argusmedia.com

Argus *Brazil Grains and Fertilizer*

Formerly Argus Fertilizer Brazil

Issue 23-1 | Friday 6 January 2023

HIGHLIGHTS

Fertilizer

Deals involving urea still needed to plant the 2022-23 winter corn crop exerted downward pressure on nitrogen prices in Brazilian ports. The import window is closed for new shipments and liquidity was reduced after holiday season.

Agriculture

Parana started sowing the 2022-23 second corn crop, with occasional activities in a small portion of the state.

Port differentials

There was greater liquidity in the Paranagua soybean paper market in the first week of 2023 as negotiations resumed in several countries after the holidays, especially in the US. Market participants are still concerned about weather conditions and Chinese demand.

Logistics

Most of the 12 grain freights monitored weekly by *Argus* declined this week in Mato Grosso state, as producers and trading companies await the advance of the 2022-23 soybean harvest.

MARKETS SNAPSHOT

Imports: bulk, cfr Brazil			$/t
	5 Jan	22 Dec	±
Granular urea	460-475	480-500	-22.5
Prilled urea	450-465	470-490	-22.5
Standard AS (caprolactam)	210-230	235-240	-17.5
MAP 11-52	645-650	640-650	+2.5
TSP	545-550	530-540	+12.5
Granular MOP	525-540	520-540	+2.5

Inland, bulk, fob Rondonopolis			$/t
	5 Jan	22 Dec	±
MAP 11-52	790-800	745-780	+32.5
TSP	655-655	585-600	+62.5
SSP 18-23% P2O5	317-375	295-335	+31.0
Granular MOP	650-700	650-660	+20.0

Spot inland grains truck freight rates	R/t		$/t	
	5 Jan	22 Dec	5 Jan	22 Dec
Sorriso (MT) - Rondonopolis (MT)	185-200	185-190	34-37	36-37
Sorriso (MT) - Miritituba (PA)	260-295	285-305	48-55	55-59
Sorriso (MT) - Santos (SP)	470-510	410-500	87-94	79-97
Rondonopolis (MT) - Paranagua (PR)	360-390	370-380	67-72	72-73
Rondonopolis (MT) - Santos (SP)	370-400	380-400	69-74	73-77

Crop futures prices	Mar-23	May-23	Jul-23	Sep-23	Oct-23
Cbot soybeans *$/bushel*	14.71	14.78	14.81	14.10	
Cbot corn *$/bushel*	6.53	6.53	6.47	6.06	
Ice sugar No. 11 *¢/lb*	19.34	18.21	17.59		17.51
Ice coffee *¢/lb*	160.55	160.60	160.85	160.85	
Ice cotton *¢/lb*	82.58	82.62	82.56		80.51

Related markets			$/t
	5 Jan	22 Dec	±
Ethanol Cbot *¢/USG*	216.10	216.10	0.0

Exchange rate			
	5 Jan	22 Dec	±
R:$	5.3996	5.1733	+0.2263

View the methodology used to assess fertilizer prices at www.argusmedia.com/methodology. Your feedback is always welcome at fertilizantes@argusmedia.com.

Contents

FERTILIZER OVERVIEW

Urea prices drop by $22/t on reported deals

Deals involving urea still needed to plant the 2022-23 winter corn crop exerted downward pressure on nitrogen prices in Brazilian ports. The import window is closed for new shipments and liquidity was reduced after holiday season.

Urea prices in Brazilian ports dropped by $352/t from the beginning of 2022. Fertilizer costs decreased by $22/t during the week, reaching $460-475/t cfr, with the *Argus* range framed by deals. Approximately 30,000 metric tonnes (t) of the nitrogen were traded in the period. Throughout the week, most offer indications were in the $480-485/t cfr range. Offers later receded to $470/t cfr. Bids were as high as $450/t cfr.

Urea offers from sanctioned and unsanctioned origins were indicated at similar levels. Brazil was the main Iranian urea importer in Latin America in 2022. Brazilian ports received around 252,000t of Iranian urea in the year, according to the Asian country's customs data, but lineup data monitored by *Argus* indicate that Brazil received more than 1mn t from that country in 2022.

Brazil's fertilizer imports totaled 38.2mn t in 2022, an 8pc drop from 2021, according to the economy ministry.

In the global fertilizer market, India's IPL launched a tender to purchase 600,000t of urea with shipment between March 2023-February 2024. But the trend is unlikely to affect prices in Brazilian ports.

The India tender set to be launched in late January should affect global fertilizer prices. The market had expected the tender to be launched in December, but now anticipates it for late January. Nitrogen producers had urea volumes to negotiate at the tender and are now looking for other buyers for their product. In Egypt, urea prices fell to $495-510/t fob on deals reported in the first week of January from $560-565/t fob in mid-December.

The weekly range for compacted/granular sulphate receded by $5/t to $250-265/t cfr. Importers say there is little Chinese compacted sulphate available for immediate delivery. The window for new shipments is closed for winter corn planting in the country's main producing states. Offers for shipment after the Chinese New Year on 22 January are indicated at as much as $295/t cfr. New sulphate shipments should be used to plant wheat and tobacco in Parana and Rio Grande do Sul states.

The weekly MAP 11-52 range climbed by $3/t to $645-650/t cfr, framed by reported deals. In the last week of 2022, one supplier sold 6,000t of MAP at $645/t cfr for February loading. More phosphate loads were traded at $645-650/t cfr in the first week of 2023. Moroccan fertilizer was quoted at $670-700/t cfr, with no deals completed.

Among Chinese NPs, MAP 11-44 rose by $3/t to $550-557/t cfr. Producers are trying to raise phosphate prices because of higher production costs in the country and a favorable exchange rate as the Chinese currency's value rose against the US dollar.

Imports, bulk, cfr Brazil			$/t
	5 Jan	22 Dec	±
Granular urea	460-475	480-500	-22.5
Prilled urea	450-465	470-490	-22.5
Standard AS (caprolactam)	210-230	235-240	-17.5
Granular AS (granular/compacted caprolactam)	250-265	260-265	-5.0
AN 34-00 / SAN 33-03	435-450	435-450	0.0
MAP 11-52-0	645-650	640-650	+2.5
MAP 10-50-0 (ex-China)	604-614	600-614	+2.0
MAP 11-44-0 (ex-China)	550-557	544-557	+3.0
TSP	545-550	530-540	+12.5
SSP 19% P2O5	233-240	220-230	+11.5
SSP 20% P2O5	250-260	250-260	0.0
DAP	645-650	640-650	+2.5
Granular MOP	525-540	520-540	+2.5
Sulphur spot	171-173	188-198	-21.0
Sulphur* contract 4Q22	119-138	119-138	0.0
Sulphuric acid	120-130	115-120	+7.5

**quarterly contract price*

Inland, bulk, cif Rondonopolis/Sorriso	R/t			$/t		
	5 Jan	22 Dec	±	5 Jan	22 Dec	±
Granular urea	3021-3102	3014-3117	-4.0	559-574	583-603	-26.5
Granular AS	1887-1968	1876-1902	+38.5	349-364	363-368	-9.0

cif delivered to the distributor or NPK blender; AS=ammonium sulphate

Inland, bulk, fob Rondonopolis			$/t
	5 Jan	22 Dec	±
MAP 11-52	790-800	745-780	+32.5
TSP	655-655	585-600	+62.5
SSP 18-23% P2O5	317-375	295-335	+31.0
Granular MOP	650-700	650-660	+20.0
Granular urea	610-630	630-674	-32.0

Inland, bulk, fob Paranagua			$/t
	5 Jan	22 Dec	±
MAP 11-52	720-730	720-720	+5.0
TSP	600-600	600-600	0.0
SSP 18-23% P2O5	290-330	300-341	-10.5
Granular MOP	605-610	600-610	+2.5
Granular urea	570-585	580-615	-20.0

FERTILIZER OVERVIEW

TSP (46pc P2O5) advanced by $3/t, following Moroccan phosphate offers. There were reported indications of Bulgarian TSP available at around $560/t cfr for the week. But producers denied having offered fertilizer to the Brazilian market.

The weekly range for SSP (19pc P2O5) climbed by $12/t to $233-240/t cfr. The sell side reported trading one load at $233/t cfr in a deal completed before Christmas. New offers reached $240/t cfr.

The average potash price rose for the first time since mid-June. The midpoint advanced by $3/t to $533/t cfr but is $262/t lower than in the first week of 2022. Negotiations were reported at $525/t cfr, while offers were at $530-545/t cfr. Potash loads from Russia and Germany were offered this week.

Since 1 January, shipowners operating in the Black Sea are no longer insured against the consequences of the conflict in Ukraine, following a move led by reinsurers. But the decision should not have direct consequences on the fertilizer market because Russian product is mostly sold via the Baltic.

