

Fertilizer Financial Markets Commentary/Curves NOLA FUTURES & SWAPS

UREA

NOLA UREA futures were up today in sympathy with the huge jump in UAN values. Prices started off relatively soft until the CF news broke, sending the Nitrogen markets instantly higher. In the futures markets, we saw May continue its climb higher, trading \$340 and then \$345 later in the day. April futures were also firmer, trading \$359, followed by \$362, then finally at \$365. Physical values saw even bigger gains today, with March barges trading as high as \$370.

<u>UAN</u>

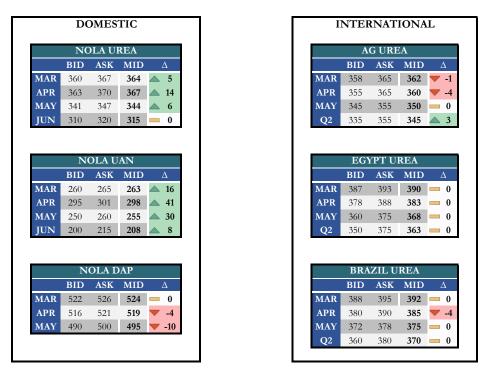
NOLA UAN futures were up massively today after CF raised their offers in Cincinnati to \$327, up from \$237 in early February. After the news was made public, values on futures were almost immediately higher. With the March contract now in settlment month, the focus today was on the April contract. April paper traded as high today as \$296, but values slipped a bit into the late afternoon, with the last trade executed at \$292. Values on March are around \$265 as the first week March index print is expected to come in the low \$360s. Attention is beginning to shift toward the deferred contract months, with more and more participants probing for May values.

DAP

NOLA DAP futures were up slightly today supported by firming physical values. April futures traded twice late in the day, once at \$518 and once at \$520. The April index will include May barges (30 day index), so this is sending signals to the market that values might not drop off as much as was previously thought. The physical market was mostly quiet today after March barges traded earlier in the week at \$530.

INTERNATIONAL FUTURES

International urea futures remained soft today, despite Nola markets firming throughout the afternoon. The trade is split on the next direction we'll see prices move, yet conviction to support views with positions in the paper market is limited.



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