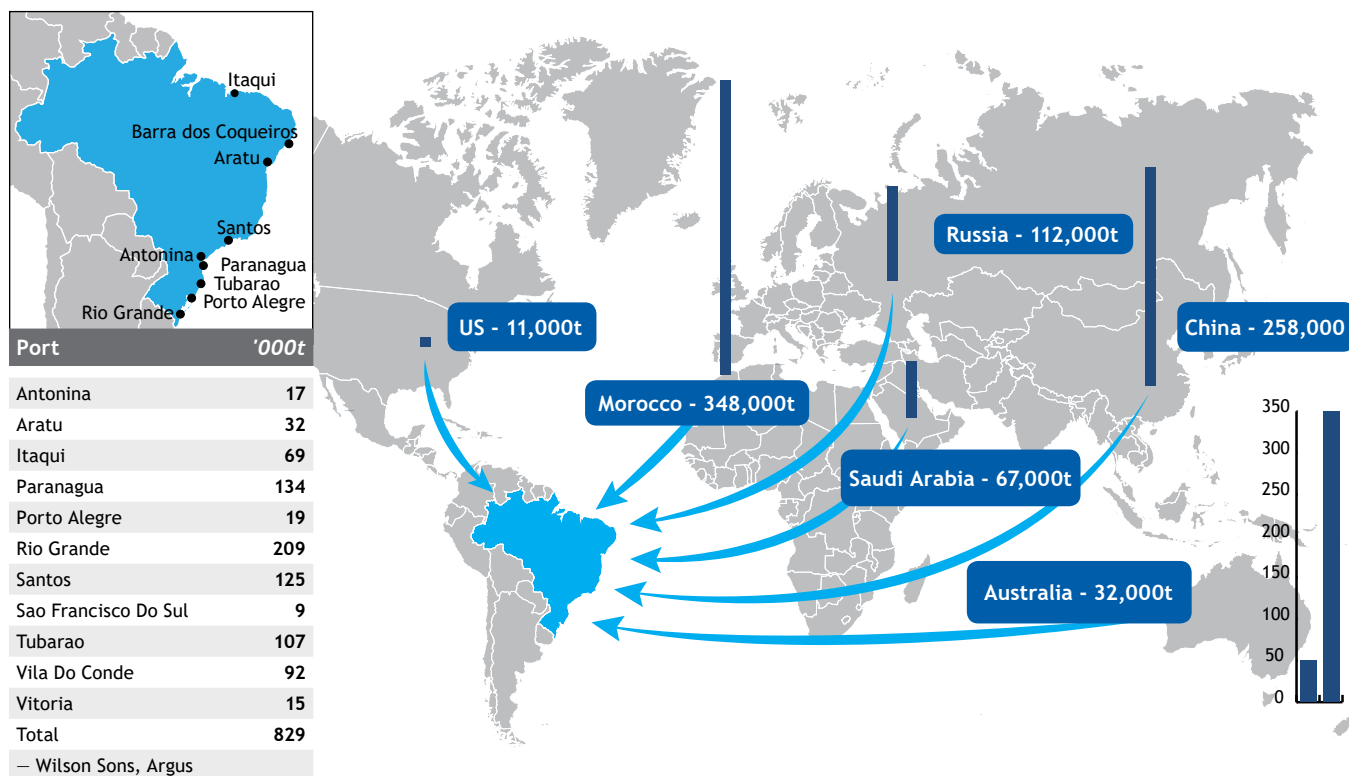
Argus is excited to announce you can now access your complimentary trial to the new, groundbreaking *Argus Phosphates Daily* service. We are emailing you the *Argus Phosphates Daily* PDF every day, and you can access it online through Argus Direct. *Argus Phosphates Daily* offers unique benefits, including:

- **Greater certainty** - Increased price frequency gives you immediate clarity for volatile markets.
- **Lower risk** - Additional data points ensure your business calculations are more robust.
- **Smarter outcomes** - Daily data powers the most sophisticated data analysis and algorithmic trading tools.
- **Confident approach** - We give you the largest editorial team with the greatest geographic reach and most rigorous methodological adherence.