Domestic market

Remaining urea demand for planting winter corn fields was not enough to hold nitrogen prices in Rondonopolis and Paranagua. Fertilizer prices fell in the domestic market, following the decline seen in Brazilian ports. Meanwhile, demand for phosphates remains strong in these cities monitored by *Argus*.

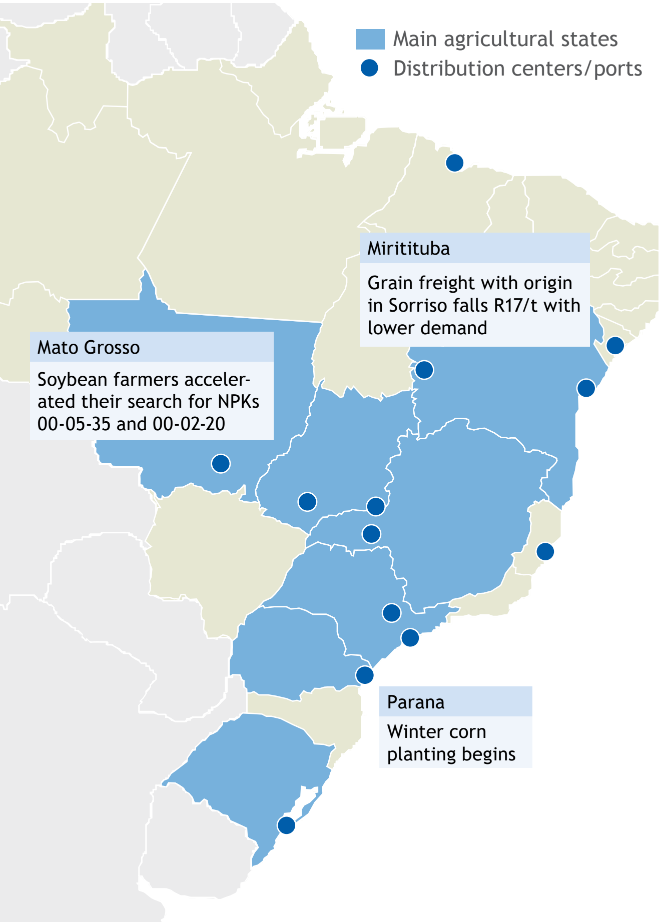
Granular urea prices declined in Rondonopolis and Paranagua by $25/t on average to $620/t fob and $578/t fob, respectively.

Average MAP 11-52 prices climbed by $32/t in Rondonopolis to $795/t fob. The upward trend is expected to continue until February on deals meant for the 2023-24 soybean crop. In Paranagua, the midpoint rose by $5/t to $725/t cfr. Demand for phosphates increased in Goias state in the first week of 2023.

Brazilian buyers are finding more SSP available for immediate delivery in Rondonopolis and are struggling to close deals for delivery in the future. The weekly range for SSP (18-23pc P2O5) advanced by $31/t to $317-375/t fob Rondonopolis. Offers of SSP (19pc) set the low end of the range this week.

Potash also became more expensive. Prices climbed by $20/t to $675/t fob in Rondonopolis and by $3/t to $608/t fob in Paranagua.

Trade flows



Regional highlights

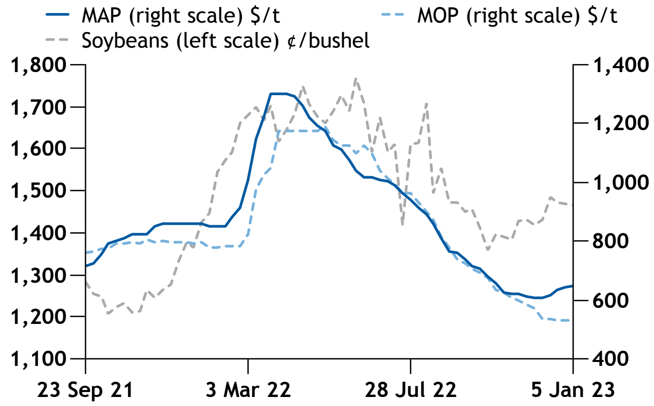
- Central-west: Soybean farmers accelerated their search for NPKs in Mato Grosso state in the early days of 2023, especially for 00-05-35 and 00-02-20. The weather in the state favored the completion of efforts to sow the first cotton crop. The second cotton crop planting is in the initial stage, advancing as the 2022-23 soybean harvest moves forward. Planting of the 2022-23 winter corn crop in Mato Grosso is also in its initial phase. The state is expected to produce 125.8mn t of corn in the entire 2022-23 crop, with around 8mn t destined for Mato Grosso's ethanol industry. This week, taxation of the agricultural sector in Goias took

FERTILIZER OVERVIEW

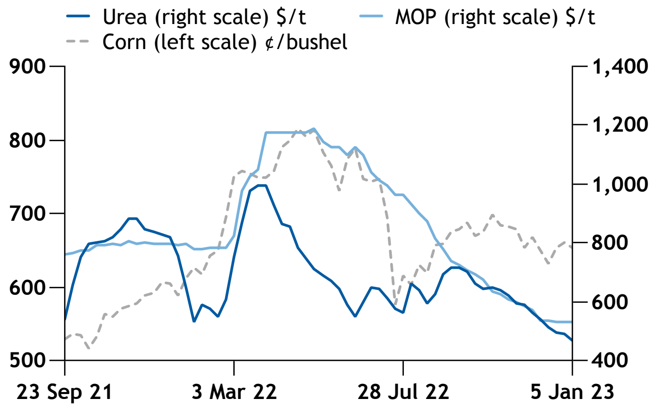
effect, according to a decree published by state. Soybean production will be taxed at 1.65pc, while corn production will be taxed at 1.1pc. The contribution is optional, focusing on products that carry tax benefits.

- South: Irregular rainfall in Parana state reduced the productive potential of soybean and corn fields in some areas, but farmers hope that showers in the coming weeks will restore soil moisture levels. In Rio Grande do Sul state, farmers are applying herbicides used after weeds sprout and applying potash as top dressing on soybean fields that experienced more frequent rainfall. Fields planted with the first corn crop experienced losses of as much as 50pc because of dry weather, slowing down fertilizer negotiations in Rio Grande do Sul. There should be a pickup in purchases of phosphate products in the state, such as DAP, for winter crops. The schedule set for the Jorf Lasfar port, in Morocco, indicates that at least 25,000t of DAP will be shipped to the Rio Grande port by mid-January.
- Southeast: Estimated yields for the 2022-23 sugarcane crop in Sao Paulo state are at 74,29t/ha, almost 5pc higher than the 70,94t/ha in the previous cycle. Rising yields reflect improved weather in 2022. Even so, weather conditions are historically more favorable, allowing average yields above 80t/ha. Sao Paulo is the largest sugarcane grower in Brazil. In the Paulinia city, NPK basket prices for sugarcane fields dropped by 37pc in the year, reaching R3,200 in December 2022 from R5,100 at the end of 2021. Sugarcane production costs climbed by nearly 50pc in 2022, with fertilizer spending accounting for almost 60pc of operating costs in the center-south region, which accounts for 90pc of national production.

