Australian Fertilizer Corporation
FOOD SECURITY

21 September 2026

Media Release

Weekly Update – Global Fertiliser Markets – w/e 18.09.2026

- **Urea prices rising across all major regions as continuing disruption through the Strait of Hormuz restricts regular Middle Eastern supply.**
- **Processed phosphate prices strengthening in the US on improved agricultural economics; other international markets stable to soft amid muted demand.**
- **Potash prices remain under pressure as high inventories, ample supply and the prospect of reduced Chinese buying weigh on the market.**
- **Europe is emerging as the principal driver of increased ammonia trading activity from both sides of Suez as production curtailments and elevated natural gas prices increase import requirements.**

UREA
Indicative Market View: Firm to Rising
China Prilled Urea: approx. USD 370 PMT FOB; China Granular Urea: high USD 430s PMT FOB; Middle East Granular Urea: USD 470–480 PMT FOB; North Africa: USD 518–550 PMT FOB; Brazil: approaching USD 500 PMT CFR

Global urea prices are increasing as constrained Middle Eastern supply continues to tighten availability across the major importing regions.

The Strait of Hormuz remains the Achilles' heel of the global nitrogen fertiliser market. As much as 600,000 MT of urea is reportedly sitting aboard vessels awaiting passage, with only occasional shipments making it through.

Brazilian CFR prices have consequently advanced more than USD 80/t over recent weeks. With discounted Iranian supply largely absent, non-Chinese producers are now targeting approximately USD 500/t CFR main Brazilian ports.

Alternative nitrogen sources are providing little relief. Ammonium sulphate has risen approximately USD 40/t over recent weeks to around USD 250/t CFR. At current prices, the relative nitrogen value of urea and ammonium sulphate is broadly comparable.

US/NOLA remains firm, with September barge values equivalent to approximately USD 520/t CFR, creating an incentive for available international cargoes to move towards the US rather than Brazil.

"The international urea market is increasingly being defined by where product can physically move rather than simply where demand exists," said AFC CEO Stein Haugan.

"With approximately 600,000 tonnes reportedly sitting aboard vessels around the Strait of Hormuz, buyers are competing for the tonnes that are actually available."

India presents a different picture. Below-average monsoon conditions contributed to August urea consumption of 4.21 million MT, compared with 4.96 million MT in 2025 and 4.36 million MT in 2024.

Approximately 1.6 million MT has now been nominated under the latest RCF tender, predominantly originating from China.

Attention is therefore turning to whether India will return with another tender.

China remains the market's major swing supplier. A third export quota tranche has reportedly been confirmed at 1 million MT, although expectations remain that total availability could ultimately reach 1.5–2.0 million MT. Current prilled urea values are approximately USD 370/t FOB, while granular product for Latin America is reportedly trading in the high USD 430s/t FOB.

Middle Eastern prices are also moving higher at approximately USD 470–480/t FOB, with some producers reportedly targeting USD 500/t for October shipment. Saudi Arabian producer SABIC has been quoting around USD 460/t FOB Red Sea.

African producers are following the same trajectory. Nigerian product has recently traded around USD 485/t FOB, with October indications approaching USD 495–500/t. Egyptian urea was last reported around USD 518/t FOB, with producers targeting approximately USD 525/t as European gas prices continue to strengthen. Algerian granular urea destined for Europe has reportedly traded as high as USD 550/t FOB.

The near-term direction for urea therefore remains higher. Continued disruption around Hormuz, stronger European production economics and competition for available tonnes are outweighing the additional export supply emerging from China.

PROCESSED PHOSPHATES
Indicative Market View: Mixed – Firm US; Stable to Softening Internationally
Brazil MAP: USD 830–850 PMT CFR; India DAP: USD 895–915 PMT CFR; US/NOLA DAP and MAP: strengthening

Global phosphate availability remains constrained by Chinese export restrictions, Saudi Arabian logistical limitations and production reductions in the US, Morocco and Brazil. High sulphur costs are also encouraging producers to maintain offers and, where possible, prioritise TSP production over DAP and MAP.

The US is currently bucking the broader international trend. DAP and MAP barge prices at NOLA have increased as recent gains in agricultural commodity prices improve fertiliser affordability. MAP has reached its highest level in more than three months, while DAP is at its highest since August 2025.

