



SINGAPORE
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**Importance of tenders
in global fertilizer trade**

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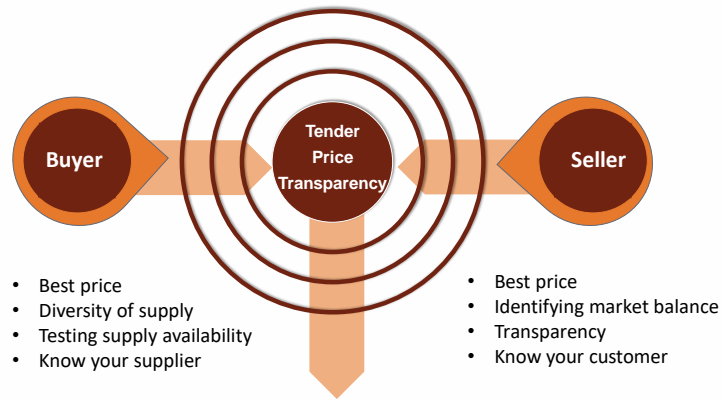


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- World fertilizer tender map
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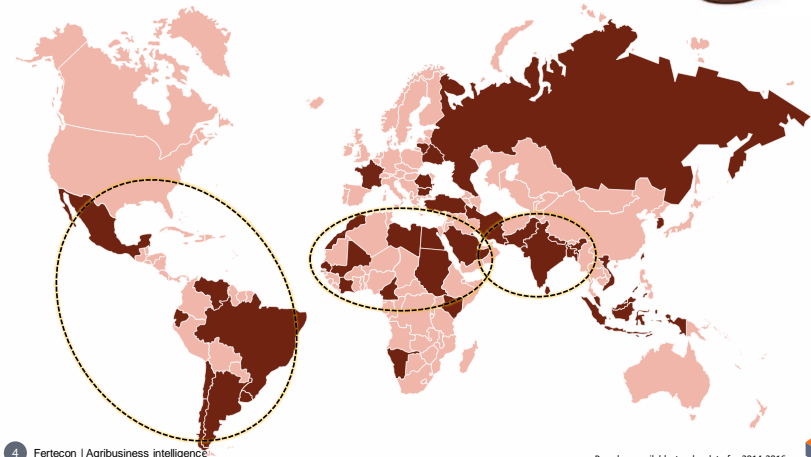
Getting the best price & mitigating market risks



Often establishing forward price direction



Wide geography of tender-participating countries in fertilizers & raw materials (sulphur, acid, rock)



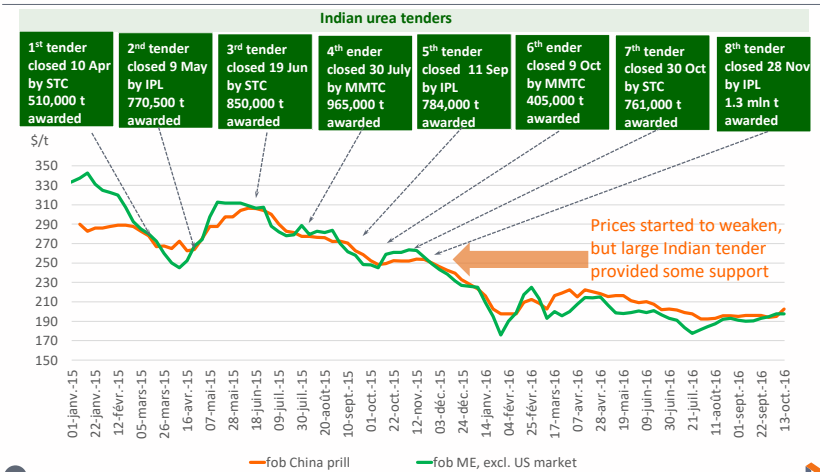
Profile of the companies issuing tenders – state-owned enterprises and government authorities play an important role

Bangladesh	Sri Lanka	India	Sudan
BCIC (fully owned by government) BADC	Ministry of Agriculture	Government-authorized companies	Ministry of Agriculture
Belarus	Russia	Pakistan	Nepal
Grodno Azot part of state-owned Belneftekhim	Gazprom	TCP (administered by Ministry of Commerce)	AICL (state-owned Agricultural Inputs Company)

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Tender activity & implications for international prices (UREA)



