

FERTILIZER SWAPS

Fertilizer Financial Markets Commentary/Curves

NOLA FUTURES & SWAPS

UREA

NOLA Urea futures continue to see optimism as physical continues to firm up. Specifically, Q1 traded \$246 today in a spread with UAN futures for Q1 at \$138 (a 5-cent discount of UAN to UREA - \$0.22 for UAN versus \$0.27 for Urea). However, besides the Q1 trade we saw limit activity especially in the nearby with NOV paper being framed up \$227//\$230 late in the day and failing to transact. The spread between November and December futures is starting to widen with November being weighted down by the first two index weights and December starting to converge with where Q1 values are at. Overall, the market seems positive based on several catalysts (e.g. India, interior demand picks up).

UAN

NOLA UAN future values are firmer on the backs of higher urea values. As Urea marches it's way up to \$250 in the futures market for the Q1 timeframe we are starting to see some more optimism on March and April NOLA UAN futures. Subsequently, we saw March trade \$141 after trading \$140 yesterday and bids at last done on Apr at \$145.

DAP

NOLA DAP futures continue to see activity out in the Q1 timeframe with focus on January trading \$356/\$357/\$356 today. Physical values were slightly firmer as Mosaic was reported to have sold a barge at \$365 and bids on DEC barges were slightly firmer. Ton on paper seems to be flat but physical seems to be steady.

INTERNATIONAL FUTURES

We saw increased liquidity out into Q121 on Egypt urea paper today as the European market remains active. In the physical market, sales were concluded as high as \$263 fob Egypt for January shipment, however futures are still yet to transact on the back of the uptick in activity. AG paper meanwhile took a slight breather today, with no major change in values ahead of the weekend. Profit takers remain willing to sell around last done levels on the December contract, whilst buyers are yet to chase values up any further. The general trend in the intl paper market is one of caution as we continue to await more clarity on a new Indian tender.

DOMESTIC

NOLA UREA				
	BID	ASK	MID	Δ
NOV	227	230	229	▼ -1
DEC	237	241	239	▲ 2
JAN	242	246	244	▲ 1
FEB	244	249	247	▲ 2
MAR	245	249	247	▲ 2

NOLA UAN				
	BID	ASK	MID	Δ
NOV	119	123	121	▼ -4
DEC	122	128	125	***
JAN	128	135	132	***
FEB	135	140	138	***
MAR	138	142	140	***
Q1	133	139	136	■ 0
Q2	133	141	137	■ 0

NOLA DAP				
	BID	ASK	MID	Δ
NOV	353	358	356	▲ 1
DEC	355	359	357	■ 0
JAN	355	357	356	▼ -1
Q1	354	360	357	▲ 1

INTERNATIONAL

AG UREA				
	BID	ASK	MID	Δ
NOV	261	265	263	▲ 1
DEC	262	265	264	■ 0
JAN	257	263	260	▲ 4
FEB	255	263	259	▲ 3
MAR	255	263	259	▲ 3

EGYPT UREA				
	BID	ASK	MID	Δ
NOV	249	256	253	▲ 1
DEC	260	266	263	▲ 6
JAN	254	265	260	▲ 5

BRAZIL UREA				
	BID	ASK	MID	Δ
NOV	259	265	262	■ 0
DEC	262	270	266	▲ 2
JAN	260	270	265	■ 0
Q1	260	270	265	■ 0

For more information on Fertilizer Financial Instruments please contact the team at ferts@freightinvestor.com

Taylor Eastman: +1 203 979 7023
Andrew Manna: +44 (0) 7889 720 076