Fertilizers
illuminating the markets

We'd love to hear your feedback or any questions on the service.
Please contact us directly at fertilizer@argusmedia.com

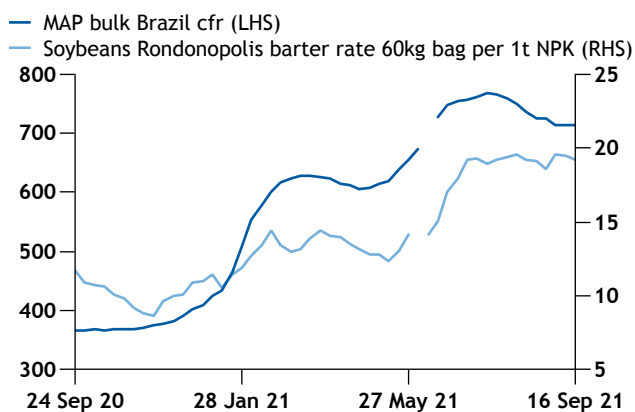
BRAZIL SEPTEMBER MAP IMPORTS



USD/BRL



MAP cfr Brazil vs soybean barter rate



CENTRAL AND LATIN AMERICA

Brazil

The MAP market remained mostly quiet for another week, with prices in line with last week's levels. Offer levels ranged \$710-720/t cfr, with some market participants reporting offers below \$710/t cfr. But attention has shifted to other phosphate products. A trading firm sold MAP 11-44 in the high-\$570s/t cfr for October arrival.

Brazil's Mato Grosso begins 2021-22 soybean planting

Brazil's state of Mato Grosso has started planting for the 2021-22 soybean crop, ahead of the historical average start date and the previous cycle.

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Brazil soy barter rates discourage crop sales

The barter rates for soybean in Brazil are becoming uneconomical for Brazilian farmers, as they need to offer more soy to buy one tonne of fertilizer.

The ratio to buy one tonne of fertilizer for planting soybeans is now at 19.2 60kg-bags of soy in Rondonopolis, in Mato Grosso state, 67pc higher than a year ago. The situation is similar in Sorriso, another producing city in Mato Grosso, where the ratio is 20.1 bags/t. The average for the historical Argus series, started in December 2014, is at 18.3 bags/t.

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Brazil's 2nd corn harvest 98.8pc complete

Brazil's second corn harvest is close to completion, with 98.8pc of the crop harvested as of 18 September.

Completion of the second corn harvest is up by 1.8 percentage point from the prior week, according to national supply company Conab. The harvest is 0.8 percentage point ahead of levels reached a year earlier, after lagging for much of the reaping period because of delays with the soy crop and adverse weather conditions. The oilseed's harvest must be over before farmers can plant corn.

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Ferts freight rates rise on Brazil port congestion

Longer ship traffic lines at Brazilian ports in preparation for the next record harvest helped push up truck freight rates in the first half of September, amid delays in berthing and unloading ships.

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Argentina

A Russian producer sold 25,000t of MAP and 7,000t of DAP to an importer for October shipment.

A trading firm was offering MAP at \$725/t cfr this week. Latest DAP offers were at \$690/t cfr by a trading firm, before the position was closed. Moroccan MAP was also on offer.

Argentinian forward corn sales lag year-ago pace

Argentina's new-crop corn sales last week fell below levels the same time a year earlier, while soybean sales recovered further from levels in late August.

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EUROPE AND FORMER SOVIET UNION**Belgium**

DAP was indicated at around \$700-710/t fca this week. A producer increased its DAP offers earlier in the week by at least \$5/t, following reports of indications at \$695/t fca last week. But offers were withdrawn from the market on 22 September.

France

DAP is priced stable at \$710/t fca Rouen on a truck-by-truck basis.

