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Media Release

Weekly Update – Global Fertiliser Markets – w/e 24.07.2026

AFC CEO Stein Haugan is enjoying a well-earned summer break with family in his native Norway. While Stein is taking a short holiday, global fertiliser markets certainly are not. Just for this week, AFC's regular Weekly Global Fertiliser Markets Update takes a slightly different format.

THE MARKET HAS SHIFTED FROM SUPPLY FUNDAMENTALS TO GEOPOLITICS

Geopolitical developments over the past week have continued to reshape international fertiliser trade, with the Middle East once again dominating market sentiment. Rather than our usual comprehensive market review, this week's Fertiliser Report highlights the developments most likely to influence global fertiliser pricing and availability over the months ahead.

The global fertiliser industry is currently being driven less by traditional supply-and-demand fundamentals and increasingly by geopolitical developments. While this has been evident for several months, recent events suggest the market has entered a new phase.

Attention has understandably focused on the Strait of Hormuz, where shipping movements remain severely constrained. However, another strategic maritime chokepoint is now demanding equal attention.

Iran-backed Houthi forces have announced what they describe as a maritime embargo on Saudi Arabia, raising the prospect of disruption through the Bab al-Mandab Strait—the critical gateway between the Red Sea and the Gulf of Aden.

Should both the Strait of Hormuz and Bab al-Mandab Strait experience prolonged disruption, global fertiliser logistics would face unprecedented pressure.

Phosphate Fertilisers Face the Greatest Risk

"Could the World's Phosphate Supply Face a Second Chokepoint?"

The greatest immediate concern remains granular phosphate fertilisers.

Saudi Arabia is a major supplier of DAP and MAP into India and Australia, while Morocco remains the principal alternative source. Any sustained disruption to Red Sea shipping would significantly extend transit times into both markets and increase freight costs at a time when product availability is already exceptionally tight.

Adding further pressure, China's phosphate industry continues to operate well below normal production levels as record sulphur prices undermine manufacturing economics. Chinese exports of DAP, MAP and SSP therefore remain limited, reducing another important source of international supply.

With Australian importers traditionally securing spring fertiliser requirements during the coming months, procurement decisions may become increasingly challenging should current shipping constraints persist.

Nitrogen Markets Continue to Firm

Egyptian granular urea prices have risen sharply over the past week, while Chinese and Southeast Asian export values have also moved higher. Reports of increased prices into Argentina reinforce the view that international demand remains resilient despite continuing geopolitical uncertainty.

Importantly, support is no longer relying solely on the prospect of another Indian purchasing tender. Demand from Brazil, Europe and North America is increasingly underpinning the market, suggesting the recent recovery has broader structural support.

Market Outlook

While markets remain highly sensitive to geopolitical developments, the key issue is no longer simply whether fertiliser can be produced.

The question increasingly being asked across international markets is whether fertiliser can be delivered efficiently to where it is needed.

Until shipping conditions across the Middle East stabilise, logistics—not production capacity—are likely to remain the dominant influence on global fertiliser pricing.

“Periods like these remind us that global fertiliser markets are influenced as much by shipping lanes and geopolitics as they are by supply and demand. While volatility is likely to remain elevated, understanding the broader strategic picture is increasingly important for producers, importers and farmers alike,” said AFC CEO Stein Haugan from Norway.

ENDS



This week, AFC CEO Stein Haugan takes a well earned Summer break in his native Norway.

For Further Information:

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Australian Fertilizer Corporation (AFC)

Australian Fertilizer Corporation (AFC) is a Brisbane-based fertiliser company focused on strengthening Australia's domestic nutrient supply. The Company is progressing the development of a large-scale ammonia and granular urea facility in Gladstone, Queensland, utilising established gasification technology in combination with circular carbon economic principles to produce nitrogenous fertilisers at scale.

In parallel, AFC is advancing downstream capability including a proposed AdBlue-grade urea production facility. AFC's strategy is to reduce reliance on imported fertilisers while supporting long-term supply security for the Australian agricultural sector.

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