

India NPK Statistical Update

August 2016 Statistics

DAP

August fertilizer statistics released by the Fertilizer Association of India (FAI) indicated both DAP shipments and imports recovered from a slow July and both metrics topped the same period a year ago. However, YTD shipments since the start of the fertilizer year in April total just 2.9 million tonnes, about 23% behind last year. Retailers have been hesitant to stock product in preparation for Rabi season due to maximum retail price (MRP) uncertainty. In fact, our Indian team notes that retailers are only carrying ~30% of Rabi season needs. Last week, the industry received a bit of clarity, with the expectation now being that the MRP and DAP subsidy will be unchanged in the near-term. As such, we anticipate more normal Rabi purchase volumes as planting begins, particularly with an average monsoon and good soil moisture distribution across most of the growing region.

August DAP imports as reported by FAI were the highest since June 2015; however, fertilizer YTD arrivals of 3.1 million tonnes are off ~900,000 (-23%) from a year ago. Two more months of notable imports are expected, though this year's total looks to fall from 2015/16. Aside from destocking of significant inventories, higher DAP production this fertilizer year (+44% YoY) has trimmed import demand. In fact, our Indian team notes we may see record DAP output in 2016.

MOP

Sales of direct-application MOP in August ticked higher, pushing YTD 2016/17 shipments to nearly 1.0 million tonnes (+5% YoY). We anticipate robust potash application during the upcoming Rabi due to lower prices and good soil conditions. MOP imports so far this fertilizer year are down about 30% to 1.3 million tonnes, according to FAI. Our Indian team does note, however, a solid import lineup through the end of the calendar year due to the stable rupee and attractive importer margins.

Urea

Urea shipments continued to seasonally build in August to the highest level in almost two years; however, fertilizer YTD shipments are still down 1.1 million tonnes (9%) from last year's record. August imports were nearly halved following July's surge, which set fertilizer YTD imports back closer into alignment with last year's pace (only 6% ahead now). August production approached 2.2 million tonnes, the highest in our records dating back more than a decade. Even so, fertilizer YTD output is a shade behind last year.

Average Published Plant Nutrient Prices

US\$ MT	Sep '16	Aug '16	Sep '15
DAP India fob	\$334	\$338	\$463
Phos. Acid India c&f	\$605	\$603	\$810
Ammonia c&f	\$242	\$300	\$465
Sulphur India c&f	\$92	\$82	\$143

Source: Average from several monthly publications

India Plant Nutrient Shipments

1000 MT	Current Month		% Chg	7-Yr	% Chg
	Aug '16	Aug '15	Prior Yr		
DAP	862	781	10%	885	-3%
MOP	269	243	11%	223	21%
Urea	3,111	2,994	4%	2,786	12%
NPK	773	872	-11%	N/A	N/A

1000 MT	Year-To-Date (FY)		% Chg	7-Yr	% Chg
	YTD 16/17	YTD 15/16	Prior Yr		
DAP	2,917	3,805	-23%	3,569	-18%
MOP	979	934	5%	994	-1%
Urea	11,823	12,965	-9%	11,238	5%
NPK	2,868	3,320	-14%	N/A	N/A

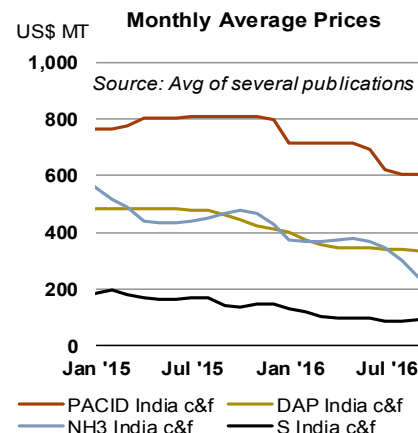
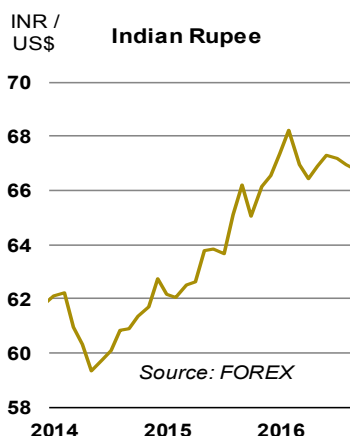
Source: FAI

