



# PROFERCY USA

*US nitrogen prices and the Global perspective*

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*Publisher of The Profercy Report*

20 November 2009		World/US Price Comparison					
Product and origin	Cargo size metric tonne	Fob \$mt	Freight \$mt	cfr Gulf \$mt	Equals \$pst fob Gulf	Current Price \$pst fob Gulf	Current US price - Import cost
<b>Granular Urea</b>							
Middle East	35,000	275.0	30.0	305.0	279.7	280.0	0.3
Venez/Trinidad	20-25,000	285.0	20.0	305.0	279.7		0.3
Egypt	25,000	285.0	28.0	313.0	287.0		-7.0
China panamax	55,000	277.0	45.0	322.0	295.1		-15.1
<b>Average delta</b>							<b>-5.4</b>
<b>Prilled Urea</b>							
Libya	20,000	235.0	25.0	260.0	238.9	270.0	31.1
Romania	25,000	260.0	35.0	295.0	270.6		-0.6
Middle East	25,000	270.0	35.0	305.0	279.7		-9.7
<b>Average delta</b>							<b>6.9</b>
<b>UAN</b>							
Russia (Baltic)	30,000	175.0	22.0	197.0	181.7	167.0	-14.7
Romania	25,000	175.0	25.0	200.0	184.4		-17.4
Egypt	30,000	180.0	25.0	205.0	189.0		-22.0
<b>Average delta</b>							<b>-18.0</b>
<b>Ammonia</b>							
FSU	35,000	292.0	60.0	352.0		<b>\$pt cfr Tampa</b> 355.0	<b>3.0</b>
Middle East	25,000	285.0	80.0	365.0		Nov price	<b>-10.0</b>
<b>Average delta</b>							<b>-3.5</b>

Notes: Prices quoted are spot. Freight rates are estimates.

World Market Status		
Product	Status	Remarks
Granular Urea	<b>Firm</b>	Higher US prices have resulted in a few more spot cargoes being lined up for the US from Egypt. \$285pt fob has been paid reflecting \$315pt cfr Gulf, reflecting £290ps ton fob. Elsewhere, European buyers are showing interest but have yet to raise their price ideas. In Asia Thai prices have firmed towards \$300pt cfr.
Prilled Urea	<b>Firming</b>	As expected booming granular prices have finally awakened interest in prilled urea. Baltic prices have risen to \$235pt fob and above after languishing in recent weeks. India is due to announce a new tender and needs 1.1m. tonnes at least for delivery through March 2010.
UAN	<b>Firm</b>	UAN prices have dimbed a further \$15pt over the past week with Romanian product sold for December shipment at \$180pt fob. The US is the main demand area, but Argentina has been seeking spot tonnage while French prices have also begun to advance.
Ammonia	<b>Stable</b>	There has been no change in the ammonia market and the nearby outlook remains moderately bearish. However, no price collapse is anticipated. The December Tampa price could slip in talks next week.



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## Urea

### US Gulf market booms

Prompt barges of granular urea have traded at \$278-283ps ton fob this week and \$285pt ton is now being asked. \$285ps ton fob has been achieved for second half December and \$291ps ton fob for January. New January quotes are at \$295ps ton fob Product ex-warehouses is being quoted at \$330ps ton.

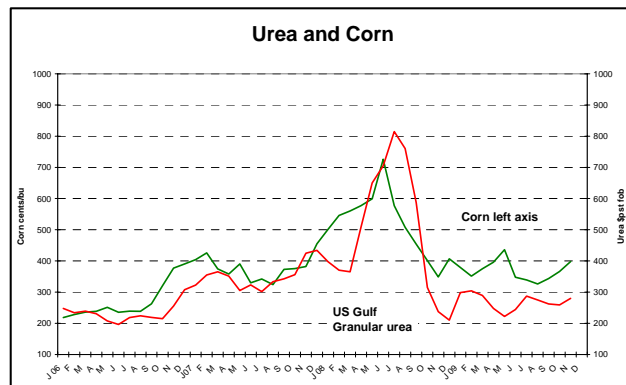
**Imports:** Koch will ship its 25,000t Helwan, Egypt cargo to Wilmington and Savannah. The 12,000t for Savannah were reportedly sold to Yara around \$300pt cfr. This cargo was originally expected to be shipped to the UK/Europe. CHS is reported to have bought 25,000t from PCS Trinidad for December shipment to the Gulf. This is not an extra shipment as the cargo was expected to head for the Gulf in any case. A second cargo has also been sold to another buyer for the US. Helm will load an Egyptian cargo for the US Gulf in early December and Trammo 25,000t for Fairless Hills.

Gavilon will load 25,000t of prilled urea for the US in Romania in early December. Current Romanian prilled prices reflect \$280ps ton fob Nola.

The above granular cargoes above have been added to the list of identified shipments arriving in the US Gulf/east coast. The line up through end January is still well below that witnessed last year.

US Gulf/ec Projected Gran Urea Imports			
Origin	Shipper	'000t	Arrival
Customs		413	July/Sep
Reported/expected		923	Oct-Jan
<b>Total</b>		<b>1336</b>	
08/09 Identified Granular Imports into Gulf/ec from official statistics			
Month		'000t	R. Total
July		47	
Aug		279	326
Sep		384	710
Oct		319	1029
Nov		340	1389
Dec		170	1559
Jan 09		456	2015
<b>Total</b>		<b>2015</b>	
<b>09-08</b>		<b>679</b>	Deficit

Corn for December closed at \$3.98/bu on 18 November.



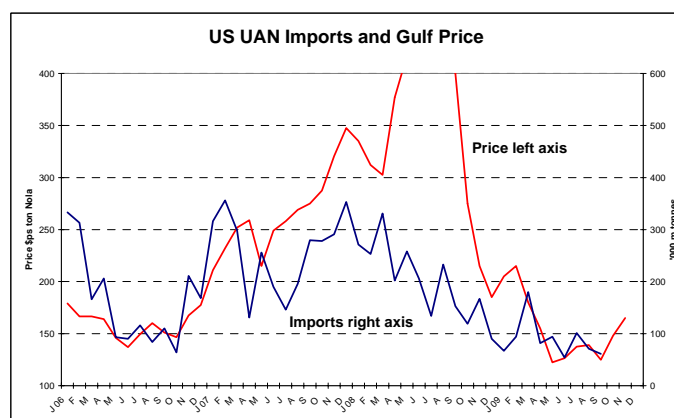
## UAN

### Huge price gains in past week's trading

Prices have continued to surge upwards over the past week with Romanian product now sold for December at \$180pt fob. The upward price progression has encouraged additional spot interest to add to the major demand pull from North America.

On the supply side there is some reaction to the price gains with one Ukrainian producer (Cherkassy) indicating it may produce for December lifting. The price targeted is \$180pt fob.

Marginal additions to supply are unlikely to change the market's direction short term as the US remains short of product. January-September imports were down 1.2m. tonnes on 2008 and huge mid year exports added to the trade change.



For further details of  
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