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Argus *Nitrogen*

Formerly Argus FMB Nitrogen

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EXECUTIVE SUMMARY

Prices fall again

Urea and amsul prices both fell in nearly every market as supply continued to outpace demand.

Buying interest picked up in Americas markets but prices remained generally under pressure. Granular urea prices in Brazil recovered slightly from last week's distressed sales at $300/t cfr — this week trading in small lots around $310/t cfr. US prices also steadied at around $300/st fob Nola, but on very thin trading.

Urea prices in other markets fell sharply — by around $10-15/t in southeast Asia and almost $30/t in western Europe as traders and producers competed fiercely.

Amsul prices also fell, with the sharpest drops in southeast Asia where traders looked to build further short positions in Indonesia and Philippines and Chinese producers also conceded lower fob levels.

MARKET DRIVERS

Freight rates

Spot rates, particularly for handysize vessels, continued surging this week in the Atlantic. The sudden rise has stalled some business as importers and producers each seek to push the cost onto the other.

China

China's export restrictions have not reversed the market's overall weak and bearish trend but are causing some pain, particularly for industrial buyers of prills.

30-60 DAY OUTLOOK

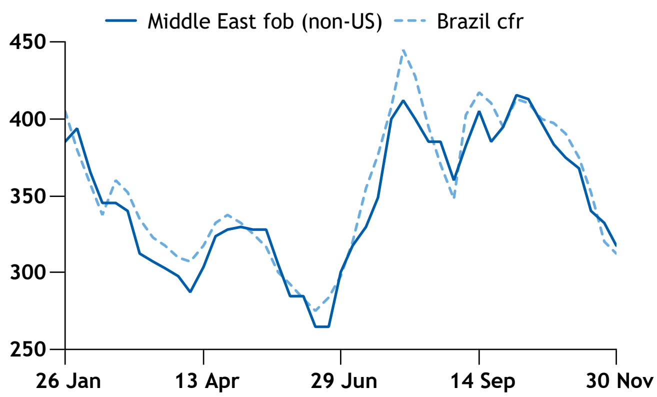
Weak

Downward pressure on urea prices — particularly at the fob level — seems set to continue in the short-term, despite the loss of some EU production, the restriction to Chinese exports and ongoing military conflicts as there are a large number of December-loading cargoes uncommitted.

PRICES

Key nitrogen prices			$/t
	30 Nov	23 Nov	±
Prilled urea - bulk			
Baltic fob	250-280	275-300	▼
China fob	360-370	365-370	▼
Granular urea - bulk			
Middle East fob non-US	315-320	330-335	▼
Egypt (Europe) fob	340-345	350-357	▼
Baltic fob	250-290	290-320	▼
US Gulf fob, *$/st*	295.0-307.0	292.0-305.0	▲
Southeast Asia cfr	350-360	365-370	▼
Brazil cfr	305-320	300-340	▼
French Atlantic fca, *€/t*	340-350	365-380	▼
Ammonium sulphate - bulk			
China fob (standard caprolactam)	110-120	130-135	▼
Brazil cfr (compacted/granular)	160-165	160-170	▼
Ammonium nitrate - bulk			
Baltic fob	180-190	175-185	▲
UAN (32%)			
Baltic fob (non-Russian)	312-317	312-317	◄►

Granular urea: Middle East fob vs Brazil cfr *$/t*



DATA & DOWNLOAD INDEX

- Russia nitrogen exports
- India urea supply and demand
- US and Brazil urea import line-ups
- India urea tenders
- Brazilian amsul vessel lineup

Nitrogen prices	30 Nov	23 Nov	±
			$/t
Prilled urea - fob bulk			
Black Sea	260-290	280-300	▼
Baltic	250-280	275-300	▼
Croatia/Romania	330-340	330-340	◄►
Middle East	315-320	330-335	▼
China	360-370	365-370	▼
Brazil (cfr)	300-310	320-325	▼
Mexico (cfr) east coast	330-335	330-340	▼
Southeast Asia (cfr).	380-385	380-385	◄►
India (cfr)	400.00-404.00	400.00-404.00	◄►
Granular urea - fob bulk			
Middle East all netbacks	281-320	275-335	▼
Middle East US netback	286-297	281-296	▲
Middle East Brazil netback	281-294	275-315	▼
Middle East non-US netbacks	315-320	330-335	▼
Iran	310-321	320-321	▼
Egypt (Europe)	340-345	350-357	▼
Egypt (non-Europe)	315-325	325-335	▼
Algeria	315-325	325-350	▼
North Africa full range	315-345	325-357	▼
Nigeria	285-300	300-310	▼
China	375-380	375-380	◄►
Southeast Asia	330-340	340	▼
Southeast Asia (cfr)	350-360	365-370	▼
Venezuela/Trinidad	260-308	295-330	▼
Brazil (cfr)	305-320	300-340	▼
Mexico (cfr) west coast	340-350	375-385	▼
US Gulf (barge), *$/st*	295.0-307.0	292.0-305.0	▲
US Gulf (cfr)	320-333	316-331	▲
Nola barge weighted average, Nov	307.00	292.00	▲
Nola barge weighted average, Dec	299.50	298.57	▲
French Atlantic (fca), *€/t*	340-350	365-380	▼
Baltic	250-290	290-320	▼
Black Sea	310-320	310-330	▼
India (cfr)	400.00-404.00	400.00-404.00	◄►
Technical-grade prilled urea			
China fob	405.0	405.0	◄►
India cfr	470.0	470.0	◄►
Argus Nitrogen Index			
Argus Nitrogen Index, points	na	304.272	

