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Media Release

Weekly Update – Global Fertiliser Markets – w/e 11.09.2026

STOP PRESS: CHINA MOVES TO CENTRE STAGE IN GLOBAL UREA MARKET

- **Global urea prices higher as Middle Eastern and Iranian shipments severely constrained, while Brazil and Europe move into stronger seasonal demand.**
- **Processed phosphate prices are holding despite muted demand, with affordability concerns offset by limited supply and scarce Chinese exports.**
- **Potash prices are weakening across major markets as excess supply chases lower demand and Chinese inventories remain elevated.**
- **European gas prices have reached levels that could force further production curtailments and increase European dependence on imported ammonia.**

UREA
Indicative Market View: Firm
China Prilled Urea: USD 350–360 PMT FOB; China Granular Urea: USD 415–420 PMT FOB; Middle East Granular Urea: USD 425–435 PMT FOB; Russia: USD 365–395 PMT FOB; North Africa: up to USD 515 PMT FOB

Global urea prices continue to edge higher as the conflict between the US and Iran disrupts one of the world's most important fertiliser supply corridors. An estimated 12 vessels carrying approximately 600,000 MT of loaded urea are reportedly waiting for an opportunity to pass through the Strait of Hormuz.

"With Middle Eastern supply constrained, China has rapidly moved to centre stage. Approximately 1.3 million MT of Chinese urea has already been nominated for India's latest tender with shipment required by 20 September. Market speculation now points to a third Chinese export tranche of more than 1 million MT, potentially rising to 1.5–2.0 million metric tonnes," said AFC CEO Stein Haugan.

STOP PRESS – CHINA UREA

The scale of China's Urea production growth is becoming increasingly important to the global market. According to the China Nitrogen Fertilizer Industry Association, China produced 39.67 million tonnes of urea in the first half of 2026, up 11.3% year on year. Apparent domestic urea consumption increased 10.1%, while exports surged 552.1% following the resumption of overseas shipments.

More capacity is coming. China's total urea production capacity is expected to exceed 75 million tonnes per year during the second half of 2026, with further projects scheduled for 2027. That additional supply has the potential to reshape global Urea trade flows, particularly if domestic demand fails to absorb the new tonnes.

For the balance of 2026, India remains the only import market capable of absorbing Chinese prilled urea in very large volumes. China therefore has the ability to act as both a pressure-release valve for a supply-constrained world market and a cap on international price increases.

Elsewhere, European gas prices are pushing regional urea production costs close to USD 600/t ex-works, increasing the risk of production curtailments. Egyptian prices consequently remain supported above USD 500/t FOB for European destinations. Brazil is also expected to remain a major buyer after January–August imports fell approximately 860,000 MT behind last year.

The near-term urea outlook remains firm as European and Brazilian buying competes for restricted supply. China, however, is now the market's major swing factor.

PROCESSED PHOSPHATES
Indicative Market View: Stable to Softening
India DAP: USD 900–915 PMT CFR; recent India cargoes: USD 913.50–920 PMT CFR; Brazil MAP: market remains under pressure

Global DAP and MAP prices were broadly stable this week amid limited activity, although the short-term tone remains bearish. India DAP offers are generally around USD 914–915/t CFR, with buyers increasingly seeking levels below USD 900/t CFR.
Brazil continues to demonstrate the impact of affordability. August imports of DAP, MAP, TSP, SSP and NPK fell 58% year on year to approximately 765,000 MT, while January–August imports were down 22%. Chinese phosphate shipments to Brazil fell approximately 90% year on year in August.

"Restricted supply remains the issue du jour," said Mr Haugan.

"Chinese exports are expected to remain scarce and granular phosphate availability tight," he said, "meaning any further price correction is likely to be gradual rather than dramatic."

POTASH
Indicative Market View: Softening
Brazil MOP: USD 380–385 PMT CFR; Southeast Asia: approx. USD 420 PMT CFR; Malaysia: USD 380–400 PMT CFR

MOP prices weakened across Brazil, the US, Europe and Southeast Asia as excess supply continued to chase slower demand. Brazilian prices declined for a third consecutive week to USD 380–385/t CFR as suppliers sought to reduce inventories.

China remains heavily supplied. August MOP imports are estimated at 1.35 million tonnes, potentially taking January–August imports to 11.5 million tonnes — approximately 50% above the same period in 2025. Port inventories reached around 3.79 million tonnes in early September.

"Near-term potash pricing will remain under pressure," said Mr Haugan. "High inventories and additional global capacity are simply outweighing improving demand in parts of Southeast Asia."

AMMONIA
Indicative Market View: Stable near term; firmer Q4 risk
US Gulf/Tampa: USD 555–560 PMT delivered; US Gulf Loading: USD 495–515 PMT; Northwest Europe: elevated by gas costs.

The global ammonia correction continued as weak downstream demand and increased US and Chinese availability outweighed constrained Middle Eastern merchant supply. The September

Tampa settlement fell USD 80/t to USD 555/t, returning most global benchmarks to levels seen before the Middle East conflict.

Europe remains the exception. Dutch TTF gas prices have risen sharply, placing European ammonia producers under increasing economic pressure and raising the prospect of curtailments and larger-scale imports.

“The market may be approaching a turning point,” said Mr Haugan. “Lower prices are beginning to discourage Chinese exports, while Middle Eastern supply remains constrained.”

September is expected to remain broadly balanced before the potential for firmer pricing emerges in the fourth quarter.

ENDS

China’s urea exports surged 552.1% year on year in H1 2026 as the country re-emerged as a major force in global urea markets.”

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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