Italy

DAP is indicated at around \$720/t fca Ravenna, up by \$5-10/t on previous levels.

Romania

DAP is indicated stable at \$695-720/t bagged fca.

Russia

A producer sold 6,000t of MAP to a trading firm for Latin American markets, concluded earlier this month. Another sale also emerged of a combination cargo of 25,000t MAP and 7,000t of DAP for an Argentinian buyer, loading at the start of next month.

Black Sea wheat: Demand boosts prices

Black Sea wheat prices moved up along the curve on Wednesday with spot prices leading the gains, while the highest trading liquidity was seen for the November-December shipments.

Ukraine's spot 11.5pc and 12.5pc wheat contracts posted the steepest daily gains at \$6/t each, to close at \$301.50/t and \$306/t fob, respectively, driven by higher bids and offers. Meanwhile, the spot feed wheat contract rose by \$4/t on the day, to close at \$288/t fob.

Russia's spot 12.5pc protein grade contract also followed an upward trend to settle at \$307/t, up by \$3/t from Tuesday, with buyers and sellers raising bids and offers in tandem. Russian spot wheat prices were supported by fresh demand from African buyers, with some 60,000t of 12.5pc product trading at \$307/t fob Novorossiysk.

But the strongest demand from global buyers was seen for Ukrainian wheat for November and December shipment. Some 50,000t of 11.5pc wheat traded at \$299.25/t fob Mykolaiv for November shipment, while another 55,000t cargo changed hands at \$300.50/t fob Mykolaiv for delivery in December. And African buyers also booked a 60,000t cargo of 12.5pc wheat at \$308/t fob Odessa for December shipment.

Meanwhile, traders indicate increasing competition between Ukrainian and French milling wheat in the African market, which could put pressure on further demand for Ukrainian product.

Additional support for Black Sea wheat prices came from Pakistan's TCP issuing a new tender to buy 640,000t of January-February shipment milling wheat. Meanwhile, Jordan cancelled its another tender to buy 120,000t of milling wheat, owing to low participation.

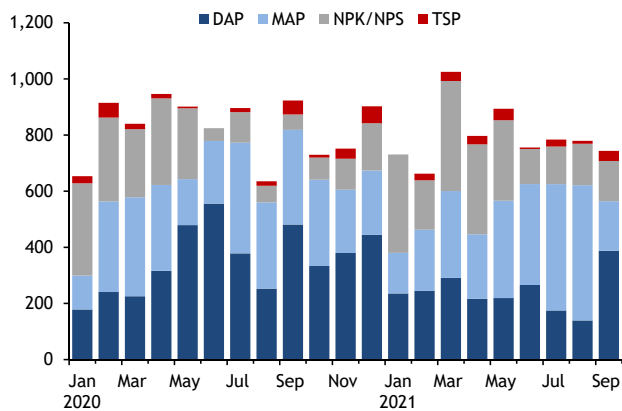
ANNOUNCEMENT

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EXPORTS FROM JORF LASFAR IN MOROCCO