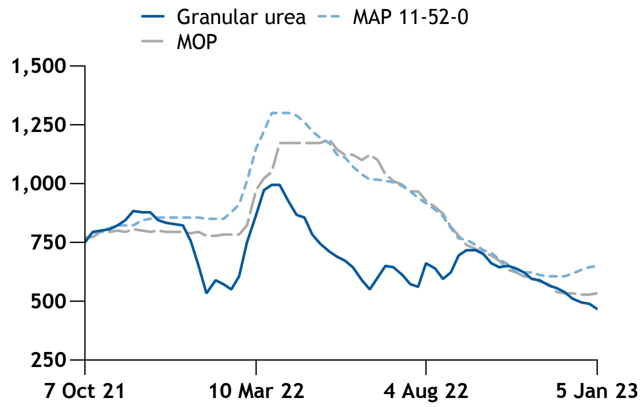
Soybeans vs phosphate, potash



Corn vs urea, potash



Benchmark import prices $/t

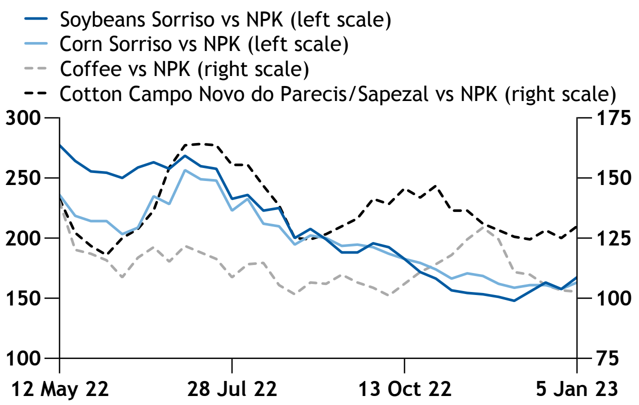


BARTER RATES

Domestic prices	Price	Prior week
Soybeans at Rondonopolis - Imea *R/bag*, 23 Dec	166.20	166.30
Soybeans at Sorriso - Imea *R/bag*, 23 Dec	160.29	160.37
Corn at Rondonopolis - Imea *R/bag*, 23 Dec	68.69	69.60
Corn at Sorriso - Imea *R/bag*, 23 Dec	63.62	64.70
Cotton at Sapezal - Imea *R/arroba*, 23 Dec	168.92	170.18
Cotton at Campo Novo do Parecis - Imea *R/arroba*, 23 Dec	168.94	170.20
Cotton at Luis Eduardo Magalhães - Aiba *R/arroba*, 4 Jan	165.00	165.00
Coffee at Minas Gerais - Conab *R/bag*, 26 Dec	987.91	970.42
Corn at Maringá - BBM *R/bag*, 5 Jan	85.50	83.50
Corn at Luis Eduardo/Barreiras - BBM *R/bag*, 5 Jan	71.50	71.00
Corn at Rio Verde - BBM *R/bag*, 5 Jan	74.70	74.35
Soybean at Maringá - BBM *R/bag*, 5 Jan	180.00	178.00
Soybean at Ponta Grossa - BBM *R/bag*, 5 Jan	181.00	179.00
Soybean at Luis Eduardo/Barreiras - BBM *R/bag*, 5 Jan	172.00	171.00
Soybean at Rio Verde - BBM *R/bag*, 5 Jan	166.00	165.00

Daily prices, except for coffee that refers to a 5-day period ended on the date indicated on the table

Barter ratio indexes (10 Dec 2020=100)



NPK blends by main crop, bagged	*R/t*			*$/t*		
	5 Jan	22 Dec	±	5 Jan	22 Dec	±
fob Rondonopolis						
Soybeans 00-18-18/ 00-20-20	2740-2810	2610-2670	+135.0	507-520	505-516	+3.0
Corn 08-20-20/ 30-00-20/urea	3210-3280	3110-3180	+100.0	594-607	601-615	-7.5
fob Sorriso						
Soybeans 00-18-18/ 00-20-20	2800-2880	2660-2730	+145.0	519-533	514-528	+5.0
Corn 08-20-20/ 30-00-20/urea	3270-3350	3170-3240	+105.0	606-620	613-626	-6.5
fob Campo Novo do Parecis/Sapezal						
Cotton 04-20-20/ 20-00-20	3120-3200	3010-3080	+115.0	578-593	582-595	-3.0
fob Luis Eduardo Magalhaes						
Cotton 04-20-20/ 20-00-20	2760-2840	2680-2740	+90.0	511-526	518-530	-5.5
fob Paulinia						
Sugarcane 05-25-25/18- 00-27/20-00-30	3240-3310	3170-3240	+70.0	600-613	613-626	-13.0
fob Uberaba/Uberlandia						
Coffee 20-05-20/ 25-00-25	3010-3090	2970-3040	+45.0	557-572	574-588	-16.5

Barter rates rise on FX depreciation

The Brazilian real's 4.4pc fall to the US dollar and consequent price increase in NPK baskets used to grow grains lifted barter rates in Mato Grosso state.

The 5pc hike in NPK basket prices in domestic currency and the 1pc drop in the price of 60kg bags of soybeans in Rondonopolis and Sorriso drove barter rates up to 16.7 bags/t and 17.72 bags/t, respectively.

The trend was similar for corn. Fertilizer costs rose by 3pc and thus increased barter rates by 1.59 bags/t in Rondonopolis and 1.83 bags/t in Sorriso to 47.24 bags/t and 52.03 bags/t, respectively.

The cotton barter rate in Campo Novo do Parecis/Sapezal climbed to 18.71 bags/t, boosted by the 4pc increase in NPK basket prices.

In the opposite direction, the 9pc hike in cotton lint prices in Luis Eduardo Magalhaes, in Bahia state, overlapped rising fertilizer prices, reducing the state's barter rate to 16.97 bags/t.

BARTER RATES

Barter rates: Number of bags for 1t of NPK blends	Spot		Parity	
	5 Jan	22 Dec	5 Jan	22 Dec
Soybeans at Rondonopolis			Cbot Mar 23	Cbot Mar 23
R/60*kg* bag	166.20	167.89	138.69	140.85
NPK 00-18-18/00-20-20 *R*/*t* fob	2,775.00	2,640.00	2,775.00	2,640.00
Ratio (number of 60*kg* bags/ t NPK)	16.70	15.72	20.01	18.74
Soybeans at Sorriso			Cbot Mar 23	Cbot Mar 23
R/60*kg* bag	160.29	162.06	138.69	140.85
NPK 00-18-18/00-20-20 *R*/*t* fob	2,840.00	2,695.00	2,840.00	2,695.00
Ratio (number of 60*kg* bags/ t NPK)	17.72	16.63	20.48	19.13
Corn at Rondonopolis			Cbot Jul 23	Cbot Jul 23
R/60*kg* bag	68.69	68.90	68.80	67.87
NPK 08-20-20/30-00-20/urea *R*/*t* fob	3,245.00	3,145.00	3,245.00	3,145.00
Ratio (number of 60*kg* bags/ t NPK)	47.24	45.65	47.17	46.34
Corn at Sorriso			Cbot Jul 23	Cbot Jul 23
R/60*kg* bag	63.62	63.85	68.80	67.87
NPK 08-20-20/30-00-20/urea *R*/*t* fob	3,310.00	3,205.00	3,310.00	3,205.00
Ratio (number of 60*kg* bags/ t NPK)	52.03	50.20	48.11	47.22
Cotton at Campo Novo do Parecis/Sapezal			Ice Jul 23	Ice Jul 23
R/15*kg* bag	168.93	169.03	155.72	161.81
NPK 04-20-20/20-00-20 *R*/*t* fob	3,160.00	3,045.00	3,160.00	3,045.00
Ratio (number of 60*kg* bags/ t NPK)	18.71	18.01	20.29	18.82
Cotton at Luis Eduardo Magalhaes				
R/15*kg* bag	165.00	151.50	-	-
NPK 04-20-20/20-00-20 *R*/*t* fob	2,800.00	2,710.00	-	-
Ratio (number of 60*kg* bags/ t NPK)	16.97	17.89	-	-
Coffee at Uberaba-Uberlandia				
R/60*kg* bag	987.91	970.42	-	-
NPK 20-05-20/25-00-25 *R*/*t* fob	3,050.00	3,005.00	-	-
Ratio (number of 60*kg* bags/ t NPK)	3.09	3.10	-	-

— Crop prices source: Mato Grosso Institute of Agricultural Economics (Imea), Ministry of Agriculture's National Supply Company (Conab), Bahia farmers association (Aiba)

AGRICULTURE OVERVIEW

Winter corn planting begins

Parana started sowing the 2022-23 second corn crop, with occasional activities in a small portion of the state.

Planting reached 1pc of the area expected for the season in the Franciso Beltrao municipality, in the southwestern part of the state, data from the state's department of rural economy (Deral) show. Francisco Beltrao plans to sow 95,000 hectares (ha) in the 2022-23 season, a slight drop from the 100,000ha of the previous cycle, when the municipality produced 466,240 metric tonnes (t). The city expects 570,000t in the current season, thanks to higher yields.

The progress represents an insignificant percentage of the 2.6mn ha estimated for the entire state but is ahead of the pace seen in the same period of the 2021-22 season, when activities had reached 600ha in the Pato Branco municipality. Francisco Beltrao had only started planting a week later.

Despite the slight advantage from last year, planting of the 2022-23 second corn crop should not advance much this week as rainfall in the last few days held back sowing activities. The pace of planting should pick up starting next week, thanks to lower rainfall volumes in the state and advances in the harvest of soybeans, which are usually sown in the same areas as corn. The winter corn crop of the 2022-23 season should reach 15.4mn t in Parana and the state will once again be the second largest grain producer in the country behind Mato Grosso state, according to the national supply company (Conab).

Insufficient and irregularly distributed rainfall in parts of Parana has farmers worried, especially about their soybean fields. The previous soybean crop was deeply affected by La Nina. Oilseed crop conditions deteriorated between 19 December-2 January and areas considered in good condition receded to 80pc from 90pc. But recent rainfall and favorable weather forecasts for the next few days could help mitigate or reverse this situation. Farmers in deeply affected areas — such as the northwest and southwest — hope that improved weather conditions will restore productive potential.

In Rio Grande do Sul, water limitation and irregular rainfall has producers worried about fields planted with the first corn crop, mainly in the western part of the state, where the weather was dry in some for almost 30 days. In the Ijui area, producers reported losing 30-100pc in some fields, according to rural agency Emater-RS. Farmers are reaching out to the the Brazilian federal government's crop-loan guarantee guarantee program (Proagro) and other rural insurance alternatives.