Argus Nitrogen Index is a composite based on Argus assessments for a basket of nitrogen-based fertilizers. The index is calculated such that 1 June 2017 = 100 for each component class of fertilizers

Natural gas prices	30 Nov	23 Nov	±
Henry Hub *$/mn Btu*	2.74	2.67	▲
TTF month ahead *$/mn Btu*	14.09	14.31	▼

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

Nitrogen prices	30 Nov	23 Nov	±
			$/t
Ammonium sulphate - bulk			
China fob (standard caprolactam)	110-120	130-135	▼
China fob (compacted/granular)	140-145	150-160	▼
NW Europe fob (granular caprolactam)	261-337	261-337	◄►
NW Europe fob (standard caprolactam)	191-218	196-224	▼
Southeast Asia cfr (caprolactam)	120-130	150-162	▼
Brazil cfr (standard caprolactam)	135-145	145-155	▼
Brazil cfr (compacted/granular)	160-165	160-170	▼
Ammonium nitrate			
Baltic bulk fob	180-190	175-185	▲
Black Sea bulk fob	180-250	175-250	▲
France (fca bagged), *€/t*	370-380	370-380	◄►
UK (cif bagged), *£/t*	310-320	310-320	◄►
CAN 27 Germany (cif inland), *€/t*	300-310	300-310	◄►
UAN (32%)			
Nola, *$/st*	260	260	◄►
Rouen 30% N fca, *€/t*	300-305	300-305	◄►
Black Sea fob	193-195	193-195	◄►
Baltic fob (non-Russian)	312-317	312-317	◄►
Baltic fob (Russian)	180-190	180-190	◄►
Nutrient values			
Granular urea			
Middle East - all netbacks fob *$/unit* N	6.53	6.63	▼
French Atlantic fca *€/unit* N	7.50	8.10	▼
Prilled urea			
Baltic fob *$/unit* N	5.76	6.25	▼
Southeast Asia cfr *$/unit* N	8.32	8.32	◄►
Nitrates			
AN bulk fob Baltic *$/unit* N	5.44	5.29	▲
UAN 30pc N Rouen fca *€/unit* N	10.08	10.08	◄►
UAN 32pc Nola fob *$/unit* N	8.13	8.13	◄►
Ammonium Sulphate			
Brazil cfr (caprolactam) *$/unit* N	6.67	7.14	▼
Southeast Asia cfr caprolactam) *$/unit* N	5.95	7.43	▼

Urea freight

Loading	Destination	Tonnage	Rate ($/t)	
			Low	High
Mideast Gulf	US Gulf	45	34	36
Mideast Gulf	Thailand	30	21	23
Mideast Gulf	Brazil	40	24	26
Baltic	Brazil	30	45	50
Nigeria	Brazil	30	25	30
Egypt	French bay	6	45	47
China	SE Asia	6	23	28
China	India	60	19	21
Algeria	Brazil	30	28	30
Algeria	US Gulf	30	27	29
Algeria	French bay	12	28	30
Baltic	EC Mexico	30	60	62
Baltic	WC Mexico	25	70	80
China	WC Mexico	25	29	31
UAN solution				
Klaipeda	Rouen	25 - 30	19	22

UREA

BALTIC

Prilled urea prices fell sharply with both trader bids and producer offers significantly lower than last week. Small lots traded for shipment to east coast Mexico at around a $270/t fob netback, though bids for west coast Latin America and west Africa were below $250/t fob.

Granular urea trade was illiquid and prices assessed on the basis of netbacks from destination markets and price ideas from buyers and sellers.

BLACK SEA

Central Asian tonnes continued to pile up at Poti and Batumi but volatile shipping costs, low demand in Europe and unwillingness on sellers' parts to concede to the prices attainable in deepsea markets stymied trade.