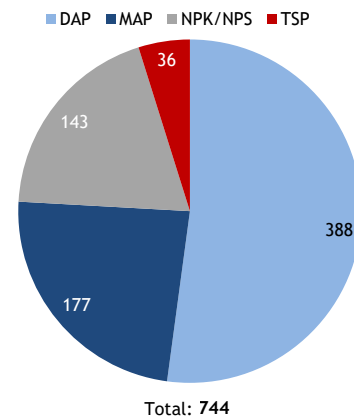
Fixed exports from Jorf Lasfar

'000t



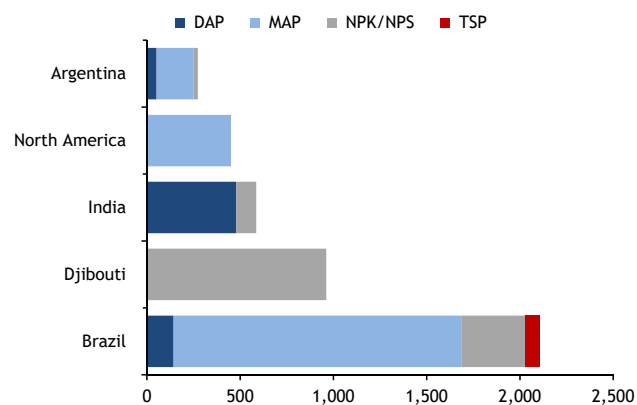
Product ratio this month

'000t



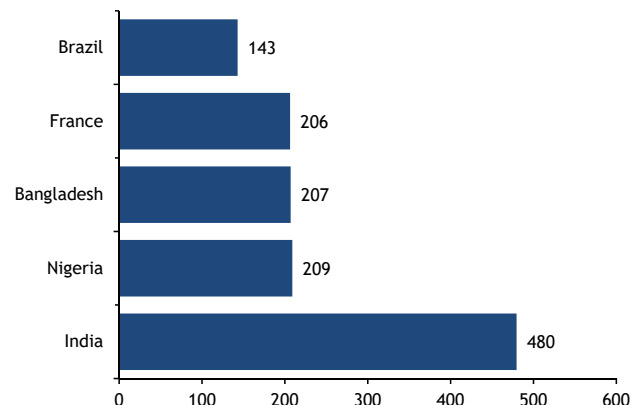
Top OCP destinations this year

'000t



Top destinations of OCP DAP this year

'000t



AFRICA AND MIDDLE EAST

Morocco

Two cargoes of Moroccan DAP sold to India emerged this week. A trading firm sold 50,000t for early-October loading at around \$630/t fob, reflecting a freight rate of around \$40/t. OCP also sold a similar volume directly to a buyer at broadly the same level.

OCP pivots fertilizers to Africa, Europe

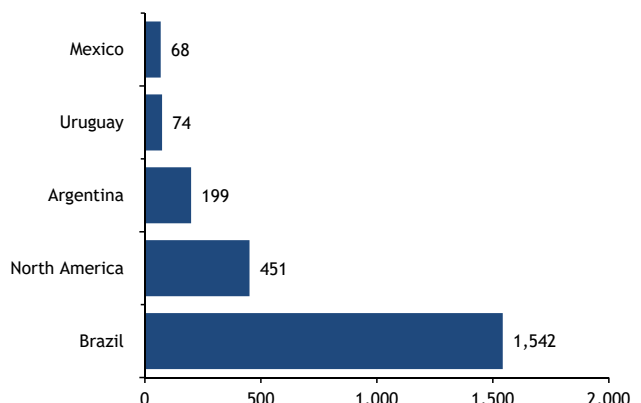
OCP increased the shares of its fertilizer exports to African and European markets in the first half of this year in a bid to offset import duties in the US.

African markets accounted for 30-31pc of OCP's fertilizer exports in January-June, up from 24pc a year earlier. This equated to an increase of about 200,000t of fertilizer products.

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Top destinations of OCP MAP this year

'000t



Argus Direct subscribers can download this data on Jorf Lasfar fertilizer exports [here](#)

Ethiopia

OCP reaffirms plans for Ethiopian fertilizer complex

OCP and the Ethiopian government have reaffirmed their intention to jointly develop a 3.8mn t/yr production facility in Ethiopia, which would produce urea, as well as NPKs and NPS.

A delegation headed by the Ethiopian finance minister set out the plans anew during a visit to Morocco, the Ethiopian ministry of finance said.

Initially, the estimated investment will be \$2.4bn to construct a 2.5mn t/yr urea, NPK and NPS complex, but this could reach a total capacity of 3.8mn t/yr, bringing total investments to \$3.7bn, Ethiopia's Ministry of Finance said.

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East Africa

Ma'aden remained in negotiations with buyers in Kenya and Tanzania to sell DAP, but no confirmed sales emerged.