India Plant Nutrient Imports

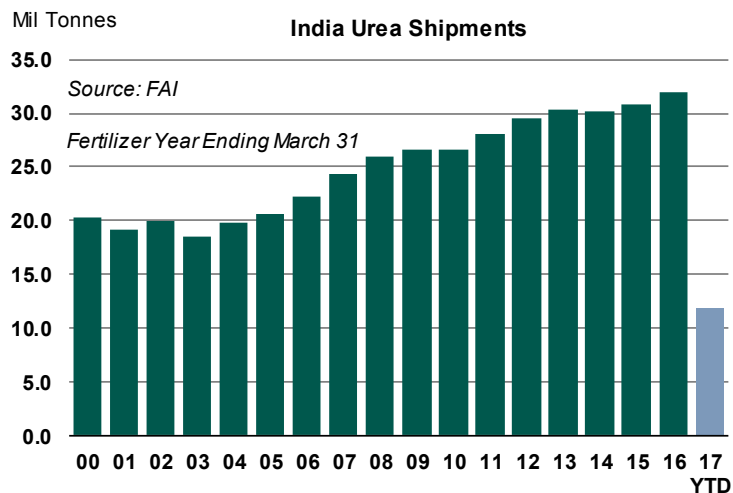
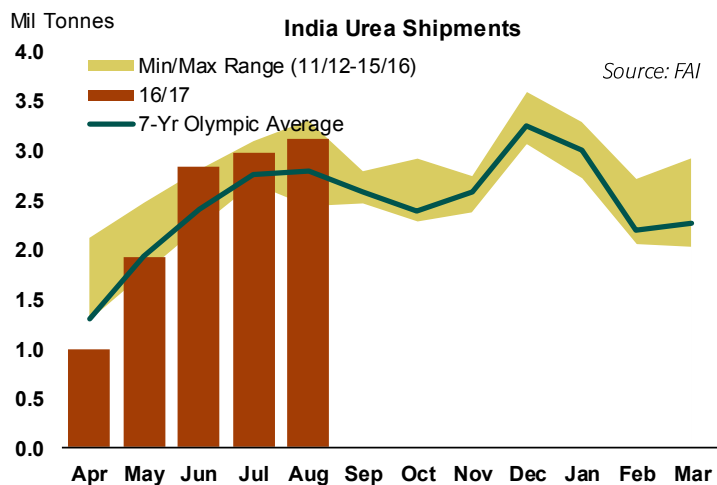
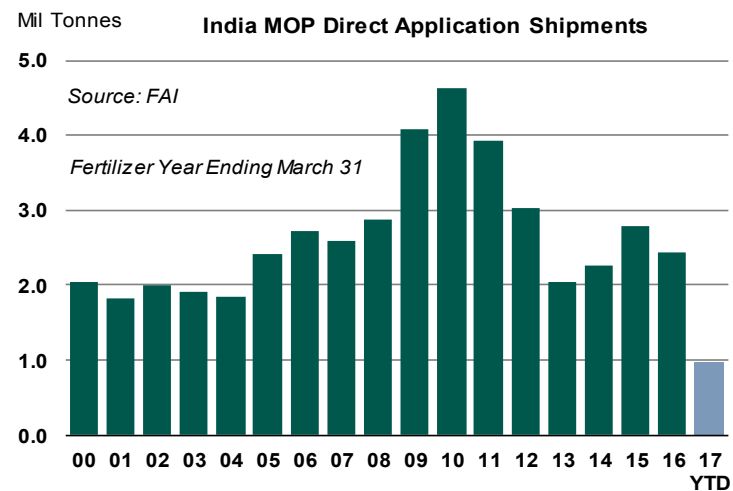
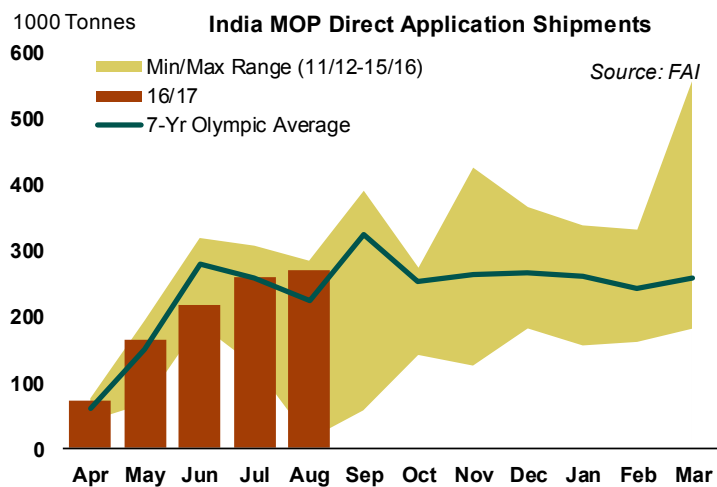
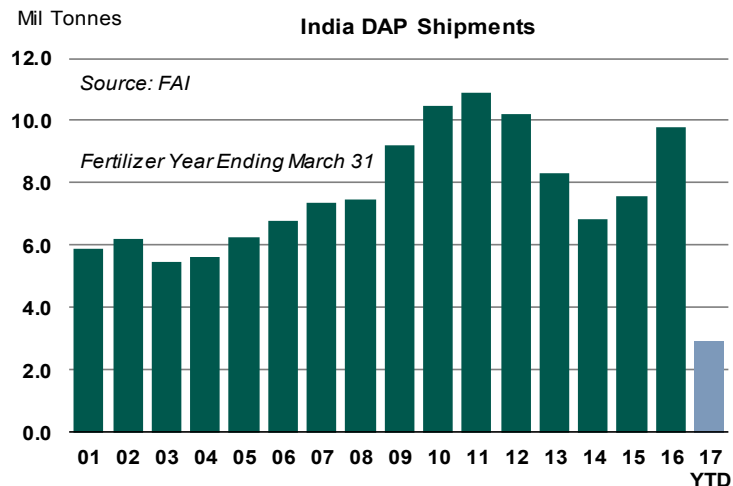