Showers in the last week of 2022 did not provide relief to producers because most fields are no longer in stages that define yields. Emater-RS expects yields to drop by around 10pc from the initial 7,337 kg/ha estimate for the state.

In Mato Grosso, regular rainfall favored field development in the state, where the oilseed harvest begun in specific locations in late December.

Weather

Precipitation rates were around 25mm in Brazil's south over the last seven days, while showers were heavier in Mato Grosso state, according to US National Oceanic and Atmospheric Administration (NOAA).

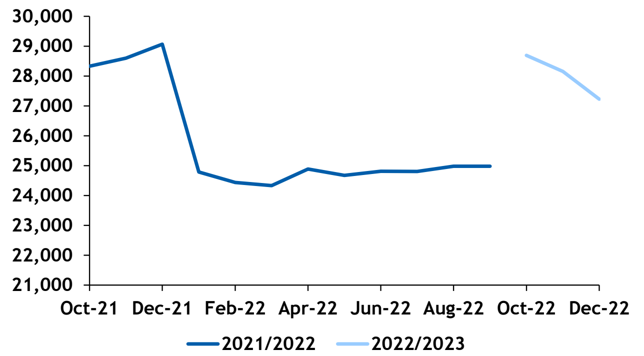
Rainfall was between 25mm-75mm in most of Mato Grosso, reaching 125mm in some areas.

Much of Sao Paulo, southern Minas Gerais and a small part of northern Mato Grosso do Sul received 65mm-135mm. Weather was drier in the country's northeast, where rainfall averaged 15mm.

For the next week, NOAA forecasts near-zero rainfall in the southern states. Showers will be heavier in the southeast and central-west, where precipitation rates should vary from 25-135mm, but stay mostly near 75mm.

AGRICULTURE DATA

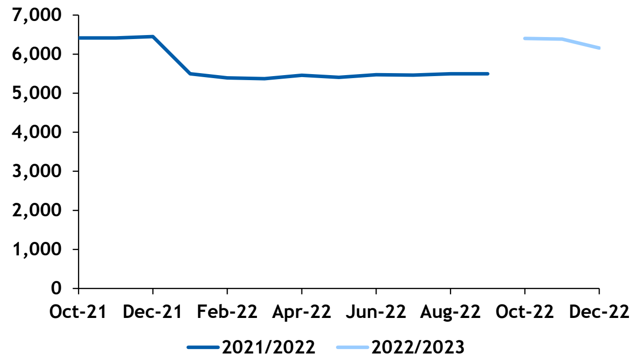
Conab estimate of corn summer crop production *'000 t*



Conab estimate of production					*'000t*
	2021-22 season	2022-23 season	2022-23/ 2021-22	2022-23 season	Dec 23 vs Nov 22
	Total	Dec 22 estimate	%±	Nov 22 estimate	%±
Cotton lint	2,550.1	2,972.5	+16.6	2,979.9	-0.2
Corn total*	113,111.2	125,827.7	+11.2	126,397.3	-0.5
Corn summer crop	25,026.8	27,226.2	+8.8	28,153.3	-3.3
Corn winter crop	85,892.4	96,271.2	+12.1	96,271.2	nc
Soybean	125,549.8	153,477.6	+22.2	153,538.2	-0.0

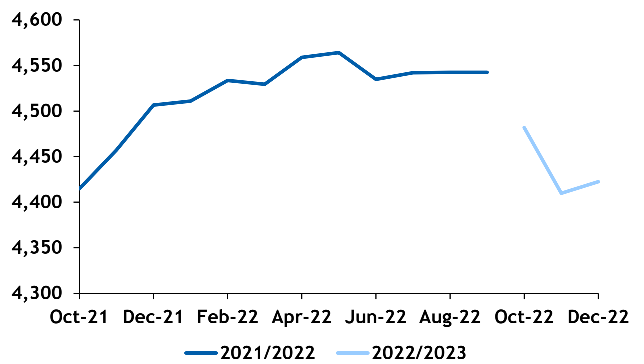
**Total includes third crop*

Conab estimate of corn summer crop productivity *kg/hectare*



Conab estimate of productivity					*kg/hectares*
	2021-22 season	2022-23 season	2022-23/ 2021-22	2022-23 season	Dec 23 vs Nov 22
		Dec 22 estimate	%±	Nov 22 estimate	%±
Cotton lint	1,593	1,815	+13.9	1,815	+0.0
Corn total	5,241	5,633	+7.5	5,662	-0.5
Corn summer crop	5,500	6,156	+11.9	6,384	-3.6
Corn winter crop	5,247	5,580	+6.3	5,580	nc
Soybean	3,026	3,536	+16.8	3,551	-0.4

Conab estimate of corn summer crop planted area *'000 hectares*



Conab estimate of planted area					*'000 hectares*
	2021-22 season	2022-23 season	2022-23/ 2021-22	2022-23 season	Dec 23 vs Nov 22
	Total	Dec 22 estimate	%±	Nov 22 estimate	%±
Cotton	1,600.4	1,638.0	+2.3	1,642.2	-0.3
Corn total	21,580.9	22,337.6	+3.5	22,325.0	+0.1
Corn summer crop	4,550.7	4,422.4	-2.8	4,409.8	+0.3
Corn winter crop	16,369.3	17,254.3	+5.4	17,254.3	nc
Soybean	41,492.0	43,407.8	+4.6	43,242.3	+0.4

AGRICULTURE DATA

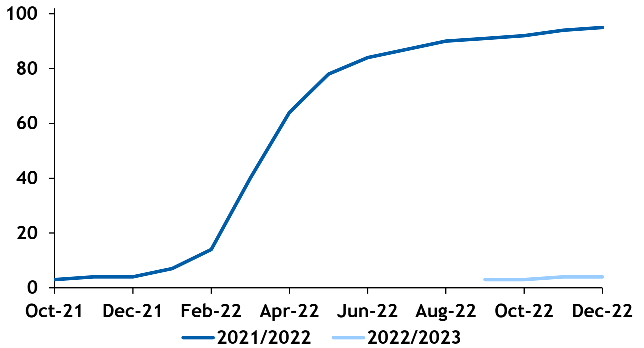
Imea soy	Planting	Harvesting
Area 2022/2023 estimate *hectares*	11,810,609	na
Latest data %	100.00	na
Week-on-week *pp*	nc	na
Year-ago %	100.00	na
2021-22 vs 2022-23 *pp*	nc	na

Imea corn	Planting	Harvesting
Area 2021/2022 estimate *hectares*	7,147,152	7,147,152*
Latest data %	100.00	100.00
Week-on-week *pp*	nc	nc
Year-ago %	100.00	100.00
2020-21 vs 2021-22 *pp*	nc	nc

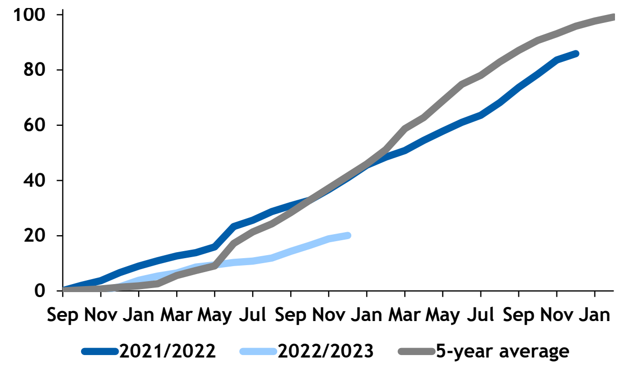
*calculated from IMEA data

Deral %	Planting	Harvesting
2022-23		
Corn, summer crop	100	0
Soybean	100	0
2021-22		
Corn, winter crop	100	100
Wheat	100	100