Argus Special Report

Hydrogen – Hope or Hype?



Hydrogen offers a lot of hope as an important element in the world's move to a lower-carbon economy, but it is also subject to a lot of hype — about its growth potential, about the ease with which it can be transported and traded, about its scalability and cost.

This special report digs into the challenges and provides a realistic assessment of the plans that are taking shape, and the kind of hydrogen market that could develop.

Find out more in our **Hydrogen Special Report**

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ANNOUNCEMENT

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<https://www.argusmedia.com/en/methodology/publishing-schedule>



Argus Fertilizer Analytics

Urea | Ammonia | Phosphate Rock
Processed Phosphates | Potash
Sulphur | Sulphuric Acid



Quarterly reports

Support your critical decisions with quarterly analysis of the impact of recent developments on our price and market fundamentals forecasts



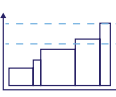
Annual long-term report

Build your strategy using our long-term forecasts and methodologies including fertilizer demand based on calories and crops, and long-run marginal costs



Data visualisation

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**The Urea and Ammonia Analytics services also include our Interactive online cost curve service*



Underlying excel datasets

Explore and integrate our comprehensive datasets into your models — saving time for more in-depth analysis

Questions or more information

Please use the links below if you'd like more information or have any questions on these services:

Email: fertilizer-m@argusmedia.com

Demo: view.argusmedia.com/fertilizer-analytics

Web: www.argusmedia.com/fertilizer

INDIAN SUBCONTINENT

India

Several new DAP sales emerged in India, with further cargoes under negotiations.

■ A trading firm sold 50,000t of Moroccan DAP to an Indian buyer at \$672.50/t cfr with 60 days' credit, netting to \$669/t cfr sight equivalent. The cargo will load early next month.

■ An importer bought from a trading firm Chinese DAP on a vessel at around \$670/t cfr sight equivalent. The cargo will likely ship in early October, although there was no comment from either party involved.

■ OCP sold a DAP cargo to a buyer at \$672.50/t cfr with 60 days' credit, similarly netting around \$670/t cfr.

Indian DAP output slumps in August

Indian production of DAP fertilizers dropped in August, falling to the lowest level for that month since 2015, as domestic producers instead drove output of NPs and NPKs.

Indian domestic DAP output stood at 286,000t last month, compared with 312,000t in August 2020. Cumulative production levels for the ongoing fertilizer year also continue lagging, with April-August figures reaching 1.4mn t, down by almost 200,000t on 2020.

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Rains are forecast in India, monsoon still down overall

Heavy rains are forecast in some key Indian crop-producing states, but monsoon rainfall this season is still lagging long-term levels.

Heavy rainfall is set to continue in the northwestern states of Gujarat and Rajasthan, and the central state of Madhya Pradesh, the country's meteorological department (IMD) said today. The northwest monsoon season typically runs from June to the end of September.

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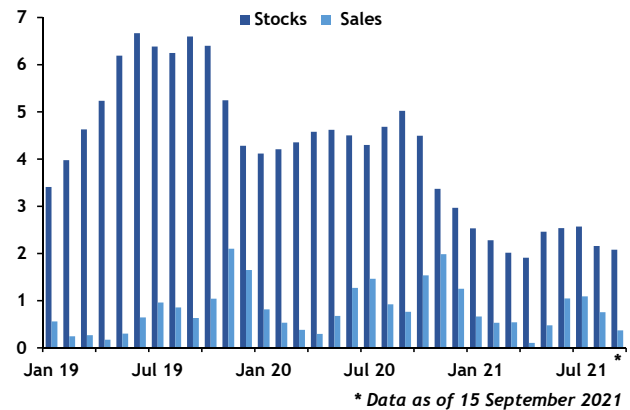
India to produce record kharif grains, misses targets

Indian farmers are expected to produce 150.5mn t of grains, driven by record rice output, from this year's summer crop. But oilseed production will miss its target by 10pc, under the country's preliminary estimate.