Turkmenkhimiya sold 41,000t to various buyers late last week - priced on formula referencing Argus granular urea fob Black Sea with a discount of $66/t for shipments from the Tejen plant and $80/t from the Mary plant. The floor price was set at $181/t ex-works Tejen and $250/t ex-works Mary. Shipments are to load within 30-90 days.

EUROPE

France

Prices at La Pallice fell sharply - latest around €340/t fca for December-January shipment, down by €15-20/t since the start of the week on a fresh wave of selling by Russian producers.

Turkey

Industrial buyer AGT sought quotes for 2,000-6,000t of prilled/granular urea to ship in second-half December to Antalya, but withdrew from the market and likely bought from local stores.

AFRICA

Egypt

Producers cut offers to around $345/t fob but found no takers. Trader bids were generally in the $320s/t fob, reflecting latest netbacks from Europe, but these bids were rejected.

Algeria

Producers have December cargoes to sell still but offers fell only to $315/t fob and trade was minimal.

Ethiopia

EABC has bought two lots of granular urea of 50,000-52,000t each, and asked that participants adjust offers lower for the lots 1, 4, 5 and 6 under its 14 November tender to buy up to 562,000t.

The confirmed sales are:

- Samsung will supply lot 2 at $361/t fob Egypt or Middle East
- Indorama will supply lot 3 at $315/ fob Nigeria

Argus Spot Deals Selection — 30 November

Product	Origin	Supplier	Buyer	Destination	*'000t*	$/t bulk	Shipment
Granular urea							
	Egypt/AG	Samsung	EABC	Ethiopia	50	361 fob	January
	Nigeria	Indorama	EABC	Ethiopia	50	315 fob	January
	Iran	KPIC	trader	open	15	321 fob	December
	Iran	KPIC	trader	open	15	330 fob	December
	Nigeria	trader	importer	Brazil	10	310 cfr	December
	Brazil	Keytrade	importer	Brazil	21	340 cfr equivalent	December
Prilled urea							
	Russia	trader	Agripac	Ecuador	20	345 cfr	December
	Indonesia	Pupuk Indonesia	Liven	open	5	344 fob	December
Ammonium sulphate							
standard	NW Europe	supplier	importer	North Africa	3-5	€175 fob	December
compacted	China	trader	importer	Brazil	15	160 cfr	December
standard	US	trader	buyer	Brazil	35	135 cfr	December

EABC has asked participants to adjust offers lower for the remaining lots, and new offers are to be submitted by 1 December 2023. EABC has also slightly adjusted the loading periods for the remaining cargoes, with the first lot now requested to load by 25-30 December.

MIDDLE EAST

Spot trade was, again, minimal. Several producers have second-half December cargoes available but did not offer this week. Some bid interest for southeast Asia arose around $315-320/t fob, while PIC offered a Bahrain cargo between $320-325/t fob.

Iran

KPIC sold 2x15,000t of granular urea at $321/t and $330/t fob for December shipment. Buyer price ideas for full cargoes were well below this though.

Bahrain

PIC offered a December-loading granular urea cargo at $320-325/t fob.

ASIA

China

Spot export trade has stalled – on the joint issues of price and national policy.

Seller price ideas – around $380/t fob for granular and $370/t fob for prills – are unworkable in most markets. Granular urea stocks at seaports are in the process of being moved back inland for use in the domestic market.

Additionally a large array of market participants said they expected no further export approvals would be granted this year.

China considers urea export limits

Elements of the Chinese urea industry have been discussing proposals to limit urea exports to around 4mn t between 2024 and early 2025, although nothing has been finalized.

The proposals are for a 1mn t "soft quota" for urea exports — managed by self-discipline — split between Chinese trading companies, to run January 2024-April 2025, and a 3mn t export limit split between Chinese urea producers over an unknown period. This would likely reduce exports from this year, which averaged around 340,000 t/month during January-October.

The export mechanism for distributors would allocate 1mn t of export quotas to these 15 trading companies across a period of 16 months, which is divided into 200,000t during January-April 2024, 300,000t in May-August, 300,000t in September-December and 200,000t in January-April 2025. All these volumes will still be subjected to the CIQ process, although the time taken could be reduced to around three days.

Apart from the 1mn t allocated to trading companies, there are ongoing discussions for an additional 3mn t to be allocated to urea producers over an unspecified time period, and this is expected to be brought up with China's top economic planning body, the National Development and Reform Commission, for discussions in the first half of December.

Domestic prices mixed

- In Shandong, prilled urea price dropped to Yn2370-2400/t ex-works early this week but it rebounded since Wednesday to Yn2370-2430/t ex-works.
- In Hebei, prilled urea prices dropped to Yn2,340-2,440/t ex-works.
- In Shanxi, prilled prices moved up slightly to Yn2,350/t ex-works and the granular price remained at Yn2,500/t ex-works.
- In Inner Mongolia, prilled urea price dropped by Yn20-30/t to Yn2,480/t ex-works for the local market and Yn2,560/t ex-works for shipments to the northeast market.
- In Jiangsu, prilled urea price went down to Yn2,500/t ex-works.

