Australian Fertilizer Corporation
FOOD SECURITY

28 September 2026

Media Release

Weekly Update – Global Fertiliser Markets – w/e 25.09.2026

- **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.

- **India announces new major urea tender seeking 1.7 million MT for shipment before 1 December.**
- **Processed phosphate producers remain squeezed between exceptionally high sulphur costs and weak global demand.**
- **Potash prices continue to decline in Brazil as ample inventory combines with slowing seasonal demand.**
- **Ammonia markets continue to diverge:, European gas costs driving trade west of Suez; reduced Chinese exports begin to support values east of Suez however**

UREA
Indicative Market View: Firm to Rising
China Prilled Urea: approx. USD 370 PMT FOB; China Granular Urea: USD 440–450 PMT FOB; Brunei Granular Urea: approx. USD 460 PMT FOB; Brazil Granular Urea: approx. USD 500 PMT CFR

India has again returned to the international urea market, announcing a tender for 1.7 million MT closing on 7 October, with shipments required before 1 December.

Most of the volume is expected to be prilled urea, with China again likely to provide a significant share of supply. Chinese prilled values are currently around USD 370 PMT FOB, while granular urea has strengthened to approximately USD 440–450 PMT FOB.

China has also announced a third export tranche of around one million tonnes, with market expectations that total additional export availability could ultimately reach 1–2 million tonnes.

Chinese customs data showed August urea exports reaching a nine-month high of 525,000 tonnes, up approximately 30% month-on-month. Vietnam and South Korea were the largest destinations.

Brazilian activity has started to slow, although granular urea prices remain around USD 500 PMT CFR. A Russian-origin cargo was reportedly sold slightly above this level.

Trade through the Strait of Hormuz remains constrained. One of the latest reported movements was a SABIC cargo loaded in April that has now made its way through the Strait and is heading towards South Africa.

European production economics remain another important influence. High natural gas prices have forced reductions in nitrogen operating rates at several facilities, although Dutch TTF values eased during the week after reaching multi-year highs earlier in September.

“The return of another major Indian tender provides an important demand anchor for the international urea market,” said AFC CEO Stein Haugan.

“At the same time, restricted Middle Eastern flows and elevated European production costs continue to limit the amount of competitively priced product available to buyers.”

PROCESSED PHOSPHATES
Indicative Market View: Stable to Softening
Brazil MAP: USD 830–850 PMT CFR; India DAP: USD 895–910 PMT CFR

Processed phosphate markets remain under pressure despite restricted availability and extraordinarily high sulphur costs.

India DAP prices eased back to approximately USD 895–910 PMT CFR during the week as buyers continued to delay purchases in anticipation of further price weakness.

Prices remain well above the USD 668–669 PMT CFR levels seen at the beginning of the year but have now retreated from the approximately USD 935 PMT CFR peak reached in late July.

Brazilian MAP remained relatively stable at USD 830–850 PMT CFR for a fourth consecutive week. Market indications suggest that much of the previously unsold product weighing on the market has now been cleared, providing some support to current pricing.

The larger problem for producers remains sulphur.

The continuing global sulphur supply shortage has sharply increased phosphate production costs and resulted in reduced output from some producers. At the same time, weak spot demand means suppliers are competing aggressively for available sales.

China also remains largely absent as a major exporter.

“Phosphates remain caught between very high production costs and very limited buying appetite,” said Mr Haugan.

“Restricted supply should slow any downward price correction, but affordability remains the key constraint on demand.”

POTASH
Indicative Market View: Softening
Brazil MOP: USD 360–375 PMT CFR; Southeast Asia Standard MOP: USD 380–420 PMT CFR; Southeast Asia Granular MOP: USD 410–430 PMT CFR

Potash prices declined across several major markets during the week, led by Brazil.

Brazilian MOP prices eased to USD 360–375 PMT CFR from USD 370–380 PMT CFR the previous week as weak demand and ample availability continued to place pressure on sellers.

The market remains well supplied ahead of the soybean planting season, with several transactions concluded in the USD 360-370 PMT CFR range and fourth-quarter indications already emerging in the USD 350-360 PMT CFR range.

Southeast Asian pricing remained comparatively stable, although some Indonesian cargoes were reportedly sold at USD 350–360 PMT CFR for delivery within 60–90 days as suppliers sought to clear inventories.

Malaysia remains comparatively well supported by strong palm oil economics, while Thailand continues to show limited buying interest.

