



FERTILIZER SWAPS

Fertilizer Financial Markets Commentary/Curves

NOLA FUTURES & SWAPS

UREA

After seeing firmness in the NOLA Urea futures market yesterday given the bullish USDA report, we expected values to improve today, but what was interesting was the deferred Q4 timeframe took off relative to Q3. Values on Q3 lagged a bit today over the concern that nearby physical market will hamper value. Traders were eager to take advantage of this and subsequently the Q3/Q4 calendar spread traded a couple times today at -5 then -8 where we previously had value at -3. As part of the spread values on Q4 touched \$448 and were seen bid near there on the follow (\$445). After the events in the futures market took place values in physical started to firm up with loaded barges first trading at \$427 but then was seen bid into the low \$430s at the end of the day.

UAN

Nola UAN futures continue to go on a tear today, with August futures trading at \$321 up nearly \$40 from where we saw value earlier in the week. Combining the bullish catalyst of the USDA along with the potential of the duties on Russian and Trinidad product sent buyers in a frenzy today with bids seen for full Q3 in the low teens. However, there are some skeptics out there who are waiting for CF to release their fill program before plotting their next moves on paper.

DAP

NOLA DAP futures were sideways today mostly with August trading at \$617 right in line with where we saw value at before and after the trade. Physical was up today trading \$615 up nearly \$20 from the week's lows. There were reports of trades happening above \$800 in the CFR Brazil MAP market if we continue to see prices firm up in the intl market we're likely to continue to see support in NOLA.

INTERNATIONAL FUTURES

Values are slightly firmer across all three international urea futures markets as physical prices continue to march upward, with AG pricing now above \$500 fob. It was reported today that a large AG producer sold into South Africa at a price above \$500 fob AG. After trading \$496 for July Brazil futures, values were up today as yesterday's trade was seen as mere profit taking. Values were also up for July AG futures given the bullish news of the physical trade.

DOMESTIC

NOLA UREA				
	BID	ASK	MID	Δ
JUL	428	435	432	▼ -3
AUG	440	445	443	▬ 0
SEPT	440	445	443	▬ 0
Q3	440	445	443	▬ 0
Q4	446	455	451	▲ 6

NOLA UAN				
	BID	ASK	MID	Δ
JUL	280	290	285	▼ -10
AUG	312	320	316	▲ 21
Q3	312	320	316	▲ 21
Q4	310	325	318	▲ 23

NOLA DAP				
	BID	ASK	MID	Δ
JUL	610	617	614	▼ -4
AUG	615	620	618	▲ 2
Q3	614	619	617	▼ -1
Q4	600	610	605	▲ 3

INTERNATIONAL

AG UREA				
	BID	ASK	MID	Δ
JUL	483	492	488	▲ 9
AUG	483	493	488	▲ 2
SEP	478	486	482	▬ 0
Q4	450	470	460	▬ 0

EGYPT UREA				
	BID	ASK	MID	Δ
JUL	469	475	472	▲ 2
AUG	467	477	472	▲ 1
SEP	465	475	470	▼ -1
Q4	450	470	460	▬ 0

BRAZIL UREA				
	BID	ASK	MID	Δ
JUL	494	503	499	▲ 4
AUG	495	505	500	▲ 5
SEP	490	500	495	▼ -5
Q4	485	505	495	▬ 0

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

Taylor Eastman: +1 913 246 3580
 Sam Seid: +1 913 276 4154
 Andrew Manna: +44 (0) 7889 720 076