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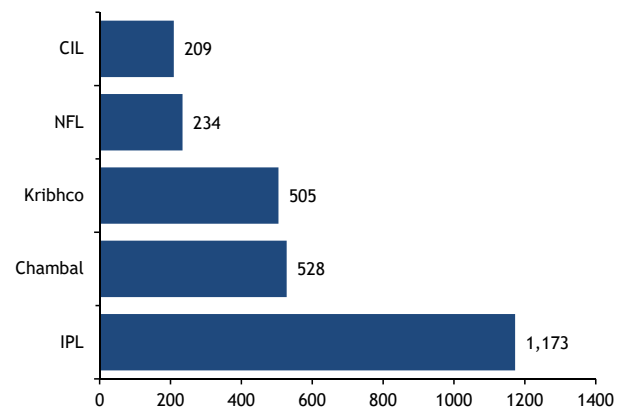
Indian domestic DAP stocks and sales

mn t



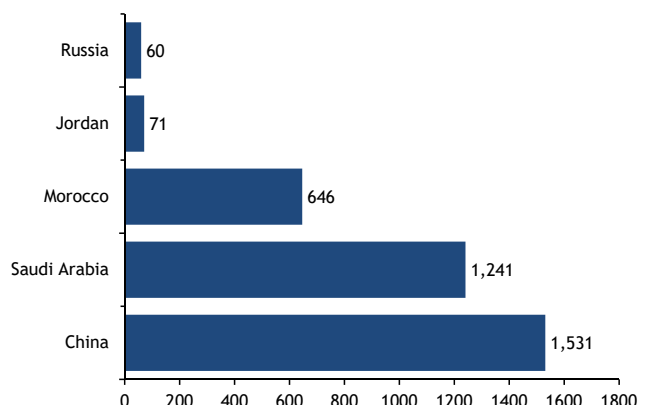
Top 5 Indian DAP importers from Apr '21

'000t



Indian DAP imports by origin from Apr '21

'000t



To download the latest data for Indian DAP imports since January 2017, please [click here](#)

Pakistan

No new price indications emerged this week, as Pakistan's appetite for DAP imports has been met for now.

The current import line-up for the April-March fertilizer year includes 1.08mn t of DAP following the sales of the last few weeks, and market participants estimate that only opportunistic sales will take place until the end of the year.

Domestic offtake has been limited this month, with sales muted ahead of next month's beginning of rabi applications. Sellers expect an uptake in demand in October. But business was more active further downstream, with dealers selling stocks slightly below current ex-Karachi levels. Domestic prices remained unchanged this week following the latest price increases, ranging Rs6,240-6,290/50kg bag ex-Karachi from major suppliers (\$737-743/t).

EAST ASIA AND OCEANIA

China

DAP prices firmed to \$633-635/t fob, reflecting latest business and sale discussions. But more suppliers have raised offers to \$640/t fob following the jump in urea prices this week. Sales at this higher offer level have not taken place.

A trading firm sold a vessel of Chinese DAP to a buyer in India for early October shipment, netting the low/mid-\$630s/t fob. A southern producer was also linked to a sale to Thailand. A trading firm has been linked to a cargo of river DAP, priced at around \$635/t fob, but a sale had yet to be confirmed by presstime.

A supplier has also booked a mid-October loading cargo of 30,000t from Fangcheng for its Australian distribution system.

Activity in China remains hampered by the continued congestion at the river ports. Vessels have been delayed for up to three weeks before berthing, sources said. Availability for October export is increasingly tight, suppressed by Covid restrictions, ongoing vessel delays, reduced operating rates and the latest government directive (*see below*). A major phosphates producer in Yunnan province has cut its phosphates output lasting one month in response to energy consumption restrictions announced last week by the provincial authorities.

