

Media Release

Weekly Update – Global Fertiliser Markets – w/e 10.07.2026

- **Middle East producers announce major capacity expansions, cementing the region's long-term role as the world's lowest-cost fertiliser supplier.**
- **Urea prices show early signs of recovery, supported by Brazilian buying interest and short covering.**
- **Processed phosphate prices remain firm as tight supply offsets weak purchasing appetite.**
- **Potash markets are mixed, with Southeast Asia softer while most global benchmarks remain stable.**
- **Ammonia prices recorded their sharpest correction since the Strait of Hormuz crisis, reflecting improving supply and weak demand.**

UREA

Indicative Range: USD 410–440/t CFR

Market Finds Support as Brazil Re-enters the Market

Urea markets strengthened modestly during the week. Rising tensions involving Iran continue to restrict vessel movements through the Strait of Hormuz, although some cargoes are still moving. India's latest tender has secured almost 1.6 million tonnes, while attention remains on cargoes positioned west of the Strait and whether they can complete delivery.

Egyptian and Algerian producers concluded a series of higher-priced FOB sales, while Brazilian CFR values improved as buyers returned for limited short-covering purchases. European demand also provided support, suggesting prices have established a near-term floor. However, any significant increase in Chinese exports would likely cap further upside.

Longer term, completion of Iran's Hengam plant and QatarEnergy's major expansion program highlight the substantial increase in Middle Eastern production capacity now underway. Should sanctions on Iranian exports ease, global trade flows could change materially.

PHOSPHATES

Indicative Range: DAP USD 920–935/t CFR | MAP USD 880–900/t CFR

Tight Supply Meets Persistent Affordability Constraints

Granular phosphate markets remained largely unchanged. Tight global availability and record raw material costs continue to support prices despite exceptionally poor affordability. Buyers remain reluctant to commit at current values, particularly in Brazil, where high financing costs continue to suppress purchasing activity.

Mosaic's announced production cuts in the United States and Brazil should further tighten supply. While most benchmarks appear close to cyclical ceilings, limited product availability means any meaningful price correction is unlikely before later in the third quarter.

POTASH

Indicative Range: MOP USD 390–425/t CFR

Regional Weakness Masks Stable Global Fundamentals

Potash markets were mixed. Southeast Asian prices eased on weaker seasonal demand, while Brazil, North America and most other international markets remained broadly stable. Suppliers continue redirecting available volumes towards Asia where longer-term demand expectations remain positive.

Although demand has softened temporarily, prompt availability remains relatively tight, suggesting prices should remain well supported through the second half of the year.

AMMONIA

Indicative Range: USD 665–730/t CFR

Improving Supply Sends Prices Sharply Lower

Ammonia recorded the week's largest move, with the July Tampa settlement falling by USD 110/t to USD665/t CFR. The decline reflects improving supply availability across both sides of Suez and subdued demand in Europe and Asia.

Spot offers throughout Asia also moved sharply lower as additional product returned to the market. While values may continue easing in coming weeks, renewed geopolitical tensions surrounding the Strait of Hormuz remain the principal upside risk.

Indicative Market View

- Urea: Firming
- Processed Phosphates: Firm
- Potash: Stable
- Ammonia: Soft

“The fertiliser market continues to be driven by two competing forces: short-term geopolitical disruption affecting logistics through the Strait of Hormuz and longer-term investment in significant new Middle Eastern production capacity,” said Australian Fertilizer Corporations (AFC) CEO Stein Haugan.

“AFC will continue monitoring both developments closely, as they are likely to shape global fertiliser pricing over the months and years ahead,” he said.

“This week’s fertiliser markets presented a mixed picture,” Mr. Haugan continued.

“Urea prices appear to have established a short-term floor, supported by Brazilian demand, European buying and short covering despite continued geopolitical uncertainty surrounding the Strait of Hormuz.”

“Processed phosphates remain historically expensive as tight supply and elevated raw material costs continue to outweigh subdued buying interest.”

“Potash markets softened only in Southeast Asia on weaker seasonal demand, while most other regions remained broadly stable.”

“Ammonia experienced the largest correction since the Middle East conflict began, with abundant supply and subdued demand driving prices sharply lower.”

“These longer-term developments also deserve closer attention,” said Mr. Haugan.

“Significant new investment programs announced by QatarEnergy and other Middle Eastern producers signal substantial future expansions in nitrogen fertiliser capacity. While these projects will take several years to commission, they reinforce the strategic importance of the Gulf as the world's lowest-cost production hub and are likely to reshape global fertiliser trade flows over the coming decade.”

ENDS



While headlines remain focused on the Strait of Hormuz, the bigger story is unfolding behind the headlines. Billions of dollars are now being invested in new fertiliser production across the Middle East, cementing the region's position as the world's dominant nitrogen manufacturing hub for decades to come.

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 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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