Australian Fertilizer Corporation
FOOD SECURITY

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Media Release

Weekly Update – Global Fertiliser Markets – w/e 06.11.2026

Global fertiliser markets remain under pressure as ammonia prices rise and agricultural buyers resist higher costs

- **UREA: Prices remain under substantial pressure as India delays its anticipated tender, leaving Chinese producers facing high inventories and limited alternative export markets.**
- **PROCESSED PHOSPHATES: Elevated production costs and weakening agricultural demand are placing downward pressure on prices, with buyers increasingly considering lower-cost alternatives.**
- **POTASH: High inventories in China and Russia continue to weigh on prices, while weak seasonal demand has delayed a proposed cross-border supply agreement.**
- **AMMONIA: Prices are strengthening as European natural gas costs, production curtailments and reduced international availability tighten supply.**

UREA – Softening
Indicative Market View – Prices Under Pressure

China – Granular Urea: USD 425–430 PMT FOB
China – Prilled Urea: USD 340–350 PMT FOB
Oman – Granular Urea: USD 425–430 PMT FOB
Egypt: Approximately USD 535 PMT FOB
Brazil: Approximately USD 480 PMT CFR
US/NOLA – January 2027 Barges: Approximately USD 480 PMT CFR equivalent
Philippines: Approximately USD 480–489 PMT CFR
Thailand: Approximately USD 450 PMT CFR

Global urea markets remained subdued during the week, with limited purchasing activity, elevated inventories and continued uncertainty surrounding India's anticipated return to the international market.

India remains the principal focus for traders and producers, with the country's Diwali celebrations contributing to speculation that its next major purchasing tender could be delayed by several weeks.

The uncertainty is particularly significant for Chinese producers, where substantial inventories of prilled urea are awaiting an opportunity to enter international markets.

"India's next tender remains the most important near-term influence on international urea prices," said Australian Fertilizer Corporation CEO Mr Stein Haugan.

"Chinese producers are carrying substantial inventories, while alternative markets currently lack the purchasing capacity to absorb significant additional volumes."

Elsewhere, continuing restrictions affecting the Strait of Hormuz are limiting Middle Eastern exports, although some vessels have successfully navigated the waterway.

Oman's OMIFCO and SIUCI remain among the few regional producers maintaining consistent exports, with prices indicated around USD 425–430 PMT FOB.

Brazilian demand remains subdued, with offers around USD 480 PMT CFR attracting limited interest as buyers anticipate further price reductions.

Some market estimates suggest Brazil's total urea imports for 2026 could finish approximately 20% below last year's levels, reflecting affordability concerns, restricted farm credit and increasing substitution towards ammonium sulphate.

In Southeast Asia, Philippine buyers remain active around USD 480 PMT CFR, while purchasing seasons in Thailand and Australia are approaching their conclusion.

Egyptian producers continue seeking higher prices around USD 535 PMT FOB, although European buyers remain reluctant to commit at prevailing levels.

Outlook: Urea prices are expected to remain under pressure until India's next tender establishes a clearer international price benchmark. High Chinese inventories and subdued demand in Brazil and Southeast Asia are likely to maintain downward pressure in the near term.

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

India – DAP: USD 890–900 PMT CFR
Brazil – MAP: USD 830–850 PMT CFR
North America – Retail DAP/MAP: USD 925–967 per US ton

International processed phosphate markets remain characterised by elevated production costs, restricted supply and increasing resistance from agricultural buyers.

Major international producers continue facing pressure on operating margins as high raw material costs and supply chain disruptions coincide with subdued demand.

In Europe, purchasing activity is reportedly approximately 30% below normal seasonal levels, while Brazilian import demand remains weak as the country's principal buying season concludes.
“Producers are facing a difficult combination of elevated manufacturing costs and increasing resistance from agricultural buyers,” said Mr Haugan.

“While restricted supply would normally support higher prices, farmers are increasingly questioning the affordability of traditional phosphate fertilisers.”

An important development is the increasing substitution of Triple Superphosphate (TSP) for traditional Diammonium Phosphate (DAP) and Monoammonium Phosphate (MAP).

Because TSP production does not require ammonia, it offers an alternative source of phosphorus where elevated nitrogen-related production costs are affecting traditional phosphate fertiliser prices.

“Supply constraints nevertheless remain significant,” said Mr Haugan.

Continuing disruptions to sulphur availability through the Strait of Hormuz are influencing production costs, while China's restrictions on agricultural phosphate exports continue to limit international availability.

China's expanding lithium iron phosphate battery industry is also competing for domestic phosphate resources, adding another dimension to the global supply outlook.

Meanwhile, the fourth-quarter Tampa sulphur contract settled at approximately USD 615 per ton, providing limited relief from previously elevated prices but remaining high by historical standards.

