Australian Fertilizer Corporation
FOOD SECURITY

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Media Release

Weekly Update – Global Fertiliser Markets – w/e 13.11.2026

Global fertiliser prices continue to soften as ammonia strengthens on European gas costs and tightening supply

- **UREA: Prices are softening across international markets as buyers await India's next major tender, with Chinese prilled urea expected to dominate purchasing.**
- **PROCESSED PHOSPHATES: Elevated production costs and restricted supply continue to support prices, although subdued demand and farmer resistance are increasing downward pressure.**
- **POTASH: Weak Brazilian demand and high Chinese inventories are weighing on prices, despite production reductions by several major international suppliers.**
- **AMMONIA: Prices continue strengthening as European gas costs, manufacturing curtailments and restricted international availability increase replacement costs.**

UREA – Softening
Indicative Market View – Prices Under Pressure

China – Granular Urea: Approximately USD 420 PMT FOB
China – Prilled Urea: USD 350–355 PMT FOB
Brazil – Granular Urea: Approximately USD 460 PMT CFR
Nigeria – Spot Granular Urea: Approximately USD 460 PMT FOB
US/NOLA: Approximately USD 460 PMT CFR equivalent
Indonesia – Pupuk Tender: Bid just above USD 400 PMT FOB; reported counteroffer USD 426 PMT FOB
India – Anticipated Tender: Approximately USD 375 PMT CFR

International urea markets remained subdued during the week, with prices softening across most major trading regions as buyers continued awaiting India's anticipated return to the market.

A notable development was Pupuk Indonesia's tender for 30,000 MT of granular urea for December shipment.

A major international trading company reportedly submitted a bid slightly above USD 400 PMT FOB, approximately USD 25–30 PMT below earlier expectations from BFI and Petronas.
Pupuk Indonesia is understood to have countered at USD 426 PMT FOB, with the outcome yet to be determined.

Elsewhere, Brazilian granular urea prices have softened to approximately USD 460 PMT CFR, with offers originating from Oman, Nigeria and Russia.

US/NOLA equivalent prices are also indicated around USD 460 PMT CFR.

Chinese granular urea remains around USD 420 PMT FOB, while prilled urea is holding between USD 350–355 PMT FOB.

"International urea markets remain firmly in the hands of buyers, with limited purchasing activity and increasing competition between suppliers," said Australian Fertilizer Corporation CEO Stein Haugan.

"India's anticipated tender will provide the next important price signal, although expectations around USD 375 PMT CFR suggest limited immediate support for international granular urea prices."

India is widely expected to announce another substantial purchasing tender, potentially during the coming week, with Chinese prilled urea expected to account for a significant proportion of supply.

Meanwhile, Egyptian urea producers are facing additional manufacturing constraints following government notifications of natural gas supply reductions.

Three major producers — MOPCO, Abu Qir and EFC — with combined annual nameplate capacity of 4.82 million MT, have been advised of 33% gas supply cuts.

Four additional producers, representing 2.24 million MT of annual capacity, face reductions of 20%.

The restrictions follow substantial increases in Egypt's LNG import costs over recent months.

International trade flows also continue adjusting to disruptions associated with the Strait of Hormuz.

Brazilian urea imports declined 18% to 4.6 million MT, while imports originating from Iran and the Middle East fell to 1.03 million MT from 1.9 million MT year-on-year.

Russia has been a major beneficiary, with volumes increasing 20% to 1.14 million MT.

Chile's January–October urea imports declined 30% year-on-year to 317,000 MT, while US-origin supplies increased sharply to 162,000 MT from just 1,000 MT.

Malaysia has also expanded exports to 1.64 million MT from 1.3 million MT year-on-year, including significant increases in shipments to Australia, Thailand and New Zealand.
Australian imports from Malaysia increased to 565,000 MT from 257,000 MT, while Thailand received 344,000 MT and New Zealand 114,000 MT.

"One of the more significant developments during 2026 has been the realignment of international fertiliser trade flows," Mr Haugan said.

"Traditional supply relationships have been disrupted, but producers have progressively established alternative markets. Whether these changes persist following the reopening of the Strait of Hormuz remains uncertain."

Outlook: Urea prices are expected to remain soft in the near term. India's anticipated tender may establish a clearer international benchmark, although subdued granular urea demand and competitive Chinese prilled urea availability are likely to limit any immediate recovery.