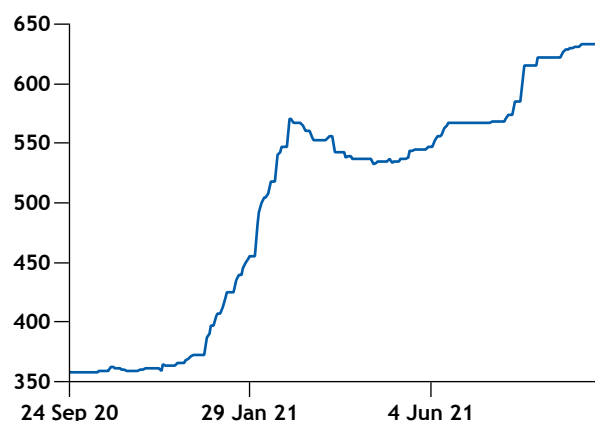
Indications for MAP 10-50 increased to \$620/t fob for premium markets.

Chinese DAP exports slow in August, but still strong

Chinese phosphates exports fell by just over 30pc in August compared with a year earlier and were lower than in July, but exports for January-August are up by a third from last

Daily DAP fob China

USD/t



year.

Shipments slowed to 550,000t last month from 802,000t in August last year. Chinese DAP exports totalled 984,000t in July.

Bangladesh was the top destination for shipments last month, with suppliers exporting 160,000t to meet commitments under the 3 June private-sector purchase tender. Participants estimate a further 270,000t are to be delivered under the tender to load in September-October. But congestion delays this month at Chinese ports are threatening to hamper the deliveries.

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China domestic

DAP prices held at Yn3,500-3,600/t ex-works in Hubei and were flat at Yn3,550-3,600/t in Yunnan.

The average DAP operating rate remained at 65-70pc in Hubei, while Yunnan witnessed a decline to 65-70pc this week, down from around 70pc last week. Guizhou was stable at 55pc.

China's domestic MAP prices were similarly flat this week.

Powdered 11-44 MAP prices maintained Yn3,400-3,500/t ex-works in Hubei and Yn3,400-3,450/t ex-works in Yunnan and Sichuan. Shandong producers offered product at Yn3,350-3,400/t ex-works in Shandong. Powdered 10-50 MAP held flat at Yn3,500-3,600/t ex-works in Hubei.

Exporters received few inquiries from the exporting market, with no offers heard this week for MAP market.

NDRC re-emphasises domestic supply and stability

China's National Development and Reform Committee (NDRC) urged fertilizer producers to continue their efforts in prioritising domestic demand by ensuring sufficient supply, according to a fresh announcement issued on 22 September. NDRC aims to encourage the timely distribution and affordability of fertilizers to the domestic market.

The urging from the NDRC will likely result in producers curbing exports in the coming weeks in adherence with the government's directive, but some major suppliers have cautioned that details remain vague. October-loading DAP availability is already tight. The issuance of this directive, combined with reduced operating rates among certain producers, will tighten the balance further in the fourth quarter, Argus expects.

Thailand

DAP indications are in the low/mid-\$670s/t cfr this week, reflecting netbacks to the low/mid \$630s/t fob China. There was an offer of 40,000t of DAP from China for several buyers at \$673/t cfr for October shipment.

Terragro is believed to have awarded its tender to buy 8,000t of DAP early this week to a trading firm for October shipment with the cargo supplied by a south Chinese producer, but details on the price and confirmation were unavailable. Another major importer is understood to be in the market for 10,000-12,000t of DAP.

Thailand is nearing the end of its main season in October. Market participants reported that rainfall has been favourable this year for agricultural activity, but high raw material costs in urea, DAP, amsul and MOP have made NPK prices less affordable for farmers, reducing consumption and sales.

Vietnam

In the domestic market, DAP demand remains stable amid rising domestic prices. Domestic producers in northern Vietnam are operating at 90-100pc capacity during the Covid-19 restrictions and lockdown but fertilizer distribution has been delayed because of logistics issues especially in the rural regions, according to local market participants.