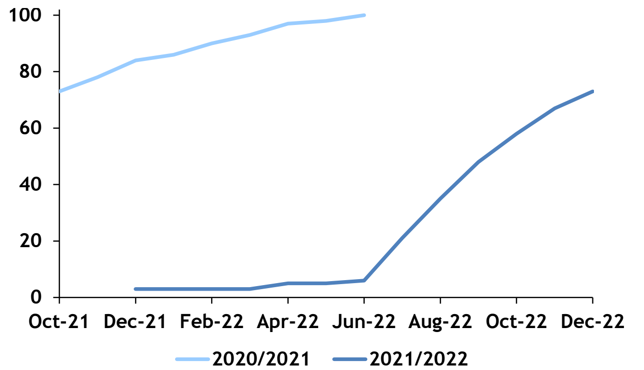
Deral anticipated summer corn sales %



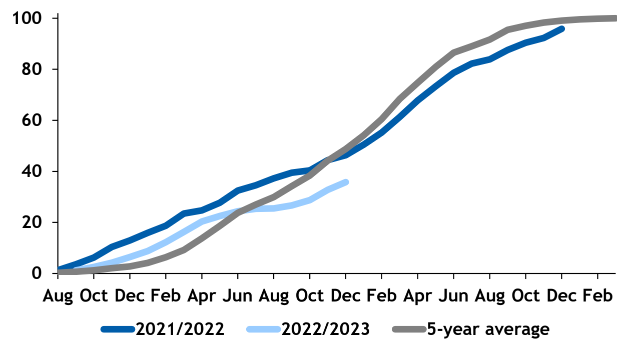
Imea anticipated corn sales %



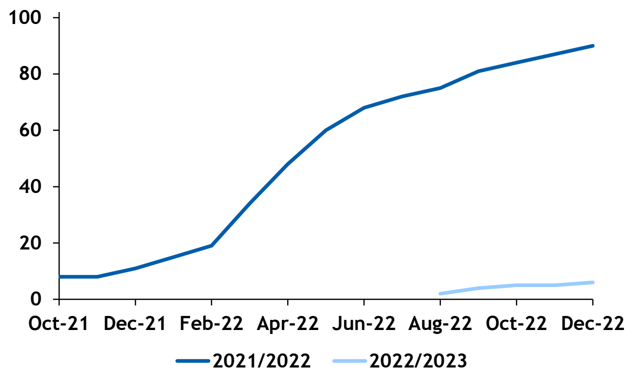
Deral anticipated winter corn sales %



Imea anticipated soybean sales %



Deral anticipated soybean sales %



PORT DIFFERENTIALS

Soybeans: Greater liquidity in paper market

There was greater liquidity in the Paranagua soybean paper market in the first week of 2023 as negotiations resumed in several countries after the holidays, especially in the US. Market participants are still concerned about weather conditions and Chinese demand.

Sufficient rainfall is expected in top grower Mato Grosso state, but dry weather concerns farmers in Rio Grande do Sul state. The situation is similar in Argentina, where insufficient precipitation is affecting productive potential in a few regions.

China's high Covid-19 infection rates could affect demand, especially before the extended Lunar New Year holiday.

The Brazilian real's value to the US dollar fell this week. The exchange rate closed at R5.3996/$1 on Thursday from R5.2484/$1 on 29 December.

At least four trades were reported in the paper market: two for March, both with a 39¢/bushel premium over the Chicago Board of Trade (CBOT); one for April/May, with a 26¢/bushel premium; and one for May, with a 33¢/bushel premium.

The range of offers and bids for February closed at a premium of 75-65¢/bushel over the CBOT on Thursday, compared with 70-68¢/bushel on 29 December. For March, the range pointed to a premium of 40-38¢/bushel on Thursday, the same as a week before.

Soybean shipments in January should reach 1.3mn t, according to the national association of cereal exporters (Anec). Brazil exported 2.3mn t of oilseeds in January 2022.

Additionally, the country exported 1.5mn t in December 2022, down from 2.5mn t in December 2021, according to Anec.

Brazil exported 77.8mn t of oilseeds in 2022, a 10.2pc drop from 86.6mn t in 2021. China was the main destination for Brazilian soybeans, buying about 70pc of that volume. Spain ranked second with 5pc. Thailand and Iran shared the third place with 3pc each.

Soybean differential: Paranagua to CBOT *¢/bushel*

	5 Jan		4 Jan	
	Offers	Bids	Offers	Bids
Feb	75	65	70	60
Mar	40	38	37	33
Apr	30	28	28	22
Apr-May	36	32	32	27
May	40	35	34	32
Jun	50	40	44	37
Jun-Jul	58	45	55	41
Jul	63	50	60	45

Friday prices will be available on Argus Direct until the end of the day

Grains lineup, January *- Williams*

	Corn '000t	Soybean '000t	Average waiting time
Itacoatiara-AM	198.0	52.2	8
Santana-AP	40.0	-	2
Itaqui-MA	618.0	-	9
Santarem-PA	174.5	58.5	3
Barcarena-PA	340.4	192.0	3
Salvador-BA	68.2	-	0
Tubarao-ES	60.4	30.0	10
Santos-SP	1292.8	202.0	6
Paranagua-PR	1081.2	667.4	24
Sao Francisco do Sul - SC	303.2	-	4
Imbituba-SC	-	-	-
Rio Grande-RS	-	65.0	0
Total	4,176.7	1,267.2	

LOGISTICS OVERVIEW

Grain freights fall in early 2023

Most of the 12 grain freights monitored weekly by *Argus* declined this week in Mato Grosso state, as producers and trading companies await the advance of the 2022-23 soybean harvest.

Some farms have started activities, but there is still no official data to measure the harvest's progress. Grain freights are expected to rise in January on increased demand for transportation services.

Notwithstanding the decline in freight rates in the first week of the year, market participants say demand for logistic services remains strong. There is still great need for carriers to distribute volumes from the previous crop to make room in warehouses, as there are incoming oilseed volumes about to be stored and transported.

Routes that run along the BR-163 highway to the transshipment hub onto the waterway in Miritituba, in the Northern Arc, stood out. Rates on the Sinop-Miritituba stretch dropped by R13/t to R250-280/t, while the Sorriso-Miritituba route slid by R17/t to R260-295/t.

Freights also decreased on corridors bound for the Santos port, in Sao Paulo. The Rondonopolis-Santos and Primavera do Leste-Santos routes dropped by R5/t each, to R370-400/t and R390-430/t, respectively.

Demand was greater on routes bound for the railroad terminal in Rondonopolis for transportation and were among the week's exceptions. The Sorriso-Rondonopolis stretch rose by R5/t to R185-200/t. The Primavera do Leste-Rondonopolis route climbed by R8/t to R85-100/t.

Most of the 21 fertilizer freights monitored weekly by *Argus* and departing from the country's main ports increased or remained stable because there were less trucks available, as many drivers go home to celebrate the holidays. Therefore, freight rates were lifted to attract truck drivers, despite slow cargo release on some monitored routes.

Routes bound for Mato Grosso stood out. The Paranagua-Sorriso section rose by R5/t to R370-378/t. The Santos/Cubatao-Sorriso stretch advanced by R30/t to R375/t, while the Sao Francisco do Sul-Rondonopolis route climbed by R10/t to R320-350/t.

On routes departing from the Northern Arc, fertilizer freights increased on the Miritituba-Sinop stretch to attract more drivers, advancing by R30/t in the week to R140-170/t.

President Luiz Inacio Lula da Silva — who began his third term on 1 January — announced last week the remaining 16 ministers that will compose his administration, including senator Renan Filho from Alagoas state as the transportation minister. He took office on 3 January and reinforced his goals

Spot inland grains truck freight rates

	R/t		$/t	
	5 Jan	22 Dec	5 Jan	22 Dec
Sorriso (MT) - Rondonopolis (MT)	185-200	185-190	34-37	36-37
Sorriso (MT) - Miritituba (PA)	260-295	285-305	48-55	55-59
Sorriso (MT) - Santos (SP)	470-510	410-500	87-94	79-97
Rondonopolis (MT) - Paranagua (PR)	360-390	370-380	67-72	72-73
Rondonopolis (MT) - Santos (SP)	370-400	380-400	69-74	73-77
Primavera do Leste (MT) - Rondonopolis (MT)	85-100	80-90	16-19	15-17
Primavera do Leste (MT) - Santos (SP)	390-430	400-430	72-80	77-83
Sinop (MT) - Miritituba (PA)	250-280	270-285	46-52	52-55
Querencia (MT) - Palmeirante (TO)	220-270	230-270	41-50	44-52
Querencia (MT)-Rio Verde (GO)	200-230	200-210	37-43	39-41
Sapezal (MT)-Porto Velho (RO)	200-210	215-215	37-39	42-42
Confresa (MT)-Barcarena (PA)	220-260	250-270	41-48	48-52

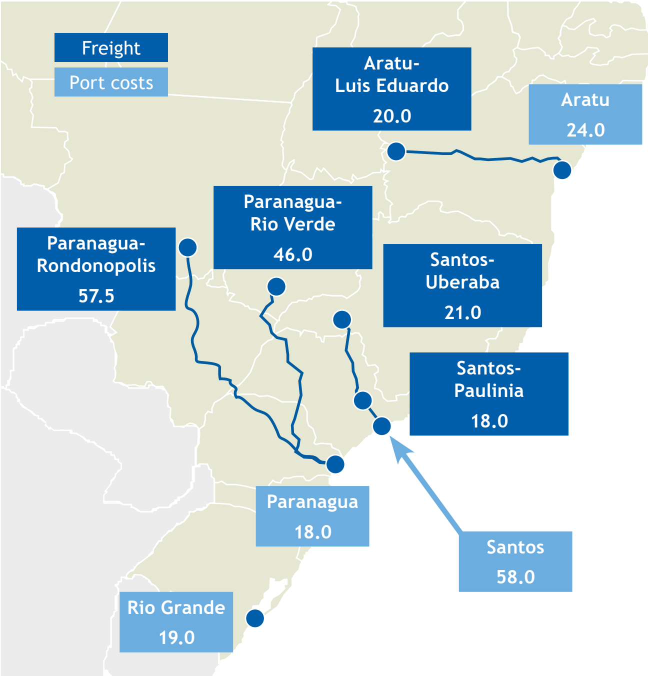
Spot inland fertilizer truck freight rates

