

25 May 2026

# Media Release

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## Weekly Update – Global Fertiliser Markets – w/e 22.05.2026

### A TALE OF TWO MARKETS: Weak Demand vs Tight Supply

#### Markets split between weakening Urea demand and tightening Phosphate and Ammonia supply

*UREA PRICES UNDER PRESSURE FROM SUBDUED DEMAND, BUT AN INDIA TENDER COULD TURN THINGS AROUND*

*GRANULAR PHOSPHATE PRICES TO CONTINUE TO RISE ON THE BACK OF LACK OF SUPPLY; CHINA STILL NOT EXPORTING*

*POTASH REMAINS THE MOST AFFORDABLE MAJOR NUTRIENT*

*AMMONIA PRICES EXPECTED TO INCREASE*

Global fertiliser markets diverged this week, with urea values softening across most major markets while phosphate and ammonia prices continued strengthening on the back of constrained global supply, elevated sulfur prices, and ongoing disruption through the Strait of Hormuz.

“Urea buyers globally are increasingly sitting on their hands waiting for either China to export or Hormuz to reopen,” said Stein Haugan, CEO of Australian Fertilizer Corporation.

“Phosphates and ammonia are very different markets right now. Physical availability remains extremely tight, and supply-side disruption continues driving prices,” he said.

#### **UREA**

Indicative Range: USD 550 – 750 PMT

The international urea market softened further this week as buyers delayed purchases in anticipation of lower prices once Middle Eastern shipping conditions normalise or Chinese exports eventually resume.

Middle Eastern benchmark levels weakened, with Indorama reportedly offering tonnes around USD 650 PMT FOB without attracting meaningful buying interest. Iranian official FOB values were heard around USD 605 PMT FOB, while market rumours suggest distressed discussions may already be occurring closer to USD 550 PMT FOB.

Brazil remained relatively quiet despite easing prices, with an OMIFCO cargo reportedly sold around USD 630-640 PMT CFR. Thailand also remained subdued despite peak buying season, with offers ranging between USD 725-750 PMT CFR Kosichang as affordability concerns and El Niño weather risks continue impacting demand.

Brunei Fertilizer Industries' latest granular tender reportedly received bids marginally above USD 700 PMT FOB, sharply below earlier Southeast Asian benchmark sales near USD 790 PMT FOB.

US NOLA values also weakened this week, implying equivalent bulk CFR pricing near USD 610 PMT.

Despite softer international values, Australian granular urea pricing ex-warehouse remains elevated just below AUD 1,400 PMT.

The urea market remains highly dependent on three key developments:

- Another Indian urea tender
- Reopening of the Strait of Hormuz
- Potential Chinese export resumption

## **PHOSPHATES**

Indicative Range:

DAP: USD 930 – 975/t CFR

MAP: USD 900 – 960/t CFR

Global phosphate prices continued strengthening this week amid critically tight global availability and the continued absence of Chinese exports.

India's recent IPL tender continues setting the global benchmark after securing 1.347 Mt DAP at USD 930-935/t CFR — the highest phosphate pricing seen since July 2022 and almost 40% above January levels.

US phosphate benchmarks also strengthened this week. MAP barge values traded around USD 808-810/st FOB NOLA, while DAP offers increased toward USD 790-798/st FOB.

Brazilian MAP pricing remained steady near USD 900/t CFR for a fifth consecutive week as affordability concerns continue limiting downstream demand.

China remains the dominant issue in the phosphate market. No DAP exports were reported from China during April, while MAP exports reportedly collapsed 99% year-on-year. Expectations of Chinese exports resuming later this year continue fading as Beijing prioritises domestic supply security and price stability.

Sulfur prices also remain historically elevated due to ongoing disruption through Hormuz, placing additional pressure on global phosphate producer margins. Major producers including Mosaic and OCP are reportedly reducing operating rates in response.

Saudi Arabian phosphate exports are also being impacted by Gulf disruption, with suppliers increasingly shifting tonnes toward Red Sea ports using extensive trucking operations.

The phosphate market remains firmly bullish due to lack of physical supply availability.

## **POTASH**

Indicative Range: USD 380 – 450/t CFR

Global potash markets strengthened modestly this week following India's annual MOP contract settlement at USD 383/t CFR, up USD 34/t from last year's benchmark settlement.

Brazilian buyers remained cautious after substantial earlier purchasing near USD 400/t CFR, although suppliers continue attempting to increase June-July offers toward USD 450/t CFR ahead of the Safrinha season.

US NOLA potash values strengthened toward USD 335-345/st FOB amid stable underlying demand.

China continues importing aggressively, with April MOP imports reaching approximately 1.2 Mt following record Q1 imports of 4.5 Mt. Market participants increasingly believe China is strategically building inventories ahead of potential future supply disruptions and higher pricing.

Potash continues benefiting from relative affordability compared to urea and phosphates, supporting ongoing grower demand globally.

### **AMMONIA**

Indicative Range: USD 800 – 1,030/t CFR

Global ammonia markets remain critically tight following the collapse of India's IPL consortium tender this week.

India sought 521,000 t but received offers for only 239,000 t, with pricing ranging from USD 890/t CFR to above USD 1,030/t CFR. No award was ultimately made.

The failed tender highlighted the severe lack of spot availability globally.

Southeast Asian suppliers were notably absent from the process as major regional outages continue constraining supply. Petronas in Malaysia remains offline, Indonesia's PAU facility remains under maintenance until at least mid-June, while Yara's Pilbara operations continue facing delays.

Spot ammonia values across Asia remain elevated, with South Korean discussions near USD 800-830/t CFR and Taiwan-China discussions closer to USD 850/t CFR.

Unlike urea, ammonia buyers are increasingly focused on securing physical tonnes rather than waiting for lower prices.

### **Outlook**

Global fertiliser markets remain heavily influenced by:

- Strait of Hormuz disruption
- Chinese export policy
- Indian tender activity
- High sulfur and energy pricing

Urea markets remain soft in the near term, while phosphate and ammonia markets continue reflecting genuine physical tightness and constrained global supply.

ENDS



Markets driven by fear of shortage behave very differently from markets waiting for lower prices.

#### 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 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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