




SINGAPORE
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NPK trade flow dynamics in Asia and the global implications

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Leading energy price reporting agency



- World's largest privately-held energy price reporting agency
- Price indexation, news, data and analysis for energy and commodity markets
- Founded in 1970, more than 800 full-time staff
- In Asia and ME since 1986 with offices in Singapore, Tokyo, Beijing, Sydney and Dubai
- 10,000 daily or weekly price assessments and around half a million forward curve prices generated
- FMB, the fertilizer part of the business, has been providing pricing and insight for over 30 years

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Agenda

- Introduction to NPKs in Asia
- Key markets focus – takeaways
- Raw materials and NPK price developments
- Global context
- Outlook
- Conclusions

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Introduction

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Events

NPKs: a unique fertilizer sector

- NPKs are not commodity fertilizers
- Importance of brands and tradition
- Focus on key Asian markets
- Current dynamics: imports and domestic production
- Changing global landscape and potential impact

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Key Market

INDIA

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INDIA: NPK basics

- Total imports of NP/NPK around 630,000t in 2015-16
- Main imports 20-20-0+13S, 10-26-26, 15-15-15 and 16-16-16
- Supply/quality constraints and role of the subsidy
- Large-scale domestic production
- Positive monsoon should boost fertilizer demand

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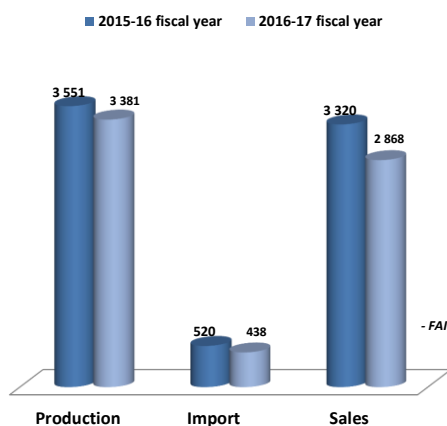
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INDIA: dynamics in detail

- NPK production, imports and sales down in April-August 2016
- High stocks to start the fiscal year
- Growth of water soluble fertilizer sector
- Yara/Tata deal - significance for NPKs

NP/NPK comparison, April-August t



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Key Market

CHINA

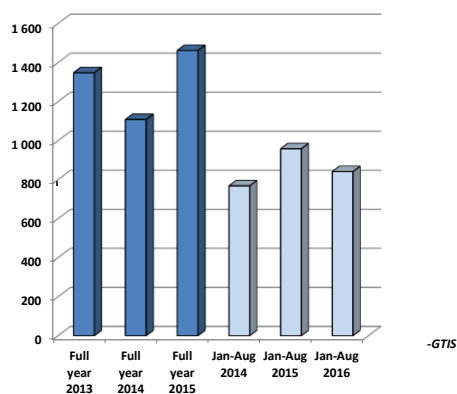
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CHINA: NPK basics

- Main import grades include 16-16-16 (MOP) and 15-15-15 (SOP)
- Russia, Norway, Belgium and Finland among leading international suppliers
- 30pc export tax on NPKs, limits shipments vs 1pc import tax

China NPK imports '000t



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CHINA: *dynamics in detail*

- Oversupplied domestic NPK market; 4,000+ compound producers
- Low utilisation rates and high stocks
- Rationalisation is likely
- Export tax - relaxation?

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Key Market

THAILAND

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THAILAND: *NPK basics*

- Major imports include 16-16-16, 15-15-15 and 16-20-0+S
- Cash crops agriculture – not plantation based
- Imports and domestic NPK sector satisfy the significant demand
- Limited NPK exports, most stays regional

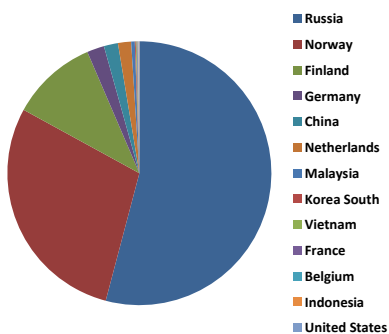
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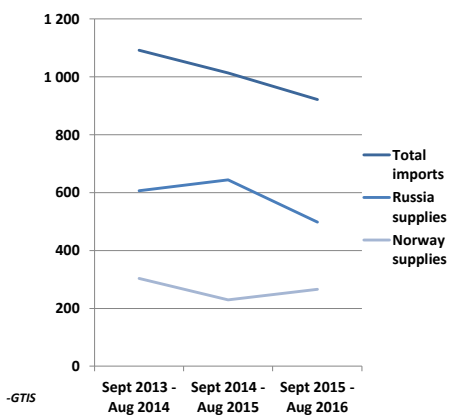


