Australian Fertilizer Corporation
FOOD SECURITY

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Media Release

Weekly Update – Global Fertiliser Markets – w/e 16.10.2026

UREA PRICES RISE ACROSS GLOBAL MARKETS AS CHINESE PRODUCERS REJECT INDIA'S LOW-PRICE EXPECTATIONS

- **UREA: Prices strengthen across most regions; Chinese producers resist India's tender pricing; European gas costs increase and supply disruptions continue.**
- **PROCESSED PHOSPHATES: Prices remain under pressure as subdued demand from Brazil and India offsets restricted global supply.**
- **POTASH: High inventories subdued Chinese demand and additional production capacity point towards weaker prices in the coming months.**
- **AMMONIA: Rising European gas costs and tightening Asian supply support expectations of higher ammonia prices on both sides of the Suez Canal.**
- **AFC attends International Fertilizer Association's Crossroads Asia-Pacific Conference, held in Chang Mai, Thailand, 13-15 October.**

UREA – Prices Firming
China Prilled Urea: Up to USD 340 PMT FOB
North Africa: USD 480–530 PMT FOB
Brazil – Chinese Granular Urea: Approximately USD 470 PMT CFR
Brazil – Non-Sanctioned Urea: Approximately USD 480 PMT CFR
Iran: Approximately USD 350 PMT FOB

Global urea markets strengthened during the week. Prices increased across several major producing regions as supply constraints, higher European gas costs and renewed trading activity supported market sentiment.

The most significant development was the response of Chinese producers to India's recent urea tender.

Chinese suppliers have shown little interest in accepting prices equivalent to USD 320–325 PMT FOB, instead securing sales of prilled urea at prices as high as USD 340 PMT FOB.

Consequently, India secured approximately 410,000 metric tonnes (MT) against its intended purchase of 1.7 million MT, raising expectations that another tender will be required.
North African producers also benefited from stronger demand, with FOB prices increasing from approximately USD 480 PMT to as high as USD 530 PMT.

Traders covering short positions contributed to the increase, alongside expectations that European buyers will return to the market as regional natural gas costs rise.

Brazil remains comparatively subdued. Restricted agricultural credit and domestic financial pressures have contributed to significantly reduced import demand.

Iranian producers reduced their offer prices by another USD 5 PMT. However, the absence of recent shipments from Iranian ports continues to raise questions about actual export availability.

Ongoing regional conflicts and restrictions affecting the Strait of Hormuz are maintaining supply-chain uncertainty and supporting prices.

Outlook: Urea prices are expected to remain firm, with Chinese prilled urea appearing to have established a price floor.

PROCESSED PHOSPHATES – Stable to Soft
Brazil – MAP: USD 830–850 PMT CFR
India – DAP: USD 890–905 PMT CFR

Processed phosphate markets remain characterised by a standoff between producers seeking to maintain prices and buyers anticipating further reductions.

Despite restricted global availability, including the continued absence of Chinese exports, demand from major importing markets remains subdued.

Brazilian monoammonium phosphate (MAP) prices have remained virtually unchanged for two months, while Indian diammonium phosphate (DAP) prices are similarly stable.

The absence of meaningful buying activity continues to undermine market confidence, despite constrained supply.

Outlook: Prices are expected to remain under downward pressure until purchasing activity improves in major importing markets.

POTASH – Softening
Brazil – MOP: USD 355–375 PMT CFR
Southeast Asia – Standard MOP: USD 370–420 PMT CFR
Southeast Asia – Granular MOP: USD 425–435 PMT CFR

Global potash markets face increasing downward pressure as elevated inventories, weaker Chinese demand and additional production capacity weigh on pricing expectations.

The combination of subdued purchasing activity and improving supply availability suggests that producers may face increasing resistance to maintaining current price levels.

Outlook: Potash prices are expected to soften over the next several months unless demand strengthens sufficiently to absorb additional supply.

AMMONIA – Firming
Europe: Prices strengthening amid rising natural gas costs and production curtailments.
East of Suez: Prices expected to strengthen amid tightening regional supply.

Ammonia markets are strengthening on both sides of the Suez Canal, although different supply factors are influencing regional pricing.

West of Suez, European natural gas prices have reached their highest levels since December 2022, increasing production costs and prompting further curtailments at regional ammonia facilities.

Reduced European production is supporting demand for imported ammonia and placing upward pressure on prices.

East of Suez, supply availability is tightening as export volumes from Indonesia, China and the Middle East become increasingly constrained.

Disruptions affecting the Strait of Hormuz are also altering established trade flows and adding uncertainty to regional supply arrangements.

China's changing export position is particularly significant. Between January and September 2026, China supplied approximately 360,000 MT of ammonia to South Korea, compared with just 25,000 MT during the corresponding period in 2025.
Despite this substantial increase in Chinese shipments earlier in the year, expectations of reduced export availability are now contributing to firmer regional sentiment.
Outlook: Ammonia prices are expected to strengthen on both sides of the Suez Canal as European production curtailments and Asian supply constraints influence global trade.

AFC AT IFA CROSSROADS 2026 – THAILAND

Australian Fertiliser Corporation CEO Stein Haugan attended the International Fertilizer Association's Crossroads Asia-Pacific Conference, held in Chiang Mai, Thailand, from 13–15 October.

The conference brought together international fertiliser producers, traders, distributors and industry representatives to examine developments affecting the Asia-Pacific fertiliser supply chain.

Discussions focused on regional market conditions, supply security, geopolitical disruption and the evolving requirements of agricultural producers throughout Asia.

Mr Haugan said the conference provided an opportunity to engage directly with international industry participants during a period of considerable market uncertainty.

"The global fertiliser industry is navigating a complex combination of geopolitical disruption, changing trade flows and regional supply constraints.”

"While this week's market report is abbreviated due to my attendance at the IFA Crossroads Conference, discussions in Chiang Mai reinforce the importance of maintaining close engagement with international producers and suppliers.”

"For Australian agriculture, understanding these changing global market dynamics remains essential to maintaining reliable and competitive fertiliser supply."

ENDS

India called the price. China declined India's invitation.

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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