Pakistan

The government has switched tack on the urgent requirement for 200,000t of urea – now seeking to secure the volume through government-to-government deals, scrapping the 13 November tender. Socar/Azerbaijan has provisionally allocated around 100,000t and at least 50,000t is likely to ship from Russia.

Bangladesh

The Ghorasal urea plant is in process of commissioning – when operational it will have capacity to produce 2,800t/day of granular urea.

Southeast Asia producers

- Indonesia: Pupuk Indonesia sold 5,000t of prilled urea,

Supplier vessel nominations against IPL's 20 October tender						
Supplier	**Tonnage**	**Disport**	**Vessel**	**Loadport**	**Country**	**ETA**
EAST COAST — 806,000t						
Ameropa	36,700	Gangavaram	Obe Queen	Bontang	Indonesia	17.11.23
Ameropa	47,150	Gangavaram	Clipper Brunell	Mesaieed	Qatar	20.11.23
Ameropa	47,150	Krishnapatnam	St George	Tianjin	China	11.12.23
Ameropa	47,150	Krishnapatnam	Altus	Al Jubail	Saudi Arabia	13.11.23
Ameropa	34,200	Kakinada	Interlink Solidity	Arzew	Algeria	18.12.23
Ameropa	52,600	Gangavaram	Kypros Loyalty	Nantong	China	26.11.23
Ameropa	69,000	Gangavaram	Aljazi	Jinzhou and Huan-ghua	China	19.11.23
Aditya Birla	47,000	Krishnapatnam	Irene	Bontang	Indonesia	29.11.23
Aditya Birla	47,000	Paradip				
Aditya Birla	42,000	Karikal	Bulk Atacama	Gresik	Indonesia	15.11.23
Midgulf	50,000	Kakinada	Jaador	Tianjin	China	14.12.23
Eurochem	38,000	Paradip	Global Frontier	Sipitang	Malaysia	13.11.23
Aries	50,000	Krishnapatnam	Elpida GR	Qinhuangdao	China	
Aries	48,000	Vizag	Grey Luna	Tianjin	China	14.12.23
Aries	60,000	Kakinada	Kiran Asya	Huanghua + Tianjin	China	23.11.23
Samsung	42,000	Dhamra	Federal Iris	Gresik	Indonesia	01.12.23
Koch	48,000	Tuticorin	Pacific Achievement	Bayuquan	China	14.12.23
WEST COAST — 861,000t						
Ameropa	39,000	Adani Tuna	Diva	Sohar	Oman	04.11.23
Ameropa	47,150	Kandla	Abarm Sechulte	Mesaieed	Qatar	06.11.23
Ameropa	45,650	Pipavav	Diva	Sohar	Oman	17.11.23
Ameropa	47,150	Kandla	Panoceanis	Abu Qir	Egypt	05.12.23
Ameropa	45,000	Mundra	Diva	Sohar	Oman	
Ameropa	48,000	Mundra	Tomini Prosperity	Al Jubail	Saudi Arabia	20.11.23
OQ Trading	52,500	Mundra	Magma Fidelity	Ust Luga	Russia	01.12.23
OQ Trading	33,750	Pipavav	Jal Kalpataru	Qalhat	Oman	11.11.23
OQ Trading	33,750	Kandla	Asteras	Sohar	Oman	08.11.23
Aditya Birla	50,000	Kandla	Young Spirit	Kotka	Finland	29.11.23
Aditya Birla	50,000	Rozi	Idee Fixe	Ust Luga	Russia	18.12.23
Aditya Birla	50,000	Adani Dahej	Valentine Butuzov	St Petersburg	Russia	05.12.23
Aditya Birla	30,000	Kandla	Nong Lyla	Sohar	Oman	04.11.23
Medallion	50,000	Mundra	Clear Sky	Ust Luga	Russia	25.12.23
Fertistream	50,000	Pipavav	Xin Hi Tong 17	St Petersburg	Russia	20.11.23
Eurochem	50,000	Pipavav	Stelios B	Ust Luga	Russia	29.11.23
Fertiglobe	45,000	Adani Dahej	Medi Hiroshima	Ruwais	UAE	
Fertcom	45,000	New Mangalore	Star Cleo	Ust Luga	Russia	
Dreymoor	50,000	Jaigarh	Nord Ultra	Kotka	Finland	27.11.23

from its Pusri plant, at $344/t fob to Liven following a tender held on 28 November.

