



FERTILIZER SWAPS

Fertilizer Financial Markets Commentary/Curves

NOLA FUTURES & SWAPS

UREA

NOLA UREA futures trade big on spreads. the NOV20/FEB21 and DEC20/FEB21 spread were hot today trading a total of 24,000 tons all told. The spread prices were -10 for NOV//FEB and -7.5 for DEC//FEB. Obviously the market is optimistic about spring and Q1 economics, which is why we're seeing a carry, but the market isn't in full carry. The talk in NOLA continues to be positive grain prices and NOLA remaining a discount to the rest of the world. However, in the nearby prices are slightly soft to flat, with barges in October trading at \$215 a couple of times early this morning. There seems to be a dichotomy between physical prices and futures prices, and no doubt we will see some type of convergence which should generate much trading activity for the November and December contract.

UAN

NOLA UAN futures interest remains but fails to transition to any market activity in futures. The fact remains that physical pricing is stagnant, volatility on the index has to be at an all-time low, not changing since CF came out with physical pricing. The main focus seems to be still in Q1 with traders willing to make bets that pricing will firm, it's just a matter of time.

DAP

NOLA DAP futures are slightly off today on lack of bid support in the Q1 market. Values are slightly softer, but on little activity.

INTERNATIONAL FUTURES

AG paper continued to see bid support in the low \$250s today for the November contract, after December traded there yesterday. However, sellers were more cautious and no longer willing to offer near \$260 where they were last week. Brazil and Egypt nearby futures were marked slightly lower on softer physical prices, whilst the deferred market continues to see more selling than buying interest out into Q121 across all the intl urea contracts.

DOMESTIC

NOLA UREA				
	BID	ASK	MID	Δ
OCT	213	217	215	0
NOV	219	225	222	0
DEC	222	228	225	1
JAN	230	234	232	0
Q1	229	235	232	1

NOLA UAN				
	BID	ASK	MID	Δ
OCT	120	127	124	0
Q1	132	138	135	0
Q2	130	142	136	0

NOLA DAP				
	BID	ASK	MID	Δ
OCT	355	360	358	0
NOV	342	350	346	0
DEC	342	348	345	-1
Q1	339	347	343	-2

INTERNATIONAL

AG UREA				
	BID	ASK	MID	Δ
OCT	264	267	266	0
NOV	256	263	260	2
DEC	248	253	251	1
JAN	245	255	250	-1
FEB	245	255	250	-1

EGYPT UREA				
	BID	ASK	MID	Δ
OCT	255	260	258	0
NOV	250	258	254	0
DEC	248	255	252	2

BRAZIL UREA				
	BID	ASK	MID	Δ
OCT	267	275	271	0
NOV	264	272	268	0
DEC	262	270	266	-2
Q1	258	270	264	-1

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