Outlook: Processed phosphate prices are expected to remain stable to soft as agricultural buyers continue resisting prevailing prices. High production costs and restricted international supply are likely to limit the extent of further reductions.

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

Southeast Asia – Standard MOP: USD 370–415 PMT CFR
Southeast Asia – Granular MOP: USD 425–435 PMT CFR
Brazil – Granular MOP: USD 350–375 PMT CFR
North America – Wholesale MOP: Approximately USD 357.50 PMT
North America – Retail Potash: Approximately USD 510 per US ton

Global potash markets remained subdued during the week, with high inventories in China and Russia, weakening seasonal demand and limited purchasing activity placing pressure on international prices.

A significant development was the reported decision by Russian producer Uralkali and Chinese importers not to conclude a proposed November cross-border Muriate of Potash (MOP) supply agreement.

Market participants attributed the decision to unfavourable market conditions, elevated inventories and weak seasonal demand.

“The decision to defer the proposed Russian-Chinese supply agreement reflects the current imbalance between available inventories and immediate purchasing requirements,” said Mr Haugan.

“Buyers have little incentive to commit to additional volumes while existing inventories remain high.”

Brazilian demand also remains subdued, with elevated domestic inventories limiting import requirements and granular MOP prices indicated around USD 350–375 PMT CFR.

Elsewhere, logistical disruptions affecting Russian and Belarusian exports continue to present potential supply risks.

Despite these constraints, international potash markets have generally remained well supplied, with subdued purchasing activity limiting upward price movements.
Bangladesh provided a notable exception, advancing a procurement of approximately 150,000 MT at a reported USD 382.38 PMT.

North American wholesale prices have remained comparatively stable, although retail prices have increased modestly in some agricultural markets.

Outlook: Potash prices are expected to remain stable to soft in the near term. Elevated inventories and subdued demand continue to outweigh immediate supply concerns, although prolonged logistical disruptions affecting Eastern European exports could provide some price support.

AMMONIA – Firming
Indicative Market View – Prices Strengthening

US/Tampa – November Contract: USD 645 PMT CFR
Northwest Europe: USD 710–730 PMT CFR
China – Export Ammonia: USD 510–535 PMT FOB
India – Buyer Resistance: Above USD 520 PMT CFR
US Midwest – Inland: Approximately USD 875 per short ton

Global ammonia markets strengthened during the week, contrasting sharply with the subdued conditions prevailing across urea, phosphates and potash.
The most significant development was the November contract settlement between Yara and Mosaic at USD 645 PMT CFR Tampa, representing an increase of USD 95 PMT over October.

The increase reflects tightening international supply, elevated European natural gas prices and continuing production curtailments.

“Ammonia is currently moving in the opposite direction to the other principal fertiliser markets,” said Mr Haugan.

“Unlike urea, phosphates and potash, where subdued demand is placing pressure on prices, ammonia is being driven higher by rising energy costs and reduced manufacturing capacity.”

European natural gas prices have increased substantially, placing pressure on regional ammonia producers whose manufacturing economics are closely tied to gas feedstock costs.

Several European manufacturers have reduced production or suspended operations, increasing the region's reliance on imported ammonia.

Northwest European prices have consequently strengthened to approximately USD 710–730 PMT CFR.

Supply constraints have also emerged in Trinidad and Tobago, where continuing natural gas shortages prompted Nutrien to indefinitely suspend nitrogen operations in late October.

The reduction in Caribbean supply has added further pressure to international ammonia availability, particularly for North American buyers.

In the United States, strong seasonal agricultural demand and restricted terminal availability have contributed to Midwest inland prices approaching USD 875 per short ton.

Elsewhere, Chinese export prices remain around USD 510–535 PMT FOB, while Indian buyers continue resisting offers above approximately USD 520 PMT CFR.

Continuing restrictions affecting Middle Eastern shipping routes are also limiting international ammonia movements.

Outlook: Ammonia prices are expected to remain firm through the remainder of 2026 while European natural gas costs remain elevated and regional production is constrained. Additional manufacturing capacity expected in 2027 could eventually provide some relief.

“Global fertiliser markets underline the importance of affordability and supply security,” Australian Fertilizer Corporation CEO Stein Haugan said.

“The contrasting performance of international fertiliser markets highlights the growing importance of agricultural affordability, energy costs and reliable supply chains.”

“Across urea, phosphates and potash, farmers and agricultural buyers are increasingly resisting prevailing prices, while ammonia is strengthening because of rising energy costs and reduced production.”

“These developments demonstrate how international fertiliser prices are influenced by factors extending well beyond agricultural demand, including energy availability, geopolitical developments and the purchasing decisions of major importing countries.”

“For Australia, which remains dependent on imported urea, establishing domestic manufacturing capacity would reduce exposure to international supply disruptions and provide greater long-term certainty for Australian agriculture,” Mr Haugan said.

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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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