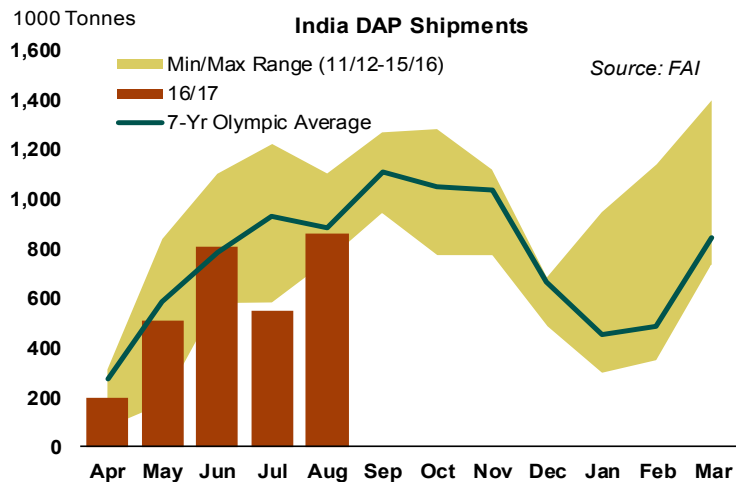
1000 MT	Current Month		% Chg	7-Yr	% Chg
	Aug '16	Aug '15	Prior Yr		
DAP	974	865	13%	907	7%
MOP	332	536	-38%	421	-21%
Urea	605	919	-34%	632	-4%
NPK	87	22	295%	N/A	N/A