Brazil remains subdued. MAP cargoes were assessed at approximately USD 830–850/t CFR for a third consecutive week, with limited new business. Prices have now declined substantially from the USD 900/t CFR levels seen earlier in the year.

Improved soybean prices have nevertheless pushed MAP barter ratios to their most attractive levels this year. The improvement may have arrived too late to materially stimulate near-term demand, with Brazil entering a seasonal low point and expensive, restricted credit continuing to limit liquidity.

Indian DAP prices have edged higher to approximately USD 895–915/t CFR, although transactions remain limited as buyers delay purchases.

Australian Fertilizer Corporation
FOOD SECURITY

Indian DAP imports reached approximately 1.90 million MT during January–July 2026, down 23% from the corresponding period in 2025. September arrivals are also running substantially below year-earlier levels.

“Phosphates remain a market caught between tight physical availability and weak demand,” said Mr Haugan.

“Supply constraints should prevent any rapid price correction, but affordability and subdued buying mean the market remains vulnerable to a gradual easing in international prices.”

POTASH
Indicative Market View: Softening
Brazil MOP: USD 350s–360s PMT CFR; Southeast Asia: USD 350–360 PMT CFR;
Malaysian market supported by strong palm oil economics.

Potash markets remain mixed, although the broader direction is increasingly soft.

Brazil has weakened further as comfortable inventories and subdued demand ahead of the soybean planting season place pressure on suppliers. Multiple transactions have reportedly concluded in the USD 360s/t CFR for November and December delivery, while fourth-quarter indications are already moving into the USD 350s/t.

Russian and Belarusian suppliers are reported to be contributing to the downward pressure as shipments slow and Brazilian inventories remain comfortable.

Southeast Asian prices are comparatively stable, with cargoes reported around USD 350–360/t CFR for delivery over the next 60–90 days as suppliers clear inventories. Malaysia remains relatively well supported by elevated palm oil prices, while Thailand continues to demonstrate weak demand for granular material.

China remains heavily supplied. August MOP imports reached approximately 1.3 million MT, taking year-to-date imports to around 11.5 million MT — approximately 50% higher year on year.

Historically high port inventories are consequently weighing on sentiment, while some market participants expect Chinese imports to slow during the fourth quarter ahead of 2027 contract negotiations.

“Potash is increasingly becoming an inventory story,” said Mr Haugan.

“China is exceptionally well supplied, Brazil is comfortable and additional global capacity is entering the market. Unless demand strengthens materially, that combination points towards continued downward pressure on prices.”

AMMONIA
Indicative Market View: Stable to Firm West of Suez; Stable to Soft East of Suez

European demand is emerging as the principal catalyst for increased international ammonia trading activity.

Demand for fourth-quarter deliveries from spot buyers in Europe and North Africa has increased noticeably as production curtailments west of Suez support firmer prices and encourage increased east-to-west trade.

An unscheduled US plant shutdown in Texas, combined with reduced operating rates at a number of European facilities due to elevated natural gas costs, has strengthened sentiment ahead of the next round of business.

Europe is consequently expected to become an increasingly important destination for spot tonnes from both sides of Suez over coming months, with Turkey and Morocco also expected to receive regular cargoes.

Prices remain stable to firm in western markets and stable to softer in the east, reflecting the increasingly divergent regional supply-demand balance.

“Europe is becoming the magnet for the ammonia market,” said Mr Haugan.

“Higher natural gas prices are reducing the competitiveness of European production at the same time as capacity constraints are emerging elsewhere west of Suez. That is creating the conditions for more ammonia to move from east to west during the fourth quarter.”

The emerging ammonia trade therefore represents a reversal from the softer market seen only weeks ago. With European gas costs remaining elevated and production economics under pressure, international ammonia flows are likely to become increasingly focused on satisfying European requirements through the final quarter of 2026.

ENDS.

DIRE STRAITS - The market is increasingly being defined by where product can physically move, rather than where demand exists.

For Further Information:

Stein C. Haugan, CEO
AFC – Australian Fertilizer Corporation
e s.haugan@ausfertcorp.com
m +65 8328 7681

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.

https://ausfertcorp.com/