- Brunei: BFI offered a December-loading cargo at $340/t fob to traders this week. The highest bid was around $330/t fob.
- Malaysia: Petronas still has spot availability for December-loading granular urea and, like BFI, targeted around $340/t fob.

Vietnam

Importers bid for small lots of granular urea between $355-360/t cfr but no trade concluded.

Domestic prilled urea prices from Phu My were stable at 10,500 dong/kg ($434/t) ex-warehouse bagged, while domestic granular urea prices from Ca Mau were also stable at 10,700 dong/kg ($442/t) ex-warehouse bagged.

Granular urea from Brunei was offered at 10,000 dong/kg ($413/t) ex-warehouse bagged.

Thailand

Domestic demand remains weak and prices declined. Most importers continue to remain out of the market and are not looking to purchase any fresh spot cargoes. Around 30,000-40,000t of urea is expected to arrive in Thailand in December, which could raise existing urea inventories to around 100,000-200,000t by the end of the year.

Myanmar

The buying group was in the market for 30,000t of granular urea to ship in December. Offers were lowest in the high-$350s/t cfr.

AMERICAS

US

Nola urea prices recovered slightly in thin trade this week, with the bulk of market activity concentrated above $300/st fob Nola.

A prompt barge trade at $307/st fob Nola capped the high end of the week's $295-307/st fob Nola range, which marked a $2.50/st increase from the shortened week prior. A December barge changed hands at the low end by mid-week, although the bulk of bids from Wednesday morning-onward coalesced at $300/st fob Nola, up to $304/st fob by the close of the assessment window on Thursday morning. The $295/st fob Nola December sale followed bids for the period at $290/st fob Nola on Monday and $285/st fob by Tuesday afternoon, but market participants were skeptical as to whether the sale was overall representative for the week.

A barge for December delivery was offered at $310/st fob Nola at the close of the window, and market sentiment overall shifted progressively firmer over the course of the week. A January barge was on offer at $312/st fob Nola, in line with a February trade that occurred in the first half of the week.

Market attention remains mostly fixed on inland fieldwork, partly complicated by unfavorable weather conditions the set in across parts of the Midwest over the Thanksgiving holiday. Fieldwork conditions by Thursday were improving in the Corn Belt, per the US Department of Agriculture.

Mexico

East coast importers were in the market for prilled urea. Several traders and producers chased the business and prices declined into the low-$330s/t cfr.

On the west coast, Tepeyac sought offers for a granular urea cargo but did not buy. Several suppliers offered and levels were indicated either side of $350/t cfr.

Brazil

The market stabilized this week – attempts by buyers to repeat the $300/t cfr trades of last week were unsuccessful and bids moved slightly higher over the course of the week. Small lots changed hands around $310/t cfr for December shipment but otherwise bids and offers were mostly far apart – sellers between $320-330/t cfr and bids ranging $295-315/t cfr for different ports/shipping windows.

Keytrade sold 21,000t of granular urea ex-warehouse in Antonina, with some of the tonnes priced at around $340/t cfr-equivalent and some on formula - securing a premium over the seaborne market because of the prompt availability.

Ecuador

Agripac was in the market for 20,000t of prilled urea, 6,000t of MOP and around 4,000t of AN to load in December. The importer bought a cargo from a trader, loading from the Baltic, with the prills priced around $345/t cfr.