1000 MT	Year-To-Date (FY)		% Chg	7-Yr	% Chg
	YTD 16/17	YTD 15/16	Prior Yr		
DAP	3,118	4,040	-23%	2,986	4%
MOP	1,282	1,836	-30%	1,584	-19%
Urea	3,248	3,062	6%	2,328	40%
NPK	438	520	-16%	N/A	N/A

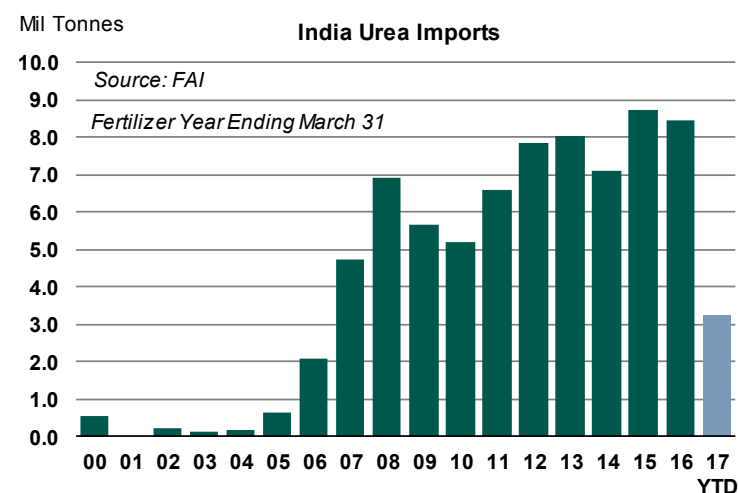
