



[www.argusmedia.com](http://www.argusmedia.com)

## ***FMB WEEKLY NITROGEN REPORT***

***LAST UPDATED: FEBRUARY 2012***

The most up-to-date FMB Weekly Nitrogen Report methodology is available on [www.argusmedia.com](http://www.argusmedia.com)

## Introduction

The FMB Weekly Nitrogen Report covers the world market for nitrogen fertilizers. The products covered are urea, ammonium nitrate, ammonium sulphate and UAN solutions. It is published on Thursday evening in London.

The report covers the major benchmark prices for these fertilizers worldwide. It also contains a description and analysis of key market developments during the week.

The weekly price range is based on transactions that have taken place during the week in question. They include netback calculations to some origins where no fob (free on board) price sales are reported.

Market information is gathered mainly through daily telephone conversations with producers, traders and buyers in many countries; email and instant messaging systems are also frequently used.

The minimum quantity for a price to be used in setting the weekly ranges is 5,000 tonnes. The time period assessed is prompt to one month forward. Prices are normally assessed in US dollars and refer to shipments made in bulk except where specified.

Argus publishes prices that report and reflect prevailing levels for open-market arm's length transactions (please see the Argus Global Compliance Policy for a detailed definition of arm's length).

## Prices assessed

### Urea

Urea is produced in liquid form and is then solidified either through prilling or granulation. Granular urea has superior handling and storage characteristics and normally commands a premium to prilled urea. Urea has a nitrogen content of 46%.

### Prilled urea

The FMB Weekly Nitrogen Report assesses six fob prices for prilled urea and one cfr price. The fob prices assessed are for: Yuzhnyy – the principal Black Sea export terminal for Ukrainian urea. Baltic – the fob price covers a range of ports from St Petersburg to Klaipeda.

Croatia/Romania – the fob price relates to shipments from Sibenik and Constantza.

Arabian Gulf – the price relates to sales from Qatar and Saudi Arabia.

Arabian Gulf fob bagged – as above but with an additional cost for bags and bagging.

China – the fob price covers a range of ports in China.

The cfr price assessed is for all Brazilian ports.

### Granular urea

The FMB Weekly Nitrogen Report assesses eight fob prices for granular urea and two cfr prices. The fob prices assessed are for: Arabian Gulf all netbacks – this is a price range based on the two

subsequent price assessments. It includes shipments made from Oman.

Arabian Gulf – US netback – this is a calculated price based on the US Gulf cfr metric tonne price minus the freight rate for a 35,000-45,000 tonne vessel between the Arabian Gulf and the US Gulf.

Arabian Gulf – non-US netbacks – this price is assessed from spot market sales for Arabian Gulf urea.

Iran

Egypt

Indonesia/Malaysia

Venezuela/Trinidad

US Gulf (pst barge) – this price is based on sales of barge loads (1,500 short tons) of urea in the New Orleans area in US dollars per short ton.

The cfr southeast Asia price refers to sales made principally in Thailand, the Philippines and Vietnam.

US Gulf (cfr metric) – this is a calculated price from the US dollars per short ton price above.

### Ammonium sulphate

The prices assessed refer to caprolactam grade ammonium sulphate, sometimes referred to as standard or white ammonium sulphate, except where specified. Ammonium sulphate is produced primarily as a by-product or co-product of other processes. Typically it has a nitrogen content of 21% and a sulphur content of 12-13%. FMB publishes four ammonium sulphate prices:

Fob Baltic (Caprolactam)

Fob Black Sea (Caprolactam)

Fob Kherson, Ukraine, (steel grade)

Cfr southeast Asia, which refers to sales made in Malaysia, Indonesia, Thailand, Vietnam and the Philippines.

### Ammonium nitrate

The prices reported refer to Russian and Ukrainian ammonium nitrate exported through various ports in the Baltic and Black Sea. Ammonium nitrate typically contains 34% nitrogen. It is classified as a hazardous substance and more stringent regulations apply to its storage, handling and transport. FMB publishes two price assessments for ammonium nitrate:

Fob Baltic port in bulk

Fob Black Sea port in bulk.

### UAN solutions

Urea ammonium nitrate (UAN) is a liquid fertilizer made by combining liquid urea and liquid ammonium nitrate. UAN is normally shipped internationally in a 32% nitrogen solution. It is diluted to 28-30% concentration in some countries prior to usage. FMB publishes three price assessments for UAN solutions as follows:

Nola (short ton) – this is a price for 32% solution fob New Orleans area in US dollars per short ton for transportation by barge

Rouen 30% N fot (€ Euros) – this is a price for 30% solution ex-terminal in Rouen, France, in euros per tonne

Fob Black Sea – this is a price for 32% solution fob Black Sea port in US dollars per tonne.

*Last update: February 2012*