

FERTILIZER SWAPS

Fertilizer Financial Markets Commentary/Curves

NOLA FUTURES & SWAPS

UREA

Values on NOLA UREA was mixed today as uncertainty clouds the market. In the futures market we saw the APR contract continue to stay in focus trading first at \$379, then \$376 and at \$377 which was last done. The \$377 trade was part of a spread with the June contract (+41 spread traded twice on the APR//JUN spread). In the physical market, values on APR traded up to \$380-\$382 with values on FH Apr around a \$6 premium valued at \$388-\$390. That all being said, it was late in the day when March physical traded at \$409 which from our recollection is the highest a barge of urea has traded in the gulf this year. Overall, many think the market will continue to firm next week as concerns grow that NOLA will be tight to end the month of March. Regarding India and the rest of the international market, it seems some traders believe NOLA/US might trade on an island here going into/through season, so even though the rest of the global market is soft some believe NOLA might stay supported.

INTERNATIONAL FUTURES

Sentiment was softer in intl futures markets today, following news of 1.33mn tonnes being accepted against counters in RCF's tender. The significant volume expected to come from China (~1mn tonnes) was seen as more of a bearish signal for global prices, reflecting their current production and export capacity. Majority of interest remained from the sell side on paper, with the market devoid of buyers. Values were softer across the board, although no trading heard to have occurred.

DOMESTIC

| NOLA UREA | | | | |
|-----------|-----|-----|-----|------|
| | BID | ASK | MID | Δ |
| APR | 374 | 379 | 377 | ▼ -1 |
| MAY | 351 | 357 | 354 | ▬ 0 |
| JUN | 328 | 336 | 332 | ▲ 2 |

| NOLA UAN | | | | |
|----------|-----|-----|-----|-----|
| | BID | ASK | MID | Δ |
| APR | 285 | 291 | 288 | ▬ 0 |
| MAY | 240 | 250 | 245 | ▬ 0 |
| JUN | 200 | 215 | 208 | ▬ 0 |

| NOLA DAP | | | | |
|----------|-----|-----|-----|-----|
| | BID | ASK | MID | Δ |
| APR | 535 | 540 | 538 | ▬ 0 |
| MAY | 500 | 515 | 508 | ▬ 0 |
| JUN | 485 | 495 | 490 | ▬ 0 |

INTERNATIONAL

| AG UREA | | | | |
|---------|-----|-----|-----|------|
| | BID | ASK | MID | Δ |
| APR | 350 | 355 | 353 | ▼ -2 |
| MAY | 345 | 352 | 349 | ▬ 0 |
| JUN | 338 | 348 | 343 | ▲ 3 |

| EGYPT UREA | | | | |
|------------|-----|-----|-----|------|
| | BID | ASK | MID | Δ |
| APR | 370 | 386 | 378 | ▼ -3 |
| MAY | 360 | 380 | 370 | ▼ -5 |
| JUN | 370 | 380 | 375 | ▬ 0 |

| BRAZIL UREA | | | | |
|-------------|-----|-----|-----|-----|
| | BID | ASK | MID | Δ |
| APR | 395 | 402 | 399 | ▬ 0 |
| MAY | 388 | 395 | 392 | ▬ 0 |
| JUN | 383 | 393 | 388 | ▬ 0 |

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