Brazil urea import line up

Vessel	000t	Origin	Supplier	Disport	Status	ETB
Geneve	55	China	Eurochem	Tubarao	Berthed	18-Nov
Centurion signifer	32	Oman	Eurochem	Paranagua	Berthed	19-Nov
Venture	10	Russia	Enbel	SFDS	Berthed	20-Nov
Ionic united	48	Qatar	Koch	Santarem	Berthed	21-Nov
Pluto	29	Russia	Eurochem	Santarem	Berthed	22-Nov
Aphros	47	Nigeria	CHS	Santos	Berthed	27-Nov
Broad yuan	30		Eurochem	Vila Do Conde	Berthed	28-Nov
Chise	45	Qatar	CHS	Santos	Berthed	29-Nov
Knidos M	12	Russia	Acron	Paranagua	Berthed	30-Nov
Kociewie	8	Netherlands	Yara	Rio Grande	Expected	30-Nov
Limnos	11	Russia	Eurochem	Itaqui	Berthed	30-Nov
Ruby	29	Russia		Itaqui	At Roads	30-Nov
Star crimson	35	Nigeria	Fitco	Santos	At Roads	1-Dec
Vega Stetind	24	Bahrain	ETG	Santarem	At Roads	1-Dec
Genco Bourgogne	20	Algeria	Koch	Itaqui	Expected	2-Dec
Globe Aliki	47	Nigeria	Fitco	Rio Grande	Expected	2-Dec
Luca	37	Qatar	Koch	Paranagua	At Roads	2-Dec
Meghna crown	7	Russia	Eurochem	Aratu	Expected	2-Dec
Tony Smith	10		Fertipar	Paranagua	At roads	3-Dec
Lausanne	53	Iran	Enbel	Paranagua	At Roads	8-Dec
Loch lomond	30	Georgia	Enbel	SFDS	Expected	8-Dec
Tai knowledge	10	China	Dreymoor	Paranagua	At Roads	8-Dec
Ascanios	60	Iran	Enbel	SFDS, Rio Grande	At Roads	9-Dec
Lale S	37	Venezuela	Enbel	Vila Do Conde	Expected	10-Dec
Zermatt	38	Oman	Enbel	Tubarao	At Roads	10-Dec
Alycia	23			Itaqui	Expected	14-Dec
Ha long bay	5	Russia	Acron	SFDS	Berthed	15-Dec
Achille	60	Iran	Enbel	SFDS	Expected	18-Dec
Tai hunter	44	Oman	Ameropa	SFDS	At Roads	18-Dec
Athos	24	Nigeria	Koch	Antonina	Expected	27-Dec
Anemos	60	Iran	Enbel	SFDS	Expected	5-Jan
Wadowice II	6	Germany	Yara	SFDS	Expected	14-Jan
Andermatt	60	Oman		SFDS	Expected	31-Jan
Total	**1046**					

TECHNICAL GRADE UREA

China

Technical-grade prilled urea (TGU) offers from China remained stable in the $400-410/t fob this week.

No deals were concluded, and the market remains at a standstill amid uncertainty over export restrictions.

AMMONIUM SULPHATE

NORTHWEST EUROPE

Standard-grade prices fell slightly this week, with few spot deals of small volumes to NPKs producers in Europe being concluded.

But a supplier sold 3,000-5,000t of standard capro-grade amsul at €175/t fob for December shipment to north Africa, which set the low end of this week's price range. Another shipment of similar volume is on its way to Algeria, with the deal being concluded mid-October at €210-220/t fob northwest Europe.

For granular grades, demand remained overall low, and buyers and sellers indicated prices stable.

ASIA

China

Standard amsul prices softened to $110-120/t fob China on latest reported business and lower market indications.

Most suppliers are looking to maintain their offer levels in the $115-125/t fob for fresh spot deals and cargoes that require prompt shipment.

A river supplier sold 6,000-8,000t of standard caprolactam-grade amsul in container to a trader in the $111-117/t fob for December shipment.

Pupuk Indonesia closed a tender to buy around 80,000t of standard amsul for January shipment, with the lowest offers netting back in the low-$100s/t fob China. Pupuk Indonesia is still in negotiations with participants, with award pending.

A Philippine importer also closed a tender to purchase 8,000t of standard amsul for December shipment, netting back in the low-$110s/t fob China.

MMA-grade amsul prices were indicated at $100-110/t fob China. There was a deal of 6,000t of MMA-grade in the mid-$110s/t fob, for shipment to Vietnam in the first-half of December.

Compacted and granular amsul prices were at $140-145/t fob China on latest buyers and suppliers' indications.

There were deals to Australia and Europe concluded at $130-135/t fob for December shipment, but these were not confirmed.

Domestic

Steel-grade amsul prices from Shanxi rose to Yn695-715/t ex-works. Demand for steel-grade amsul remained low as compactors have been reducing their purchasing in the previous weeks. But some traders were back in the market this week sourcing cargoes to cover previous positions.

In Inner Mongolia and Ningxia, steel-grade amsul prices remained stable at Yn700/t ex-works.

In the north, a Shandong producer lowered prices to Yn760/t ex-works for bulk caprolactam-grade standard amsul. Luxi Chemicals was offering cargoes at Yn725/t ex-works for bulk caprolactam-grade standard amsul.

In the south, Hengyi and Baling reduced prices to Yn850/t ex-works for caprolactam-grade standard amsul.

Highsun's Dongfang is restarting this week, and market participants expect production to return by 8-10 December. Likewise, Juhua has also raised its operating rates to 80pc.

The current caprolactam-grade amsul operating rate in China is estimated at 74pc.

Indonesia

Pupuk Indonesia closed a tender to buy four lots of 20,000t of bulk caprolactam-grade amsul. Lowest offers were in the low-$120s/t cfr, with the first shipment to Gresik port to be in the first week of January.

The cargoes are likely to be sourced from China and would reflect netbacks in the low-$100s/t fob. The freight cost from China to Indonesia is at $16-18/t depending on port.

An importer offered standard amsul in containers to Indonesia at $135/t cfr this week.