PROCESSED PHOSPHATES – Stable to Soft
Indicative Market View – Prices Under Pressure

India – DAP: USD 880–902 PMT CFR
Brazil – MAP: USD 830–850 PMT CFR
Saudi Arabia – MAP: USD 802–836 PMT FOB
United States – DAP: Approximately USD 850 per ton
France – DAP: Approximately EUR 957 per ton
China – Granular Sulphur: USD 731–735 PMT

International processed phosphate markets remained subdued during the week, with limited spot purchasing activity as agricultural buyers continued resisting elevated prices.

Despite ongoing supply constraints, prices for diammonium phosphate (DAP), monoammonium phosphate (MAP) and triple superphosphate (TSP) remained largely unchanged across major trading regions.

Brazilian MAP prices held between USD 830–850 PMT CFR, while Indian DAP prices were indicated around USD 880–902 PMT CFR.

Supply availability continues to be affected by Chinese export restrictions, sulphur shortages influencing North African production and logistical disruptions affecting Russian suppliers.

Elevated sulphur, sulphuric acid and natural gas costs are maintaining relatively high manufacturing costs, restricting the ability of producers to offer meaningful price reductions.

"Processed phosphate markets are experiencing a continuing imbalance between manufacturing costs and agricultural affordability," said Mr Haugan.
"Producers face elevated raw material costs, while farmers are increasingly reluctant to purchase fertilisers at current prices. The result is a market characterised by limited trading activity rather than significant price movements."

In China, granular sulphur prices remained around USD 731–735 PMT, equivalent to CNY 4,880–4,900 PMT, maintaining pressure on downstream phosphate manufacturing costs.

India announced an increase in its 2026–2027 Rabi season subsidy allocation to USD 6.74 billion for phosphatic and potassic fertilisers on 11 November.

Elsewhere in South Asia, market participants are monitoring a potential Bangladesh tender for approximately 300,000 MT, together with further developments in India's Nutrient Based Subsidy arrangements.

Middle Eastern phosphate export prices remain comparatively firm, with Saudi Arabian MAP indicated between USD 802–836 PMT FOB, supported by restricted availability and continuing Strait of Hormuz shipping risks.

European fertiliser prices also remain elevated despite subdued agricultural purchasing. French DAP prices were indicated around EUR 957 per ton during early November.

In the United States, DAP prices remained around USD 850 per ton following domestic manufacturing curtailments associated with sulphur constraints.

Chinese domestic MAP and DAP markets remained largely unchanged, with producers concentrating on existing orders. Demand from industrial users, including lithium-iron-phosphate battery manufacturers, also remained subdued.

"Restricted international supply is providing some price support, but affordability is increasingly determining purchasing decisions," Mr Haugan said.

"Unless agricultural demand strengthens, producers may find it difficult to maintain current pricing levels despite continuing pressure on manufacturing costs."

Outlook: Processed phosphate prices are expected to remain stable to soft. Restricted export availability and elevated raw material costs should limit substantial reductions, although subdued agricultural demand and farmer resistance are likely to maintain downward pressure.

POTASH – Stable to Soft
Indicative Market View – Prices Under Pressure

Brazil – Granular MOP: USD 350–375 PMT CFR
Southeast Asia – Standard MOP: USD 370–415 PMT CFR
Southeast Asia – Granular MOP: USD 425–435 PMT CFR
United States – Spot MOP: USD 380–450 per ton
General MOP Spot Index: Approximately USD 357.50

International potash markets remained subdued during the week, with high inventories and weakening seasonal demand continuing to outweigh emerging supply constraints.

Brazilian granular Muriate of Potash (MOP) prices were indicated between USD 350–375 PMT CFR, below September restocking levels of approximately USD 400 PMT.

Brazilian purchasing activity remains limited, with preliminary October trade data indicating potash imports declined 27% year-on-year to approximately 634,000 MT.
Southeast Asian prices were largely unchanged, with standard-grade MOP trading between USD 370–415 PMT CFR and granular material between USD 425–435 PMT CFR.

High inventories in China and Russia are continuing to restrict international price increases, while buyers remain cautious about committing to additional volumes ahead of the 2027 agricultural season.

"Potash markets remain heavily influenced by existing inventories and subdued purchasing activity, particularly in Brazil and China," said Mr Haugan.

"While several major producers are reducing output, buyers currently have little incentive to accelerate purchasing while sufficient material remains available."

Several international suppliers have announced or commenced production adjustments.

Canadian producer Nutrien has scheduled phased production halts at its Allan, Lanigan and Vanscoy mines, representing approximately 700,000 tonnes of output.

Germany's K+S has announced a 300,000-tonne production reduction by year-end, while Belaruskali and Uralkali are also implementing output reductions amid changing international trading conditions.

These developments may eventually provide some price support, although current inventories continue to weigh on immediate purchasing requirements.