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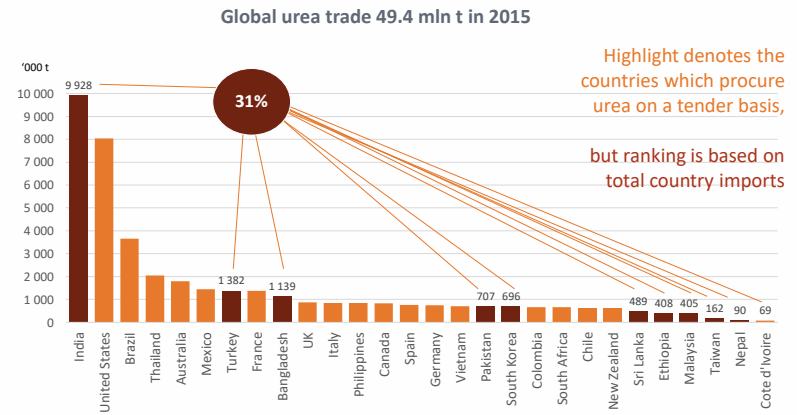
Tender activity in the global urea market

UREA			
Urea exports tenders		Urea imports tenders	
Country	Company	Country	Company
Belarus	Grodno Azot	India	MMTC, STC, IPL, MFL, CFL
Egypt	Mopco, Helwan, Abu Qir		Igssas, Kastamonu, Gubretas, Gentas, Polisan, AGT, Toros, Camsan
		Turkey	MOA, CIC, Agstar, Haleys, Bours
Algeria	AOA	Sri Lanka	TCP
Russia	Salavat	Pakistan	BCIC
Indonesia	Kaltim	Bangladesh	TFC
		Taiwan	EABC/AISE
		Nepal	AIC, STC
		Central America	Incofe, Isaosa, Tepeyac
		South Korea	Pungnong, Farm Hannong (ex-Dongbu), Chobi, KG
		Malaysia	Nafas (DAP - 2014)
		Cote d'Ivoire	Aprocot

- ✓ A mix of government-owned and private companies;
- ✓ Largest tenders in volume are held by Indian companies;
- ✓ Buying/importing tender volume is much bigger compared to volumes of sales tenders
- ✓ Often total offered volume is by far bigger than the tendered award/requirement;
- ✓ Some new urea projects may prefer off-take agreements, rather than tenders



Tenders in the global urea market – ranking of importers



Example of an Indian urea tender (volume & awards) IPL, 28 November 2015 for shipment by 6 January 2016

Supplier	firm	Optional	\$/t cfr	Port	Supplier	firm	Optional	\$/t cfr	Port
Dreymoor	130		254.40	Gangavaram	Rare Earth	65		257.90	K'napatnam
	65		255.50	Mundra		63		261.30	Mundra
	65		255.90	NMPT	Bary Chem	120		258.00	K'napatnam, Gangavaram, KKR
Transmart	30		255.70	Mundra				260.00	Mundra
PIC/Kuwait	35		256.50	Mundra	Allied Harvest	65		258.50	K'napatnam, KKR
Fertisul	66	66	256.80	KPT, KKR, GGV, Kak				259.50	Mundra
Amber	130		256.90	KAK, KPT, GGV, KKR				259.80	Pipavav
	65		258.90	Mundra				259.40	K'napatnam
	65		259.90	NMPT				260.00	Mundra
Continental	65	65	257.00	KPT, KKR, GGV, KAK	Agri Commodities	62.5		259.40	K'napatnam
				Mundra, Kandla				259.70	Mundra
CHS	100		257.00	K'napatnam	Aries	63		259.40	KPT, GGV, KKR, VIZ, KAK
			258.00	Mundra		63		259.70	Mundra
			260.00	Mundra		63		259.60	Rozy
Samsung	60		257.50	KPT, GGV, KKR	Swiss	60		259.50	GGV, KKR, KPT
	60		258.50	Mundra	Singapore	45		260.90	Vizag
Transagri	40		258.30	Mundra		60		260.20	Paradeep
	50		263.00	Haz		60		259.50	Kakinada
Global	60		258.30	Mundra		60		259.50	Mundra
	30		259.50	Kandla	Keytrade	36	50	259.50	Mundra
	60		260.50	Gangavaram	MTPL	60	60	259.90	
	40		262.20	Tuticorin		60		262.00	
Koch	40		258.50	Mundra		63		259.70	
Ameropa	62		257.10	Gangavaram		60		260.90	KPT, GGV, KKR, VIZ, KAK
	62		259.00	Mundra	Daewoo	60		260.00	Gangavaram, Mundra
Comzest	30		259.50	Mundra	Valency	60		262.50	K'napatnam
	30		260.20	Kandla	YUC	60		262.40	K'napatnam
	30		263.00	Pipavav	Helin	60		262.40	K'napatnam
Fertrade	63		257.70	K'napatnam		60		266.40	Mundra
Transglobe	65		257.80	KKR	Dragon	60		264.10	KKR, K'napatnam
	65		261.00	Mundra				264.70	Mundra, Kandla