	R/t		$/t	
Route	5 Jan	22 Dec	5 Jan	22 Dec
Paranagua (PR)-Rondonopolis (MT) 36-40t	306-312	310-312	57-58	60-60
Sao Francisco do Sul (SC)-Rondonopolis (MT) 36-40t	320-350	320-330	59-65	62-64
Paranagua (PR)-Dourados (MS) 36-40t	167-174	167-174	31-32	32-34
Rio Grande (RS)-Dourados (MS) (big bag) 36-40t	276-288	280-280	51-53	54-54
Paranagua (PR)-Sorriso (MT) 36-40t	370-378	360-378	69-70	70-73
Santos/Cubatao (SP)-Rondonopolis (MT) 36-40t	220-240	220-240	41-44	43-46
Santos/Cubatao (SP)-Sorriso (MT) 36-40t	375-375	330-360	69-69	64-70
Paranagua (PR)-Rio Verde (GO) 36-40t	242-252	235-240	45-47	45-46
Vitoria (ES)-Catalao (GO) 36-40t	300-300	300-300	56-56	58-58
Santos/Cubatao (SP)-Catalao (GO) 36-40t	187-207	187-207	35-38	36-40
Santos/Cubatao (SP)-Rio Verde (GO) 36-40t	154-168	154-168	29-31	30-32
Laranjeiras (SE)-Catalao (GO) 36-40t	430-445	370-370	80-82	72-72
Paranagua (PR)-Uberaba/Uberlandia (MG) 36-40t	196-204	219-228	36-38	42-44
Vitoria (ES)-Uberaba/Uberlandia (MG) 36-40t	270-290	280-280	50-54	54-54
Santos/Cubatao (SP)-Uberaba/Uberlandia (MG) 36-40t	110-120	110-120	20-22	21-23
Santos/Cubatao (SP)-Paulinia (SP) 36-40t	88-108	88-108	16-20	17-21
Aratu/Candeias (BA)-Luis Eduardo Magalhaes (BA) 36-40t	110-110	110-110	20-20	21-21
Laranjeiras (SE)-Luis Eduardo Magalhaes (BA) 36-40t	192-200	192-200	36-37	37-39
Sao Luis (MA)-Querencia (MT) 36-40t	370-414	370-414	69-77	72-80
Sao Luis (MA)-Porto Nacional (TO) 36-40t	250-290	245-274	46-54	47-53
Miritituba (PA)-Sinop (MT) 36-40t	140-170	120-130	26-31	23-25

State abbreviations: PR=Parana, MT=Mato Grosso, SP=Sao Paulo, ES=Espirito Santo, SE=Sergipe, BA=Bahia, MG=Minas Gerais, MS=Mato Grosso do Sul, GO=Goias, SC=Santa Catarina, RS=Rio Grande do Sul, MA=Maranhao, TO=Tocantins, PA=Para, RO=Rondonia

LOGISTICS OVERVIEW

Freight map *$/t*



Spot freight rates to Brazil *$/t*

Product: Route, tonnage	5 Jan	22 Dec
Urea: Middle East-Brazil 30,000-35,000t	22-24	22-24
Urea: Baltic-Brazil 30,000-35,000t	60-70	60-70
MAP/MOP: Baltic-Brazil 25,000-35,000t	41-43	44-46
MAP/DAP: Morocco-Brazil 25,000-35,000t	19-21	19-21
MAP/DAP: Tampa-Brazil 25,000-35,000t	29-31	30-32
Phosphate rock: Morocco-Brazil 30,000t	19-21	19-21
Sulphur: Middle East-Brazil 30,000-35,000t	27-31	29-31
Sulphur: US Gulf-Brazil 35,000-40,000t	19-21	21-22
Sulphur: Baltic-Brazil 30,000-35,000t	80-95	80-95
Sulphur: Black Sea-Brazil 30,000-35,000t	45-130	40-130
Sulphuric acid: NWE-Brazil 20,000t	80-85	80-85

Port costs *$/t*

Port	Storage, other costs*	Demurrage	Total
Paranagua and Antonina	15	3	18
Sao Francisco do Sul	9	11	20
Rio Grande	18	1	19
Santos	22	36	58
Vitoria	10	18	28
Aratu	24	0	24
Itaqui	25	0	25

** including stevedorage charges and other related costs but excluding bags/bagging*

of expanding Brazil's rail network and improving the country's highways.

Senator Jean Paul Prates, from Rio Grande do Norte state, was nominated as Petrobras' chief executive by the mines and energy ministry. The state-controlled company's board of directors. The decision also depends on clearance based on Brazil's 2016 Lei das Estatais law regulating state-owned companies. On 4 January, he ruled out that the firm will detach ex-refinery oil product prices from international market prices but added that it would stop using import parity references to guide pricing.

Port costs

Port costs in Sao Francisco do Sul, Santa Catarina state, declined along with the waiting time for berthing in January. The demurrage rate fell to $11/t and total costs reached $20/t.

Costs also dropped in the Santos port, in Sao Paulo. The demurrage rate dropped to $36/t, taking total costs to $58/t. Cargo handling in the port climbed by 8.2pc year-on-year in November to 12.2mn t, a record for the month.

The demurrage rate in the Aratu and Itaqui ports in Bahia and Maranhao states, respectively, zeroed in the absence of berthing queues this week. As a result, total costs were at $24/t in Aratu and $25/t in Itaqui.

In the opposite direction, port costs increased in Vitoria, in Espirito Santo, as the average waiting time for berthing got longer. The demurrage rate climbed to $18/t, taking total costs to $28/t.

REGIONAL FERTILIZER LINEUPS: SOUTH REGION

Fertilizer arrivals at Paranagua and Antonina, January — *Unimar*

Buyer	Supplier/origin	Vessel	'000t	Product	Estimated time of arrival	Estimated time of berth	Estimated time of departure	Waiting time days
-	Israel	S Breeze	30.5	MOP	31 Dec	1 Jan	6 Jan	1.0
-	Eurochem, Russia	Ina-Lotte	18.1	Urea	2 Jan	3 Jan	6 Jan	1.0
BRFertil, Cibra, Mosaic, Yara	Mosaic, Canada	Pms Steinbock	33.8	MOP	20 Dec	3 Jan	6 Jan	14.0
Amaggi, Fertipar, Heringer, Mosaic	Fertbroker, China	Martha	64.0	AS	29 Dec	6 Jan	9 Jan	8.0
Fertipar	Acron, Russia	Era S	7.8	AN	7 Jan	7 Jan	9 Jan	0.0
-	Koch, Nigeria	Sfl Hudson	15.0	Urea	7 Jan	7 Jan	10 Jan	0.0
TPPF	Keytrade, FSU	Hinoki	28.5	Urea	8 Jan	8 Jan	14 Jan	0.0
-	Koch, Nigeria	Sfl Hudson	21.5	Urea	8 Jan	8 Jan	13 Jan	0.0
TPPF	Acron, Russia	Agia Filothei	12.0	NPK	9 Jan	14 Jan	17 Jan	5.0
TPPF	Purefert, China	Panda	10.0	Urea	20 Jan	24 Jan	26 Jan	4.0
Total			241.1					
Average waiting time								3.0

