



**FERTILIZER SWAPS**

**Fertilizer Financial Markets Commentary/Curves**

**NOLA FUTURES & SWAPS**

**UREA**

NOLA UREA was significantly firmer on both futures and physical today as the trade was bullish on news of the latest Indian tender. As mentioned below in our INTL comment, it was announced today that the next Indian tender will be hosted by the RCF. Even though most were expecting this in the industry, given the shipment window overlapped the previous Indian tender (hosted by the MMTC), the trade took this as significantly more bullish than anticipated and futures prices were up ~\$20 across the entire forward curve, with the focus being on Q3 trading multiple times at \$385 after initially trading \$379 to start the day, Q4 also traded at \$385 earlier in the day. June was also in focus trading in a \$370-\$380 range with \$380 being last done. Overall, the market seems significantly firmer but there are some skeptics out there which is why we saw so much volume trade today, much conviction in the market. In the physical market, values on loaded were up ~\$10 today trading \$375 and bid higher on the follow after \$366 traded yesterday. Q3 physical also traded higher all the way to \$380 for August.

**UAN**

NOLA UAN futures were firmer today trading \$255 and seen bid there on the follow for Q3, in line with the same type of price appreciation we saw on Urea today.

**DAP**

NOLA DAP futures were firmer today after slipping at the beginning of the week. The catalyst is a bit murky as to why we saw DAP prices so firm today, yes corn was up a few cents today but still off its highs we saw a couple weeks ago. The only real selling interest we're seeing is from hedgers looking to hedge product in that time frame. Q3 traded multiple times today at \$585 in the afternoon session (more than 4 times). Q4 values are also higher today with bids better than where offers were at COB yesterday.

**INTERNATIONAL FUTURES**

Intl paper markets spiked today on news of a fresh urea purchasing tender from India's RCF. Oddly enough however, most of the action in paper markets continues to be on cfr Brazil and fob Nola urea rather than AG or Egypt. June Brazil has traded to a new high of 422 (up \$24 in less than a week), with buying interest around the same level for July. Meanwhile further physical business has been done at \$375/mt fob Egypt, and bids continue to move higher on AG and Egypt paper against a lack of sellers.

**DOMESTIC**

| NOLA UREA |     |     |     |      |
|-----------|-----|-----|-----|------|
|           | BID | ASK | MID | Δ    |
| MAY       | 368 | 372 | 370 | ▲ 1  |
| JUN       | 379 | 383 | 381 | ▲ 19 |
| JUL       | 385 | 390 | 388 | ▲ 21 |
| Q3        | 385 | 390 | 388 | ▲ 21 |
| Q4        | 380 | 390 | 385 | ▲ 20 |

| NOLA UAN |     |     |     |     |
|----------|-----|-----|-----|-----|
|          | BID | ASK | MID | Δ   |
| MAY      | 290 | 295 | 293 | ▲ 0 |
| JUN      | 255 | 265 | 260 | ▲ 0 |
| JUL      | 255 | 265 | 260 | ▲ 3 |
| Q3       | 255 | 265 | 260 | ▲ 3 |

| NOLA DAP |     |     |     |     |
|----------|-----|-----|-----|-----|
|          | BID | ASK | MID | Δ   |
| MAY      | 562 | 570 | 566 | ▲ 0 |
| JUN      | 573 | 580 | 577 | ▲ 3 |
| JUL      | 578 | 584 | 581 | ▲ 5 |
| Q3       | 578 | 584 | 581 | ▲ 5 |

**INTERNATIONAL**

| AG UREA |     |     |     |     |
|---------|-----|-----|-----|-----|
|         | BID | ASK | MID | Δ   |
| MAY     | 347 | 352 | 350 | ▲ 1 |
| JUN     | 367 | 375 | 371 | ▲ 3 |
| JUL     | 373 | 380 | 377 | ▲ 5 |
| AUG     | 370 | 380 | 375 | ▲ 5 |
| SEP     | 370 | 380 | 375 | ▲ 5 |

| EGYPT UREA |     |     |     |     |
|------------|-----|-----|-----|-----|
|            | BID | ASK | MID | Δ   |
| MAY        | 363 | 370 | 367 | ▲ 1 |
| JUN        | 375 | 385 | 380 | ▲ 5 |
| JUL        | 375 | 385 | 380 | ▲ 5 |
| AUG        | 375 | 385 | 380 | ▲ 5 |
| SEP        | 375 | 385 | 380 | *** |

| BRAZIL UREA |     |     |     |      |
|-------------|-----|-----|-----|------|
|             | BID | ASK | MID | Δ    |
| MAY         | 385 | 395 | 390 | ▲ 2  |
| JUN         | 420 | 425 | 423 | ▲ 20 |
| JUL         | 422 | 428 | 425 | ▲ 21 |
| AUG         | 415 | 425 | 420 | ▲ 15 |
| SEP         | 415 | 425 | 420 | ***  |

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