DAP imports in August rose to 27,000t from 13,100t a year earlier, according to the latest customs data. Importers likely increased their buying after a period of slow imports between April and July this year. January-August imports fell to 311,200t from 395,900t a year earlier, as Covid-19 restrictions have curbed market activity and domestic demand, leading to slower imports. Supply tightness from main suppliers China and Egypt, as well as high import prices, have also likely curbed import demand.

Philippines

Atlas has issued a tender, closing 27 September, to buy 8,000t of DAP. The enquiry requests shipment in the first half of November.

Australia

On the export side, two Australian lots of DAP have been reportedly sold to the US, likely for October loading. One was reportedly concluded last week, with another this week.

But there was no confirmation from the parties involved. Netbacks equate to around the high-\$620s to \$630/t fob Townsville under the older sale, Argus estimates. This week's high-end reflects netbacks from current Nola DAP levels. The *Amis Wisdom III* is sailing towards Townsville, likely for loading, scheduled to arrive on 25 September.

In terms of imports, a supplier will load 30,000t of south Chinese phosphates for its east coast distribution system, arriving in November.

The freight enquiry indicates that loading will take place in mid-October.

Confirmation of a reported Moroccan cargo for a buyer was still pending this week.

PHOSPHATE ROCK

Russia

A fire broke out at the industrial town of Kovdor, in the northern region of Murmansk, on the night of 20 September, cutting the town's power supply.

Eurochem operates its Kovdor GOK facility, which has an annual production capacity of 2.7mn t of apatite, at the town. The facility had been operating at reduced rates, local media reported. But power was restored to the town by the afternoon of 21 September and Eurochem reported no effect to apatite production because of Kovdor's outage.

Morocco/Turkey

The *Clipper Como* was carrying Moroccan phosphate rock to Turkey when it collided with the *Levantes* off the Turkish island of Bozcaan in the northeast of the Aegean Sea on 18 September. The vessel had been heading for Samsun, reportedly with 38,000t of OCP phosphate rock, having departed Jorf on 11 September. The vessel has not moved since the collision was reported, vessel tracking data show.

India

RCF has awarded its tender to buy 35,000t of phosphate rock, purchasing Jordanian product.

RCF bought the rock from a trading firm at \$205/t cfr. The importer requested a minimum 32pc P2O5 content, for shipment within 35 days of issuing a purchase order. It received three offers under the 3 September enquiry.

TSP

France

TSP remains indicated at \$630-640/t fca Rouen.

Brazil

No new sales have been reported. Indications remain at \$610-620/t cfr.

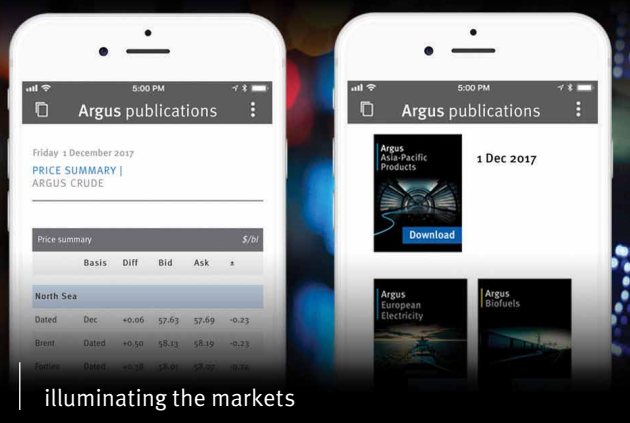
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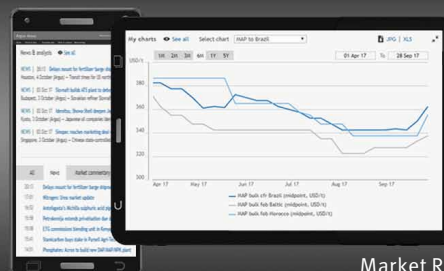
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Argus Phosphates is published by Argus Media group

Registered office

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ISSN: 2399-8768

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