

Media Release

Weekly Update – Global Fertiliser Markets – w/e 09.10.2026

- **India's Urea Tender Reveals Significant Reduction in CFR prices; Close to USD 40 PMT a Massive USD 607 PMT lower than 15 April tender**
- **Processed Phosphate producers struggling to find markets to support prices despite limited supply**
- **Potash prices in Brazil slightly down; SE Asia Holds**
- **Gas prices in Europe Fuel higher Ammonia prices: East of Suez expected to see price increases with increased buying whilst China reduces supply**

Global fertiliser markets continued to display contrasting price movements this week, with India's latest urea tender delivering a significant downward price adjustment, processed phosphates remaining under pressure, potash prices easing in Brazil and ammonia markets reflecting increasingly divergent regional supply and demand conditions.

India's tender results have introduced a new pricing benchmark for prilled urea, raising questions about how Chinese producers will respond and whether the resulting price pressure will extend into other international markets.

UREA — PRILLED PRICES UNDER PRESSURE

India: USD 352.10–356.25 PMT CFR
Brazil Granular: USD 480–485 PMT CFR (offers)
Oman Granular: Approximately USD 450 PMT FOB

India's latest urea tender has delivered one of the most significant downwards price adjustments in recent months, with offers substantially below those recorded in previous tenders.

Indian Potash Limited (IPL) received offers from 25 companies representing a gross volume of approximately 5.3 million metric tonnes, including double counting.

Millennium submitted the lowest East Coast India offer at USD 352.10 PMT CFR for 60,000 tonnes, while Aditya Birla offered USD 356.25 PMT CFR West Coast India for 350,000 tonnes.

The latest prices represent a reduction of approximately USD 40 PMT compared with the August tender and, according to the reported tender comparisons, approximately USD 607 PMT below the April 15 tender.

Attention now turns to China, where exporters face the prospect of accepting netbacks of approximately USD 320 PMT FOB after freight and transaction costs, compared with approximately USD 350 PMT FOB following the August tender.

China's recent announcement of a fourth tranche of urea exports, without a specified shipment expiry date, has added further pressure to an already competitive market.

With substantial volumes reportedly remaining available from the third tranche, Chinese exporters face limited alternative markets capable of absorbing comparable quantities of prilled urea.

Beijing's overriding priority remains domestic fertiliser price stability. Any material increase in domestic urea prices could prompt renewed intervention in export arrangements.

The result is an increasingly divided market, with Chinese granular urea commanding a premium of over USD 100 PMT over prilled product.

Elsewhere, Brazilian granular urea buyers remain cautious, with offers around USD 480–485 PMT CFR against bids of USD 450–470 PMT. Adverse weather conditions and difficult agricultural trade financing continue to restrict purchasing activity.

Brazilian urea imports for January–September totalled 3.53 million tonnes, an eight-year low, while ammonium sulphate imports declined 20% to 3.8 million tonnes.

In Southeast Asia, trading activity remains subdued as seasonal demand declines across Thailand, Australia and the Philippines.

Indonesia's August urea exports fell 53% year-on-year to 87,000 tonnes, while Brunei's January–July shipments increased 11% to 746,000 tonnes.

The widening differential between prilled and granular urea suggests that the immediate downward pressure may remain concentrated in markets directly exposed to Chinese exports.

PROCESSED PHOSPHATES

Indicative Market View: Stable to Soft

India DAP: USD 890–905 PMT CFR (previous reported range)

Brazil MAP: USD 830–850 PMT CFR (previous reported range)

North American Retail MAP: Approximately USD 978 per ton

North American Retail DAP: Approximately USD 946 per ton

Global processed phosphate markets remain under pressure as weak purchasing activity continues to compete with constrained product availability and elevated production costs.

Despite limited supply, producers are struggling to secure sufficient demand to support current international prices.

China's continued restrictions on MAP and DAP exports remain a significant influence on global availability, with substantial Chinese export volumes unlikely to return before the end of 2026.

Sulphur costs also remain a major constraint on phosphate production. Although spot prices have shown initial signs of easing, the exceptionally high costs experienced earlier in the year continue to affect producer margins.

Global phosphate plant operating rates are reportedly around 50–60% of capacity, reflecting the combined impact of feedstock costs and supply restrictions.

The continuing disruption to shipping through the Strait of Hormuz has further complicated supply arrangements, particularly for phosphate and sulphur shipments originating in the Middle East.

North American retail phosphate prices remain elevated, with MAP averaging approximately USD 978 per ton and DAP around USD 946 per ton, despite the seasonal slowdown in agricultural demand.

