

FERT SOURCE

WEEKLY CN MARKET REVIEW

Increasing capabilities and competitiveness through market intelligence

UAN

- Producers released their Canadian summer fill UAN pricing late last week with high regional demand.
- Rail delays persist in areas with production issues. Price vs. timing of rail supply continue to be a focus.
- Koch's Beatrice, NE facility was hit hard by a storm a few days ago causing downed powerlines and a loss of power. Koch is optimistic they will have power restored and will resume normal operations next week.
- East Coast UAN supply is thin as just a few importers have product left in the northern half of the coast.

NH3

- Fill NH3 has transacted at large volumes across the U.S. Pricing for June shipments remains at a premium as producers look to capture additional margin.
- Issues still remain on the Magellan pipeline with mid July as the target date for repairs.
- Canadian NH3 fill values are starting to surface.
- Despite steady ammonia production and export levels in recent years, declining gas supplies, and a reliance on gas imports to make up the domestic shortfall can affect the competitiveness of Trinidad's ammonia exports, particularly when competing against low US gas prices.

POTASH

- Canadian potash producers are indicating mid-July to offer summer fill values. The market is expecting a slight discount to current values followed by a price increase.
- Agrium's Vanscoy potash mine will begin its month long turnaround in July, limiting truck sales to the immediate area.
- PotashCorp's Lanigan potash mine will be down for an eight week turnaround and inventory adjustment assessment beginning in July.

UREA

- Granular urea movement continues to underwhelm suppliers in the upper Midwest. Somewhat contrary to expectations, sellers generally are not discounting any further in the region as it is not increasing sales.
- Canada producers are virtually sold out for Q3 tonnes as they have taken on a very large book of business at current levels. Rumblings of offers in Oct are in the marketplace, but there are no confirmed offers from producers.

PHOSPHATES

- Nola DAP prices are unchanged with one producer holding a larger than normal premium.
- Interior phosphate markets are very quiet as dealers await reset pricing later in the summer.
- Phosphate pricing in western Canada is slowly retreating to Nola replacement costs. A Canadian producer is reporting sluggish uptake on their recent fill offer and plan to offer again in the near future.
- Domestic phosphate producers are unified in their stance that current market pricing is at or below production costs. Further price erosion will pressure the non-integrated highest cost producers to scale back operations.

SECONDARY NUTRIENTS

- 10-34-0 – Pricing is holding steady in most geographies. Reset in this market should start to happen in the next 30 days.
- AMS - There is little continued demand for product over the past week. Pricing continues to remain flat as traders look to move tons out of the market just ahead of the fill season.