Philippines

An importer closed a tender to buy 8,000t of standard amsul, for shipment by 31 December to Sangi port. Offers were in the low-mid $130s/t cfr.

The cargoes are likely to be sourced from China. This would net back in the low-mid $110s/t fob China, with freight indicated between $22-25/t.

Vietnam

Domestic prices of standard amsul of Chinese origin were indicated in the range of 4,100-5,100 dong/kg ($169-211/t) ex-warehouse bagged.

Amsul of Japanese origin were indicated in the range of 4,600-6,300 dong/kg ($190-260/t) ex-warehouse bagged, depending on granule size.

South Korea

An importer closed a tender to buy 6,000t of standard amsul, with lowest offers indicated around $122/t cfr, for shipment by end-December. The cargoes are likely to be sourced from north China, netting back in the low-$110s/t fob, with freight cost estimated at $10-14/t.

India

Demand emerged this week with importers looking to buy 25,000t of standard amsul for January shipment, with bids around $160/t cfr.

Thailand

Amsul imports rise in October

Thailand's amsul imports totalled 28,100t in October, up by 11pc from the previous year, according to the latest GTT data.

China was the main supplier to Thailand in October, with deliveries rising by 22pc on the year to 27,900t. January-October imports totalled 258,600t, down by 27pc compared to the same period a year ago. Imports from China fell by 19pc on the year to 240,200t, while imports from Taiwan were also down by 66pc to 14,700t.

Japan

Amsul exports rise in October

Japan's amsul exports rose by 79pc on the year to 27,800t in

October, according to the latest GTT data.

Vietnam was the top export destination, with exports at 15,800t compared to zero the previous year. Exports to Malaysia also rose by 56pc on the year to 12,000t.

Japan's amsul exports in January-October totalled 225,400t, down by 15pc compared to the same period a year ago. Shipments to the Philippines were down by 23pc on the year to 78,300t, while exports to Vietnam also fell by 40pc on the year to 61,600t.

But exports to Malaysia were up by 26pc on the year to 77,000t.

AMERICAS

Brazil

Brazilian buyers committed large volumes in the past months (mainly August-September), with most of the tonnages were delivered within November. Argus estimates at least 800,000t have been delivered to Brazil throughout November, with more than 95pc are compacted or granular material.

On standard, the Southern region of the country witnessed strong demand for their granulation units.

This week, buyers and suppliers indicated prices at $135-145/t cfr and at $160-165/t cfr for standard and compacted/granular amsul, respectively.

Mexico

Mexico extends ADDs suspension on China, US amsul

The Mexican government has extended the suspension of anti-dumping duties (ADDs) on amsul imports from China and the US for another year, effective from 24 November.

The Official Gazette of the Federation announced the extension of this measure on 24 November, in a bid to control rising inflation rates in the country. It was initially implemented in November 2022 for a year.

China, the world's largest amsul supplier, shipped around 223,000t of amsul to Mexico in 2022 and around 386,000t in January-October this year, GTT data show.

The US delivered 37,300t to Mexico last year, and at least 53,000t in January-September this year. The US enjoys a geographical advantage because of its proximity to Mexico, and is a major supplier to the country.

Both Mexican buyers and sellers are currently on the sidelines, but they expect demand to start picking up soon for late December-February deliveries to the west coast.

US

The market was quiet this week following the holiday weekend, with prices remaining largely stable. Buyers showed interest in spring pre-pay but have not made many moves to secure tonnages, especially with urea prices dropping significantly. Many producers are currently shipping amsul bought earlier in the fall, and are getting ready for Spring pre-pay.

AdvanSix is offering spring pre-pay for granular amsul at its Hopewell, Virginia, plant. Its offers for orders placed through 6 December, - and for delivery in the second quarter, are at $335/st fob.

Brazil amsul vessel line-up

Vessel	*000t*	Origin	Charterer	Disport	Status	ETB
Bounty Diva	75	China	Bulkfertz	Santos	Berthed	24-Nov
Delight Diva	32	China	Bulkfertz	Paranagua	Berthed	30-Nov
Rui ning 20	30	China	Eurochem	Tubarao	At Roads	2-Dec
Mighty Star	37	China	Allied Harvest	Rio Grande	Expected	3-Dec
Ocean banquet	42	China	Keytrade	Santos	At Roads	4-Dec
Orion ocean	55	China	Samsung	Santarem	At Roads	4-Dec
Ultralaz	35	China	Eurochem	Vila Do Conde	Expected	8-Dec
Wisdom diva	33	China	Fertbroker	Paranagua	Expected	10-Dec
Admiral Reiwa	75	China	Agrilaf	Santos	At Roads	14-Dec
Kypros Sea	61	China	Koch	Paranagua	At Roads	14-Dec
Navios horizon i	67	China	Keytrade	Paranagua	Expected	19-Dec
Maple Arrow	10	China		Maceió	Expected	21-Dec
Omicron atlas	50	China	Eurochem	Santos	Expected	29-Dec
Kypros Bravery	40	China	Ameropa	Paranagua	Expected	3-Jan
Longevity diva	32	China	Bulkfertz	Paranagua	Expected	6-Jan
Prestige diva	23	China	Eurochem	Tubarao	Expected	10-Jan
Amaryllis	26	China	Keytrade	Paranagua	Expected	11-Jan
Total	**723**					