Total offered 3.3 million tonnes → Awarded 1.3 million tonnes

Tender activity in the global sulphur & sul. acid markets

SULPHUR			
Sulphur exports/sales tenders		Sulphur imports tenders	
Country	Company	Country	Company
Russia	Gazprom	France	Adisseo
Iran	IGCC, Raintrade, Kharg Petrochemical	India	CIL, RCF, PPL, FACT, MMTC, IJCC, Andhra Sugar
Taiwan	Formosa	Brazil	Anglo American, Vale
Qatar	Tasweeq	Vietnam	Dinh Vu, Lafchemco, Duc Giang (2014 – scrapped)
Libya	NOC	Jordan	JPMC, Jifco, IJCC
Kuwait	KPC	Bangladesh	BCIC
Saudi Arabia	Yasref	New Caledonia	Vale
India	Reliance	Morocco	OCF (not any more)
Lithuania	Orlen/Mazeikiu Nafta	Senegal	ICS
Romania	Rompetrol, Petrotel	Uruguay	Isusa
		Argentina	Meranol
		Congo	Metorex
		Indonesia	PT Gresik (in 2014)
		Namibia	Skorpion Zinc
		Chile	Noracid
		Turkey	Toros

- ✓ Mix of spot & contract/annual (e.g. Gazprom, Adisseo) tenders;
- ✓ Regular (monthly) and ad hoc tenders;
- ✓ Some companies moved away from spot tenders to annual contracts recently (e.g. OCP, Gresik, ICS)
- ✓ Some countries, e.g. Iran, almost entirely sells on a tender basis

SULPHURIC ACID imports tenders	
Country	Company
India	FACT (tender), PPL (enquiry)
Brazil	Mosaic, Yara, Timac, Petrobras
Argentina	Bunge
Turkey	Eti Maden, Eti Soda

Tender activity in the global nitrates & AS markets

NITRATES FERTILIZERS & AS			
Exports/sales tenders		Imports tenders	
Country	Company	Country	Company
Egypt	Abu Qir	Turkey	Toros, Gubretas
Belarus	Grodno Azot	India	MFL
		Argentina	Bunge
		Indonesia	Petrokimia Gresik (in 2015)

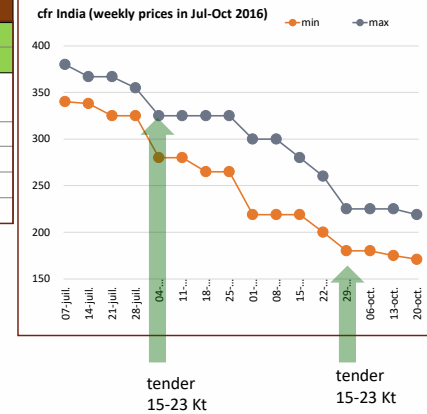
- ✓ Nitrates represented largely by UAN
- ✓ Some tenders are often scrapped
- ✓ Overall volumes are not significant



Tender activity in the global ammonia market

AMMONIA			
Exports/sales tenders		Imports tenders	
Country	Company	Country	Company
Egypt	Abu Qir	India	FACT & recently PPL
Indonesia	Kaltim	Indonesia	CJ
Algeria	Fertial, Sorfert	Vietnam	Dinh Vu
		China	BASF
		Turkey	Petkim

Based on available tender data for 2014-2016



- ✓ Limited tenders in international ammonia trade;
- ✓ Smaller volumes tendered mainly;
- ✓ Increased tender activity from India lately (typical FACT + PPL recently)
- ✓ Often tenders with reserve price