THAILAND: *dynamics in detail*

Thailand: supplier share of imports



Thailand NPK imports '000t

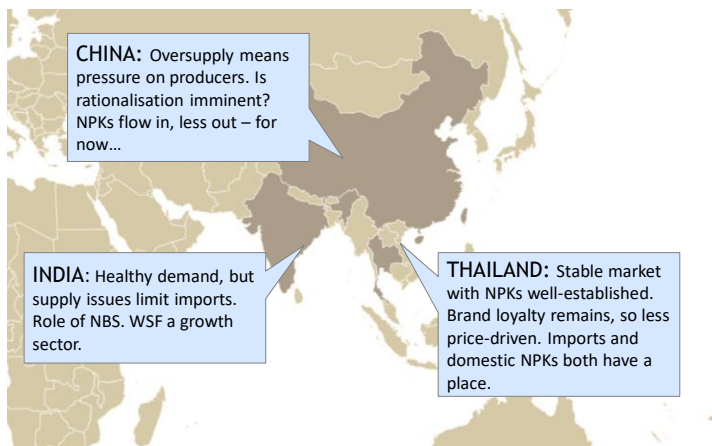


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KEY MARKETS – *takeaways*

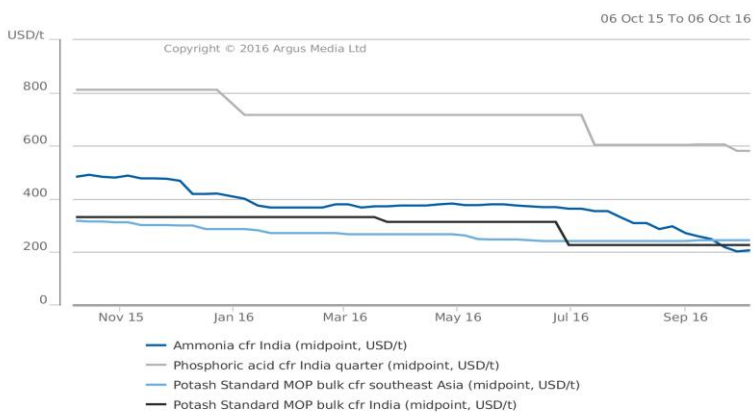


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Raw material price developments



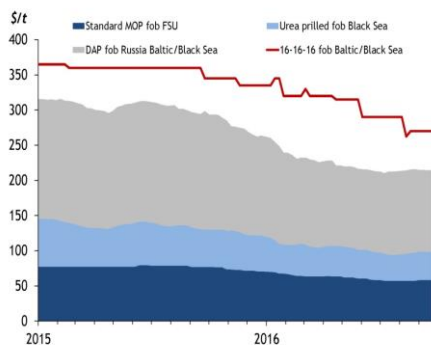
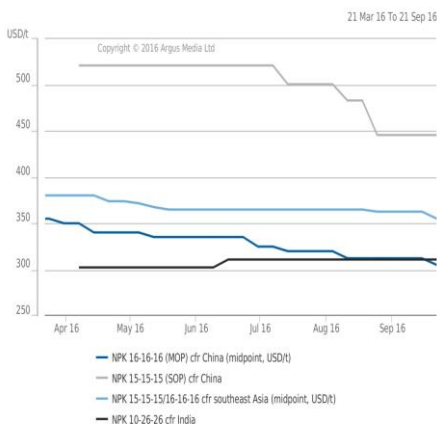
- Raw material/ straight fertilizer prices have fallen steadily

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NPK price developments



- By comparison, NPK prices have been more robust

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Global context and outlook

- Greater awareness of the need for balanced fertilization
- Suppliers keen to differentiate portfolio
- Branding opportunity in Asia and elsewhere
- Increased capacity in Saudi Arabia: Wa'ad al Shamal JV to produce NP/NPKs
- Morocco's OCP and its growing NPK ambitions
- Will Asian countries increase NPK exports?

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Conclusions

- Asia has specific NPK dynamics
- Valuable outlet for suppliers
- Domestic and imports have a place
- Tradition and brand popularity remain key
- But new global capacity may lead to a change in dynamics
- Any rise in Asian NPK exports could also impact trade flows

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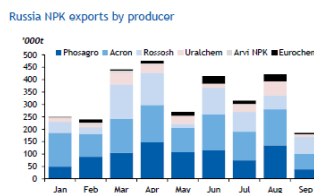
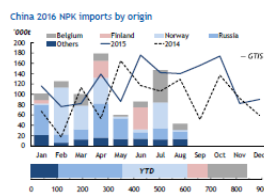
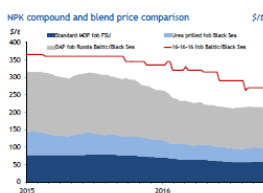
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NPKs Global Publication *weekly trade and prices*




- Detailed table on African tenders (volumes, suppliers ...)
- Supply, demand and price updates
- Summary of latest deals
- NPK compound and blend price comparison
- Russian weekly exports by grade, producer and destination
- Monthly Ukrainian imports by grade, producer and origin
- Key import/export market commentary
- Related nutrients markets



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THIRD SESSION

Fertilizer Regional Outlook (*cont'd*)

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