AMMONIUM NITRATES

Russia

Strong domestic AN demand — and rising domestic prices — have stiffened producers' resolve regarding export prices. Offers were generally close to $200/t fob Baltic — which found few takers given the weak urea market and sharply increased freight rates.

Germany

Demand of CAN 27 remains muted causing prices to decline further. A major supplier has been offering the product at €290/t cpt in northern Germany, while other offers have remained steady at €310/t cif inland.

UK

Prices of AN have stayed flat. CF continues to offer its AN 34.5 at £375/t bagged delivered, while imported AN 34 remains priced at £350-355/t bagged delivered. But there is still no liquidity.

UAN SOLUTIONS

France

Prices at Rouen remained still around €300/t fca for December-February shipments but with only limited activity.

US

Barge prices were stable again this week in the absence of fresh activity, although demand for winter tons is expected to increase through the end of December.

Stable indications upheld the recent $260/st fob Nola assessment in the absence of fresh trade, bids or offers, with indications also little changed across key Midwestern terminals. Prices out of the tank were stable along the east coast as well, supporting the previous $270-280/t cfr east coast range in the absence of vessel offers.

Market sentiment is broadly stable-to-firmer heading into 2024, with indications for second quarter delivery still commanding around a $20-30/st premium to nearby product in the Midwest, and market participants this week cited a relatively tight supply balance.

NEWS

Brazil launches updated fertilizer plan

Brazil expects to reduce the share of fertilizers it sources from imports by 2050 under its revised national plan.
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Tampa ammonia price unchanged for December

The December ammonia settlement will not change from November, as fertilizer producers Yara and Mosiac confirmed a rollover from the previous month's price at $625/metric tonne cfr.
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Profits down for Russian fertilizer firm Acron

Russian fertilizer producer Acron's revenue and profit fell on the year in January-September, despite steady output.
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Brazil's Santos port cargo handling falls in Oct

Cargo handling at Brazil's Santos port decreased by 0.8pc in October from the same month last year, driven by lower imports.
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70pc CO2 cut needs export solution: Fertilizers Europe

European fertilizer producers recently committed to 70pc greenhouse gas (GHG) cuts by 2040, compared to 2020 levels. But on its decarbonisation path, the fertilizer industry needs EU guarantees of a level playing field, not only with the carbon border adjustment mechanism (CBAM). The EU now needs to guarantee a level playing field for EU exporters, says Antoine Hoxha, director-general of Fertilizers Europe, in an interview with Argus.
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China considers urea export limits

Elements of the Chinese urea industry have been discussing proposals to limit urea exports to around 4mn t between 2024 and early 2025, although nothing has been finalised.
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FERTILIZER DERIVATIVES

FIS cash settled futures — 28 November 2023				
Month	Bid	Offer	Mid	Basis
Urea (gran) fob barge NOLA (s ton)				
Dec	300	310	305	1.5kst
Jan	305	320	312	1.5kst
Feb	305	320	312	1.5kst
Urea (gran) fob Egypt (mt)				
Dec	330	350	340	5kmt
Jan	320	335	328	5kmt
Q1	320	340	330	5kmt
Urea (gran) fob Middle East (mt)				
Dec	310	325	318	5kmt
Jan	310	320	315	5kmt
Q1	305	325	315	5kmt
Urea (gran) cfr Brazil (mt)				
Dec	305	320	312	5kmt
Jan	300	320	310	5kmt
Q1	300	330	315	5kmt

Direct Hedge cash settled futures — 30 Nov 2023				
Month	Bid	Offer	Mid	Basis
Urea (gran) fob barge NOLA (s ton)				
Dec	290	300	295	1.5kst
Jan	295	310	302	1.5kst
Feb	305	315	310	1.5kst
Urea (gran)				
Dec	330	350	340	5kmt
Q1	320	340	330	5kmt
Jan	320	330	325	5kmt
Urea (gran)				
Dec	310	330	320	5kmt
Q1	315	330	305	5kmt
Jan	310	325	318	5kmt
Urea (gran)				
Dec	320	330	325	5kmt
Q1	320	330	325	5kmt
Jan	320	330	325	5kmt

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