China remains another major factor.

Chinese MOP imports reached a record 11.5 million tonnes between January and August, approximately 50% higher year on year. High port inventories and subdued domestic demand could consequently reduce Chinese import requirements over coming months.

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

“Brazil is well supplied and China has accumulated exceptionally high stocks. Unless demand strengthens, that combination continues to point towards softer international pricing.”

AMMONIA
Indicative Market View: Firming East of Suez; Stable to Firm West of Suez
Northwest Europe: approx. USD 630 PMT CFR; Southeast Asia: approx. USD 400–430 PMT FOB; East Asia: USD 455–500 PMT CFR

Ammonia markets continue to present 2 separate narratives ‘East of’ and ‘West of’ Suez.

West of Suez, Northwest European CFR values remain around USD 630 PMT despite natural gas prices that would historically have driven ammonia prices considerably higher.

Front-month Dutch TTF gas prices have risen substantially since early July, pushing European ammonia production costs sharply higher and forcing several facilities to reduce or suspend production.

Despite this, Europe continues to attract adequate imported supply from Trinidad and Tobago, the United States, Algeria and Egypt.

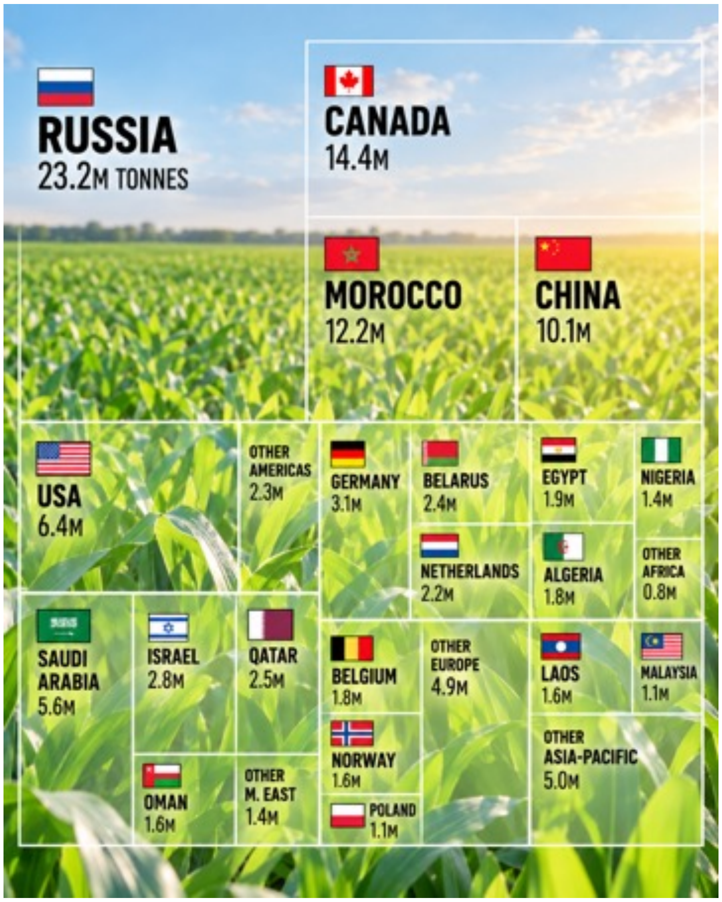
US ammonia exports increased from approximately 95,700 tonnes in July to around 222,000 tonnes in August, helping to keep the Atlantic Basin adequately supplied.
East of Suez, sentiment has strengthened after several weeks of declining prices.
Southeast Asian values appear to have established a floor around USD 400 PMT FOB, while indications for second-half October loading have moved towards USD 430 PMT FOB and above.

Chinese traders are also prioritising domestic demand and longer-term contracts, reducing export availability. Buyers in Taiwan, China and South Korea are currently considered adequately covered but are expected to return to the market towards the end of October.

“The ammonia market is beginning to separate into two very different regional stories,” said Mr Haugan.

“Europe remains heavily influenced by energy costs and imported supply, while reduced Chinese exports and approaching restocking requirements are beginning to support prices east of Suez.”

ENDS



*World's Top Fertilizer Exporters – Over half of the world's fertilizer exports come from just four countries. (*Source: Visual Capitalist, FAO – includes Nitrogen, Phosphate(P_2O_5), and Potash (K_20) measured by nutrient content.)

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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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