These retail assessments are not directly comparable with international CFR benchmarks but illustrate the continued cost pressures facing agricultural purchasers.

The fundamental challenge remains unchanged: buyers are resisting current prices, while restricted supply limits the scope for significant price reductions.

Consequently, processed phosphate prices are expected to remain stable to soft, with any further easing likely to be gradual rather than substantial.

POTASH

Indicative Market View: Stable to Soft

Brazil Granular MOP: USD 355–385 PMT CFR;

SE Asia Standard MOP: USD 370–395 PMT CFR;

India Standard MOP Contract Benchmark: USD 383 PMT CFR

Global potash markets continued to soften modestly this week, with Brazilian prices edging lower while Southeast Asian markets remained comparatively stable.

Brazilian granular MOP values are currently indicated between USD 355–385 PMT CFR, reflecting subdued purchasing activity and continued pressure on suppliers to stimulate demand.

Brazil remains the world's largest potash importer, relying on overseas producers for approximately 95–98% of its requirements.

International prices represent only part of the cost confronting Brazilian farmers. Inland transportation and logistics can add between USD 90 and USD 200 or more per tonne to imported potash costs, particularly for agricultural regions such as Mato Grosso. These additional costs continue to influence purchasing decisions and fertiliser affordability.

In Southeast Asia, standard MOP prices remain comparatively stable at approximately USD 370–395 PMT CFR.

Demand from the palm oil producers in Indonesia and Malaysia continues to provide some support, although buyers remain cautious about committing to forward purchases.

India's established contract benchmark of USD 383 PMT CFR also provides a degree of price support across Asian markets.

Meanwhile, additional potash production capacity in Laos continues to develop, with expanding overland distribution networks through Thailand and Vietnam potentially influencing regional supply arrangements.

Brazil is also pursuing measures to reduce its long-term dependence on imported potash through domestic investment incentives and new production developments. However, these initiatives are unlikely to materially alter international supply dynamics in the immediate term.

For now, the broader potash market remains adequately supplied, with limited fresh demand suggesting continued modest downward pressure on prices.

AMMONIA

Regional markets diverge; Indicative Market View: Mixed — Europe Firm, East of Suez Firming

Tampa Contract: USD 545 PMT CFR;
Northwest Europe: USD 565–615 PMT CFR
SE Asia Spot: Low USD 400s PMT FOB

International ammonia markets displayed contrasting movements this week, with North American contract prices continuing to decline while European production costs and tightening Asian supply conditions supported firmer regional expectations.

The October ammonia contract between Yara International and Mosaic settled at USD 545 PMT CFR Tampa, down USD 10 PMT from September.

The reduction extends the recent downward trend in North American contract prices, reflecting sufficient regional availability and relatively subdued immediate demand. European markets present a different picture.

Elevated natural gas prices continue to place considerable pressure on ammonia production economics, particularly as the Northern Hemisphere approaches winter.

Northwest European ammonia values are currently indicated between USD 565–615 PMT CFR, with volatile natural gas costs continuing to influence regional production and import decisions.

The European Union's Carbon Border Adjustment Mechanism is also becoming an increasingly important consideration for international ammonia trade, adding further complexity to purchasing and supply arrangements.

East of Suez, the outlook remains firmer.

Demand from Taiwan and South Korea is expected to increase, while reduced Chinese export availability is limiting potential supply.

Southeast Asian spot ammonia values remain in the low USD 400s PMT FOB, although expectations are for prices to strengthen as regional buyers return to the market.

These contrasting regional price movements highlight the influence of energy costs, export availability and seasonal agricultural demand on international ammonia pricing.

AUSTRALIA'S EXPOSURE TO INTERNATIONAL FERTILISER MARKETS

Australian Fertiliser Corporation CEO Stein Haugan said India's latest urea tender demonstrated how rapidly major international purchasing decisions could influence global fertiliser prices.

"The Indian tender has delivered a very clear price signal to the international urea market. The immediate question is whether Chinese producers are prepared to accept the substantially lower prices necessary to secure these volumes," Mr Haugan said.

"China's export decisions have become an increasingly important influence on international fertiliser prices, particularly for countries dependent on imported nitrogenous fertilisers."

Mr Haugan said the contrasting movements across international fertiliser markets reinforced the importance of strengthening Australia's domestic production capability.

"Lower international prices may provide some immediate relief for agricultural buyers, but they do not remove the underlying exposure to international supply chains, shipping costs and the export policies of major producing countries."

"Australia needs to look beyond short-term price movements and continue developing the domestic production capacity necessary to provide greater long-term sovereign fertiliser supply security," Mr Haugan concluded.

ENDS



India has called the Urea price. China must now decide whether to play.

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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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