The broader MOP spot index was indicated around USD 357.50, compared with USD 367.50 the previous month and USD 352.00 a year earlier.

Brazil's longer-term supply outlook is also attracting attention as the country seeks to reduce its dependence on imported potash, which currently accounts for approximately 98% of national requirements.

Brazil Potash Corporation is advancing its USD 2.5 billion Autazes project in Amazonas, targeting initial production in 2030 and potential supply equivalent to 17% of Brazil's domestic demand.

"Production reductions may gradually improve international supply balances, but meaningful price recovery will depend on stronger agricultural purchasing," Mr Haugan said.

"For the present, high inventories and subdued demand remain the principal influences on potash prices."

Outlook: Potash prices are expected to remain stable-to-soft in the near term, particularly in Brazil and Southeast Asia. Announced production reductions could provide support as inventories decline, although buyers are expected to maintain cautious purchasing strategies ahead of 2027.

AMMONIA – Firming
Indicative Market View – Prices Strengthening

US/Tampa – November Contract: USD 645 PMT CFR
Europe – Estimated Replacement Cost: Above USD 800 PMT
China – Export Ammonia: USD 540–550 PMT FOB Zhanjiang
India – Buyer Resistance: Approximately USD 550 PMT CFR
Southeast Asia – Export Ammonia: USD 500–520 PMT FOB
European TTF Natural Gas – Reported High: EUR 90, equivalent to USD 29.63/MMBtu

International ammonia prices continued strengthening during the week, diverging sharply from the softer conditions prevailing across urea, processed phosphates and potash.

Tight international supply, elevated European natural gas costs and continuing manufacturing curtailments remain the principal factors supporting higher prices.
Approximately one-third of European ammonia manufacturing capacity is estimated to have been curtailed as natural gas prices continue placing pressure on regional production economics.

European TTF gas prices reached a reported high of EUR 90, equivalent to USD 29.63/MMBtu, with ammonia replacement costs now assessed at well above USD 800 PMT.

"Ammonia continues to move in the opposite direction to the other major fertiliser markets," said Australian Fertilizer Corporation CEO Stein Haugan.

"European gas costs and reduced manufacturing capacity are placing substantial upward pressure on replacement costs, while international supply remains constrained."

The November Tampa ammonia contract increased USD 95 PMT to USD 645 PMT CFR, reflecting tighter international availability.

In the United States, an extended turnaround at Gulf Coast Ammonia's Texas facility has further restricted supply, while strong seasonal demand ahead of winter river closures continues supporting elevated Midwest inland prices.

Middle Eastern shipping disruptions are also affecting international ammonia movements, with restrictions through the Strait of Hormuz limiting Gulf export dispatches and vessel availability.

Some regional producers have redirected limited export volumes through alternative routes, including Saudi Arabia's Red Sea port of Yanbu.

East of Suez, however, higher ammonia prices are encountering increasing resistance from industrial and agricultural buyers.

Chinese export prices have strengthened to approximately USD 540–550 PMT FOB Zhanjiang, with Chinese ammonia reaching increasingly distant markets, including a third cargo destined for Mexico.

Indian buyers are resisting higher prices and reportedly seeking to maintain purchasing levels around USD 550 PMT CFR.

Southeast Asian export prices remain between USD 500–520 PMT FOB.

High sulphur and other raw material costs are also affecting downstream phosphate manufacturing margins, limiting the ability of some Asian producers to absorb further ammonia price increases.

"International ammonia prices are increasingly being determined by the cost and availability of energy rather than agricultural demand alone," Mr Haugan said.

"Until European gas costs moderate and additional manufacturing capacity becomes available, international buyers are likely to face continuing price pressure."

Outlook: Ammonia prices are expected to remain firm through the remainder of 2026. Meaningful relief may not emerge until early 2027, when additional US and Middle Eastern manufacturing capacity is expected to become available and seasonal demand moderates.

Market Perspective

"Developments across international fertiliser markets continue to demonstrate the importance of reliable energy supplies, manufacturing capacity and established international trading relationships," Australian Fertilizer Corporation CEO Stein Haugan said.

"While urea, processed phosphates and potash are facing subdued demand and downward price pressure, ammonia is strengthening because of higher energy costs and constrained production.

"The significant changes in international urea trade flows during 2026 also demonstrate how quickly established supply arrangements can be disrupted by geopolitical events.

"For Australia, which remains totally dependent on imported urea, these developments reinforce the strategic importance of establishing domestic manufacturing capacity to improve long-term supply security for Australian agriculture," Mr Haugan said.



International urea markets remain firmly in the hands of buyers, with limited purchasing activity and increasing competition between suppliers.

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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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