REGIONAL FERTILIZER LINEUPS: SOUTH REGION

Fertilizer arrivals at Rio Grande, January								*— Unimar*
Buyer	Supplier/origin	Vessel	*'000t*	Product	Estimated *time of* arrival	Estimated *time of* berth	Estimated *time of* departure	Waiting *time* days
Cibra, Piratini, Unifertil	Fitco, Belgium	Coreleader OL	13.0	Urea	2 Jan	2 Jan	4 Jan	0.0
Piratini, Unifertil	Fertiglobe, Algeria	Arklow Spray	9.0	Urea	4 Jan	4 Jan	5 Jan	0.0
Yara	Trammo, Belgium	Bow Caroline	19.3	Sulphuric Acid	4 Jan	4 Jan	7 Jan	0.0
Unifertil	ICL, Israel	S Breeze	5.2	MOP	8 Jan	8 Jan	9 Jan	0.0
Yara	Canpotex, Canada	Pms Steinbock	11.0	MOP	8 Jan	8 Jan	9 Jan	0.0
Cibra	Canpotex, Canada	Pms Steinbock	19.0	MOP	8 Jan	9 Jan	10 Jan	1.0
Unifertil	ICL, Israel	S Breeze	10.5	SSP	11 Jan	11 Jan	14 Jan	0.0
Josapar, Piratini, Unifertil	ICL, Israel	Mastro Mitros	21.0	MOP, SSP	15 Jan	15 Jan	18 Jan	0.0
Yara	OCP, Morocco	Lavieen Rose	15.0	MAP	15 Jan	15 Jan	18 Jan	0.0
Ourofertil, Timac	OCP, Morocco	Lavieen Rose	6.5	MAP	15 Jan	18 Jan	19 Jan	3.0
Yara	Canpotex, Canada	Fortune Island	10.0	MOP	19 Jan	19 Jan	20 Jan	0.0
Yara	Yara, Qatar	Lausanne	22.0	Urea	18 Jan	21 Jan	24 Jan	3.0
Yara	OCP, Morocco	Alexandros III	20.0	MAP	20 Jan	23 Jan	26 Jan	3.0
Piratini, Unifertil	K+S, Germany	Rego	21.0	MOP	25 Jan	25 Jan	28 Jan	0.0
Yara	Canpotex, Canada	Serenitas N	10.0	MOP	26 Jan	26 Jan	27 Jan	0.0
Cibra, Mosaic	Canpotex, Canada	Serenitas N	10.0	MOP	26 Jan	27 Jan	29 Jan	1.0
Yara	Fitco, Belgium	Lan Bao Hai	5.0	AS	27 Jan	27 Jan	28 Jan	0.0
Yara	Yara, Netherlands	Federal Katsura	15.0	Potassium Nitrate	28 Jan	28 Jan	30 Jan	0.0
Total			242.5					
Average waiting time								1.0

REGIONAL FERTILIZER LINEUPS: SOUTHEAST REGION

Fertilizer arrivals at Santos, January								— *Unimar*
Buyer	**Supplier/origin**	**Vessel**	*'000t*	**Product**	**Estimated** *time of* **arrival**	**Estimated** *time of* **berth**	**Estimated** *time of* **departure**	**Waiting** *time* **days**
Mosaic	Mosaic, US	Aetolia	40.0	Sulphur	1 Jan	1 Jan	4 Jan	0.0
Yara	Canpotex, Canada	Fortune Island	8.4	MOP	30 Dec	1 Jan	6 Jan	2.0
CHS, Cibra, Mosaic	Canpotex, Canada	Pacific Victory	51.1	MOP	22 Oct	2 Jan	6 Jan	72.0
Amaggi, Cibra, FTO	Fertbroker, China	Lake Dawn	78.4	AS	11 Nov	6 Jan	12 Jan	56.0
Yara	Yara, Qatar	Josco Jinzhou	15.0	Urea	5 Jan	7 Jan	11 Jan	2.0
FTO, Heringer	Eurochem, Russia	Viden	9.0	MAP	7 Jan	7 Jan	10 Jan	0.0
Mosaic	Qatar	Chang Hang Cang Hai	38.0	Sulphur	7 Jan	7 Jan	11 Jan	0.0
Mosaic	Mosaic, US	Ubc Stockholm	10.0	NP	23 Dec	7 Jan	9 Jan	15.0
Mosaic	Mosaic, US	Asl Crystal	6.0	NP	4 Oct	9 Jan	11 Jan	97.0
Mosaic	CHS, Qatar	Capricorn Confidence	49.5	Urea	8 Dec	11 Jan	21 Nov	34.0
Mosaic	Yara, Trinidad and Tobago	Yara Freya	18.8	Ammonia	8 Jan	12 Jan	13 Jan	4.0
Agro Industrial, Amaggi, Cibra, Mosaic, Rifertil	Keytrade, China	Glorious Sky	59.0	AS	11 Nov	12 Jan	17 Jan	62.0
-	Russia	Kalixenos	32.0	MAP	13 Jan	13 Jan	20 Jan	0.0
Mosaic	Mosaic, Peru	Fuji Harmony	30.0	Phosphate Rock	13 Jan	14 Jan	17 Jan	1.0
Cibra, FTO, Heringer, Mosaic	Eurochem, Russia	Tony Smith	11.5	MAP	17 Jan	17 Jan	21 Jan	0.0
Amaggi, Cibra, Mosaic, Yara	Agrilaf, China	Affinity Diva	87.2	AS	1 Dec	17 Jan	24 Jan	47.0
Mosaic	Mosaic, Kuwait	Amis Wisdom II	40.0	Sulphur	17 Jan	18 Jan	21 Jan	1.0
-	Russia	Panda	15.8	MOP	19 Jan	19 Jan	24 Jan	0.0
-	Russia	Sikinos	16.0	AN	20 Jan	20 Jan	27 Jan	0.0
Mosaic	Mosaic, US	Strategic Explorer	40.0	Sulphur	15 Jan	21 Jan	24 Jan	6.0
Heringer	Eurochem, Russia	Beatrice	8.0	MOP	21 Jan	21 Jan	25 Jan	0.0
-	Canpotex, Canada	Fortune Island	25.4	MOP	30 Dec	21 Jan	25 Jan	22.0
Fertipar	K+S, Germany	Ivs Phoenix	34.0	MOP	6 Dec	24 Jan	26 Jan	49.0
Adubos Araguaia, Amaggi, Cibra, Rifertil	Gavilon, Bahrain	Tegea	44.0	Urea	7 Dec	26 Jan	30 Jan	50.0
-	Russia	Zografia	38.2	MOP	26 Jan	27 Jan	3 Feb	1.0
Mosaic	Mosaic, US	Ipanema Beach	26.7	MOP	15 Jan	28 Jan	31 Jan	13.0
-	Canpotex, US	Serenitas N	11.0	MOP	29 Jan	29 Jan	3 Feb	0.0
-	Seven Seas, China	Tiger Lily	72.0	AS	12 Dec	30 Jan	5 Feb	49.0
Mosaic	CHS, Nigeria	White Bay	40.0	Urea	10 Jan	31 Jan	8 Feb	21.0
Total			955.0					
Average waiting time								21.0

REGIONAL FERTILIZER LINEUPS: SOUTHEAST REGION

Fertilizer arrivals at Vitoria, January — *Unimar*

Buyer	Supplier/origin	Vessel	*'000t*	Product	Estimated *time of* arrival	Estimated *time of* berth	Estimated *time of* departure	Waiting *time* days
Adubos Araguaia	Eurochem, Russia	Emerald Bay	15.0	MAP	11 Dec	5 Jan	9 Jan	25.0
FTO	Comexport, Venezuela	Penelope T	11.0	Urea	25 Dec	7 Jan	14 Jan	13.0
Adubos Araguaia, Fertipar	Koch, Nigeria	Sfl Hudson	22.4	Urea	14 Dec	10 Jan	16 Jan	27.0
Fertipar, FTO, Heringer	Enbel, India	Ascanios	60.8	Urea	19 Dec	17 Jan	10 Feb	29.0
Heringer	Eurochem, Russia	Malyovitsa	5.5	MAP	29 Dec	21 Jan	23 Jan	23.0
Heringer	Acron, Russia	Agia Filothei	19.8	NPK	2 Jan	23 Jan	29 Jan	21.0
Heringer	Sabic, Saudi Arabia	Tiger Jilin	17.0	Urea	15 Jan	29 Jan	4 Feb	14.0
Total			151.5					
Average waiting time								22.0

REGIONAL FERTILIZER LINEUPS: MATOPIBA REGION

Fertilizer arrivals at Aratu, January — *Unimar*

Buyer	Supplier/origin	Vessel	'000t	Product	Estimated time of arrival	Estimated time of berth	Estimated time of departure	Waiting time days
Cibra, Heringer, Fertimaxi, FTO, TOCANTINS	Eurochem, Russia	Tony Smith	19.4	MAP, NKS, Urea	5 Jan	5 Jan	11 Jan	0.0
Cibra	Midgulf, Egypt	Camila	31.5	Phosphate Rock	15 Jan	15 Jan	21 Jan	0.0
FTO, Heringer	K+S, Germany	Rego	9.0	MOP	17 Jan	17 Jan	19 Jan	0.0
Fertimaxi, Fertinor, Fertipar	Eurochem, Russia	Lago Di Cancano	9.4	MAP	17 Jan	17 Jan	20 Jan	0.0
Fertipar	K+S, Germany	Oceanic Praise	16.0	MOP	17 Jan	18 Jan	22 Jan	1.0
OCP	OCP, Morocco	Es Care	15.5	TSP	18 Jan	19 Jan	24 Jan	1.0
Mosaic	Mosaic, US	Strategic Endeavor	5.5	MAP	21 Jan	21 Jan	23 Jan	0.0
Heringer, Nutrisoya	Koch, Nigeria	Port Orient	9.0	Urea	24 Jan	24 Jan	27 Jan	0.0
Total			115.3					
Average waiting time								0.0