Import tenders in the global phosphates market

PHOSPHATE FERTILIZERS (DAP/MAP/COMPLEX NPKs/TSP/SSP)	
Imports tenders	
Country	Company
India	RCF, NFL, Uttar Pradesh Co-op (tried in 2015)
Turkey	Gubretas, Igsas, Panko
Indonesia	Gresik, Kujang, Petrokimia
Sri Lanka	SCAPC, CFC, MOA, Agstar
Nepal	AICL
Ethiopia	EABC/AISE
Venezuela	IPSL
Malaysia	NAFAS
Pakistan	Fauji
Argentina	Profertil
Latin America	Incofe
Sudan	MOA
Uruguay	Isusa
Bangladesh	MOA, BCIC (+phos.acid + rock))
Cameroon	CNPC
Croatia	Petrokimia
Algeria	Asfertrade
Kenya	MOA, NCPB
Iran	ASSC
Mali	CMDT

Uniquely to other nitrogen and sulphur products, major tender activity in global phosphate fertilizer trade is represented on the buying side only

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Based on available tender data for 2014-2016



Import tenders in the global potash market

POTASH FERTILIZERS (MOP, SOP)	
Imports tenders	
Country	Company
India	MMTC, MFL, NFL, RCF
Bangladesh	BADC
Indonesia	Petrokimia Gresik, Sinar Mas
Iran	ASSC
Malaysia	FELDA
Mexico	Tepeyac
Ecuador	Fertisa
Nepal	AICL
Sri Lanka	MOA/SCAPC, CIC, Agstar

Similar to phosphate market, major tender activity in global potash fertilizer trade is represented on the buying side only

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Based on available tender data for 2014-2016



India imports a full range of fertilizers on a tender basis

N Nitrogen 7 14.007	P Phosphorus 15 30.9738	K Potassium 19 39.0983	S Sulfur 16 32.065
Urea	DAP	MOP	Sulphur* <small>(*sales & imports tenders)</small>
AS (ad hoc)	MAP		
Ammonia	NPK		
	Phosphate rock		
	Phos. acid		

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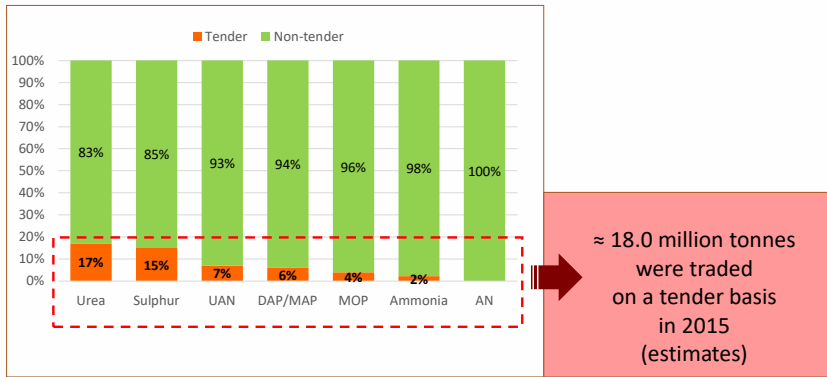
Indian companies involved in tender activity

	Phosphate & complex ferts	Phos. acid & phos. rock	Potash fertilizers	Sulphur	Nitrogen fertilizers & ammonia
Andhra Sugar				✓	
CIL				✓	
Deepak	✓				
FACT	✓			✓	✓
GSFC	✓				
Hindalco	✓				
IJCC				✓	
IPL					✓
MFL		✓	✓		✓
MMTC	✓	✓	✓	✓	✓
MRPL / Mangalore				✓	
NFL	✓		✓		
PPL				✓	✓
Punjab Markfed	✓	✓	✓	✓	
RCF	✓	✓	✓	✓	
Reliance (sales)				✓	
STC					✓
UP Co-op	✓				

Based on available tender data for 2014-2016

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Conclusions: estimated share of tenders in global fertilizer trade



Conclusions: observations

Often issuing tender party is represented by government	Volume offered in a tender may be bigger than the award/requirement	Import tenders tend to be larger in volumes compared to export tenders	Know your customer & know your supplier
Large number of trading companies taking part in the bidding process	Tenders often help determine forward price direction	India is the largest importing market with tenders	The geography of tender participating countries is wide





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THANK YOU

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