Fertilizer arrivals at Itaqui, January — *Unimar*

Buyer	Supplier/origin	Vessel	'000t	Product	Estimated time of arrival	Estimated time of berth	Estimated time of departure	Waiting time days
Yara	Bulkfertz, Egypt	Clipper Apollonia	10.0	SSP	2 Jan	2 Jan	4 Jan	0.0
Adubos Araguaia, Fertgrow	Uralkali, Russia	Ivory Gull	30.5	MOP, NPK	4 Jan	4 Jan	9 Jan	0.0
Fertipar	Purefert, Russia	Lago Di Cancano	6.0	MAP	6 Jan	9 Jan	10 Jan	3.0
OCP	OCP, Morocco	Es Care	17.5	TSP	9 Jan	9 Jan	12 Jan	0.0
Fertgrow	Agrilaf, China	Plate Queen	15.8	AS	12 Jan	12 Jan	15 Jan	0.0
Mosaic	Mosaic, US	Strategic Endeavor	3.0	MAP	16 Jan	16 Jan	17 Jan	0.0
Risa	ICL, Israel	Mastro Mitros	15.8	MOP	18 Jan	18 Jan	20 Jan	0.0
Nitron	Nitron, Egypt	Diamond Star II	9.0	SSP	18 Jan	18 Jan	20 Jan	0.0
Total			107.6					
Average waiting time								0.0

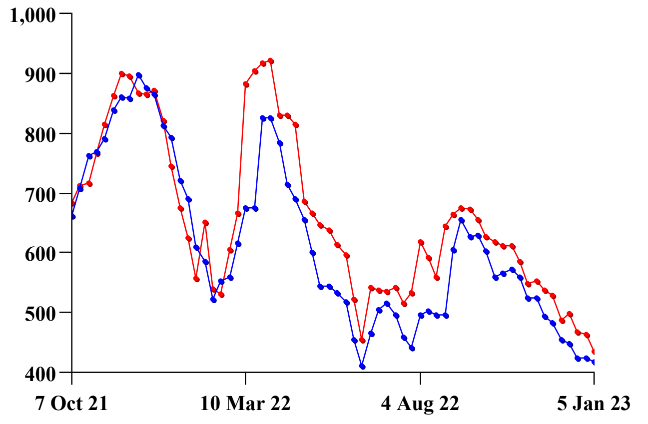
INTERNATIONAL MARKETS SUMMARY: FERTILIZER

Urea

Urea prices fell as the year began as producers fought for liquidity and the market remains weak. Egypt prices fell by $40/t in a matter of days to $495/t fob. In end-user markets prices slumped also. With India out of the market for January there is a clear overhang of supply in Russia, the Middle East and both north and west Africa for January-loading cargoes. Supply of ammonium nitrate has been curtailed by Russia's export quotas.

Outlook: Weak

Urea spot price $/t

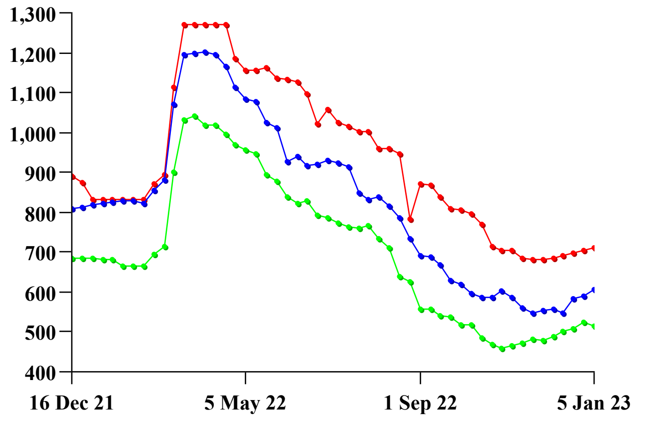


Phosphates

The convergence between the major markets east and west continues, with MAP up in Brazil and Indian DAP prices slipping. Prices out of China fell since the previous assessment and clarity on phosphates export quotas from China for the first half of this year has yet to emerge.

Outlook: East-west convergence to continue

MAP spot price $/t

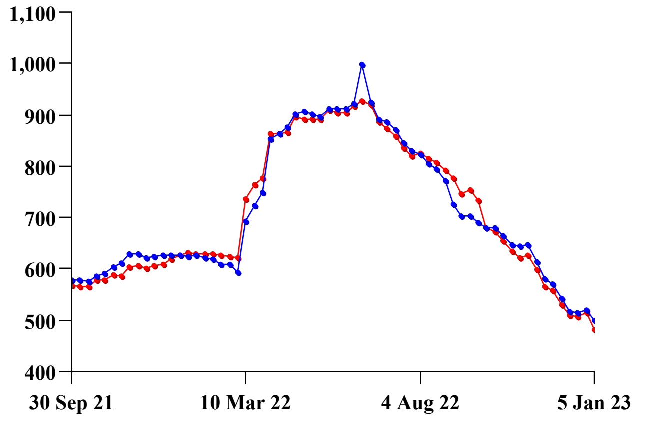


Potash

In the east, market participants are closely watching the results of Pupuk Indonesia's standard MOP buy tender. Awards for this tender will help to provide a new benchmark price for the region. More demand is expected to surface in Europe and southeast Asia, which may help to prevent further sharp price decreases, although downwards pressure still remains in these regions as the strength of demand is uncertain.

Outlook: A little more stability

MOP spot price $/t



NEWS

Brazil to further increase corn exports

Brazil is expected to harvest a record corn crop in 2022-23, which usually depresses prices, but the expectation of firm demand on international markets points to sustained port differentials.
Full story here.

Brazil's MOP market slows on high stocks

High MOP inventories in Brazil are likely to keep imports slow and prices lower in the first quarter of 2023, as sellers continue to rush to trade old volumes and free up space before committing to new deals.
Full story here.

Tight demand may lower Brazil urea prices

Buyers in Brazil's main agricultural states are expected to make last-minute nitrogen-based fertilizer purchases for the 2022-23 winter corn crop in early 2023 as barter rates decrease and weather conditions improve.
Full story here.

Urea to start 2023 on a weak note in Brazil

Granular urea prices at Brazil's ports are poised to fall at the start of 2023 as demand for the 2022-23 winter crop fades, but external factors linked to raw materials will cause some volatility.
Full story here.

Favorable barter rates to increase MAP deals

Brazilian purchases of phosphate-based fertilizers for the 2023-24 soybean crop are set to increase in the first quarter of 2023 amid higher grain prices and reduced barter rates in major producing states.
Full story here.

Brazil freight rates may rise in 2023

The Brazilian grain freight market is expected to show less volatility in 2023 amid forecasts for record soybean and corn crops, causing domestic freight rates to rise, especially during harvest.
Full story here.

Brazil's farmers to cut self-financing in 2023-24

Self-financing in Mato Grosso state grew in the 2022-23 soybean crop, but should decrease in the next season as total producing costs may fall.
Full story here.

India tenders for additional annual urea supply

Indian Potash (IPL) will on 23 January close a tender for the supply of 600,000t of urea between March 2023 and February 2024.
Full story here.

Fertilizer deliveries to Argentina rise to record

Fertilizer deliveries to Argentina, South America's second-largest agricultural producer, reached a record-high 4.54mn metric tonnes (t) in the 2021-22 crop, driven mainly by more nitrogen-based fertilizer consumption.
Full story here.

China to remove tariffs on potash imports

The Chinese government will no longer place a 1pc import tariff on muriate of potash (MOP) and sulphate of potash (SOP) from the start of 2023, but tariffs on the receipt of NPKs will remain.
Full story here.

Heringer raises public tender offer prices

Brazilian fertilizer producer Fertilizantes Heringer announced increases to the prices of its public tender offers for its shares as it prepares to become privately held once again, while simultaneously announcing the resignation of its chairman.
Full story here.

Iranian urea exports hit a record high in 2022

Iran's exports of urea rose to a record high of 5.1mn t in 2022, up by a third from the previous year as domestic production increased.
Full story here.

P&I clubs cancel Black Sea war risk coverage

Shipowners transiting the Black Sea will no longer be insured against fallout from the conflict in Ukraine beginning 1 January in a move pushed by reinsurers, the companies that protect insurance companies financially, according to notices released by four Protection and Indemnity (P&I) clubs.
Full story here.

Argus *Brazil Grains and Fertilizer* is published by Argus Media group

Registered office
Lacon House, 84 Theobald's Road, London, WC1X 8NL
Tel: +44 20 7780 4200

ISSN: 2634-1514

Editor
Flavia Bohone
Tel: +55 11 3235 2717
fertilizantes@argusmedia.com

Customer support and sales:
support@argusmedia.com
sales@argusmedia.com

London, Tel: +44 20 7780 4200
Houston, Tel: +1 713 968 0000
Singapore, Tel: +65 6496 9966

Fertilizers
illuminating the markets®