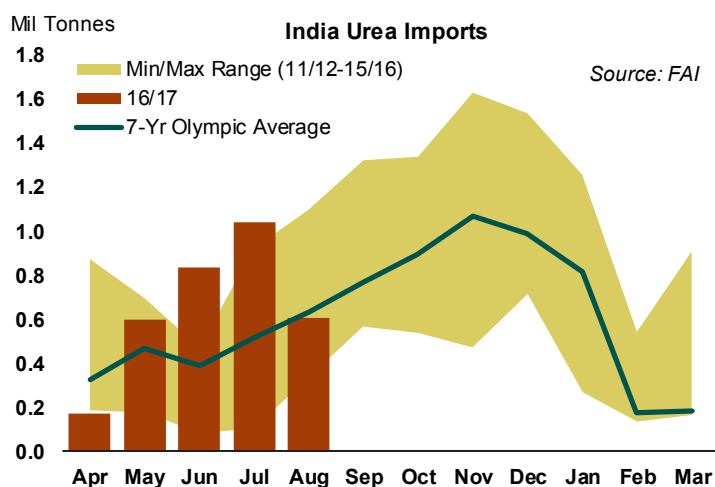
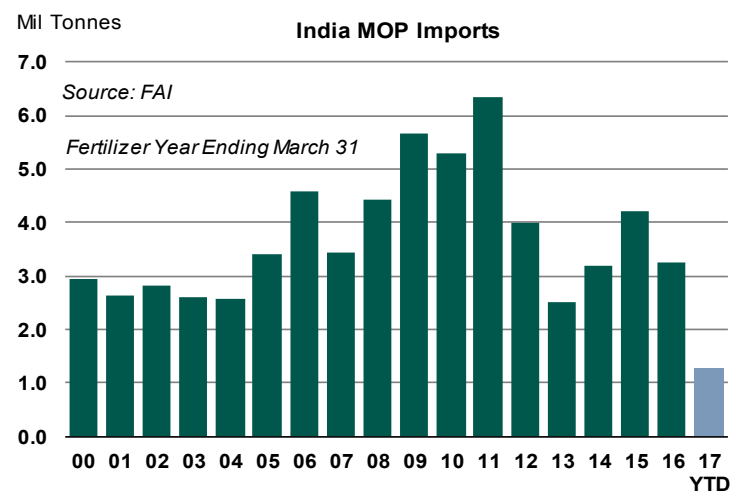
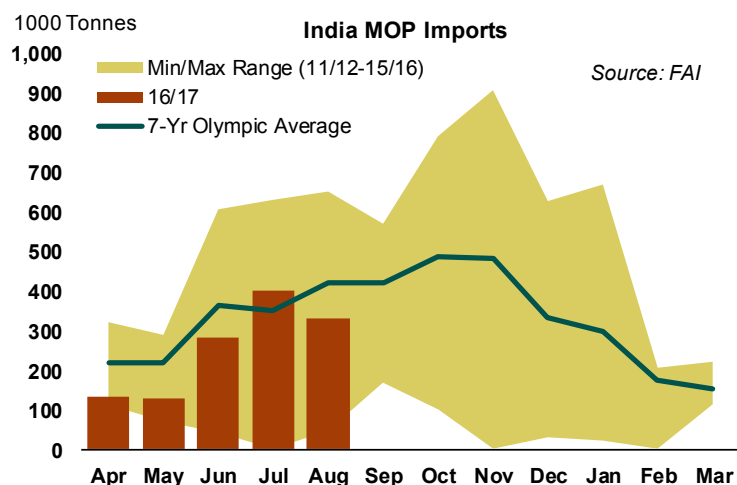
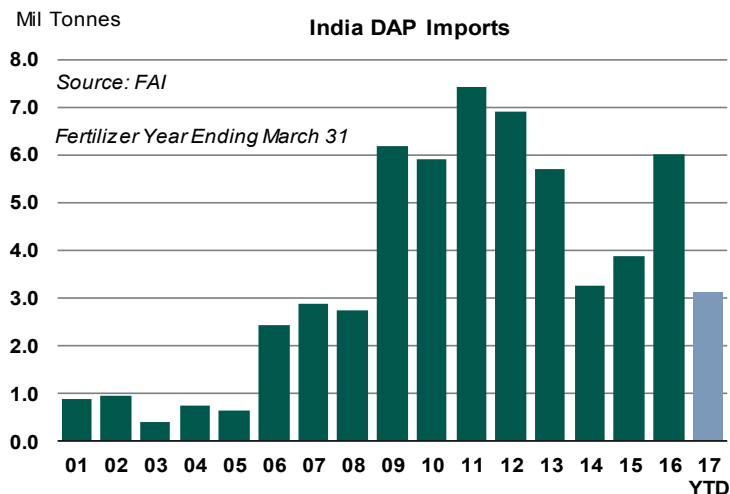
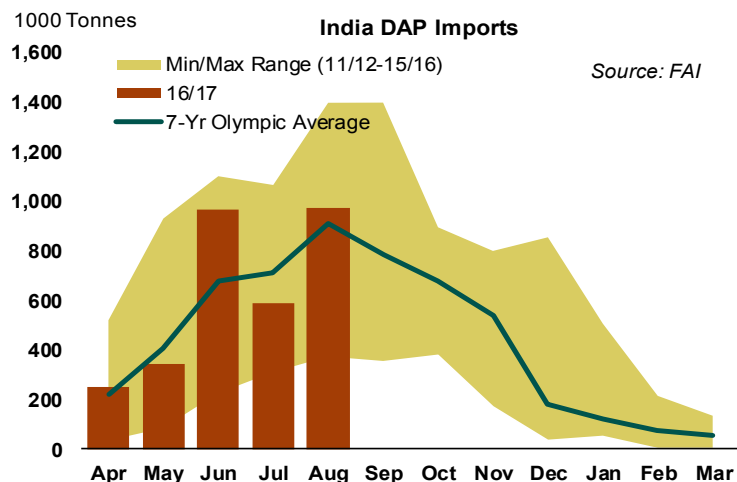
Source: FAI



Shipments



Imports



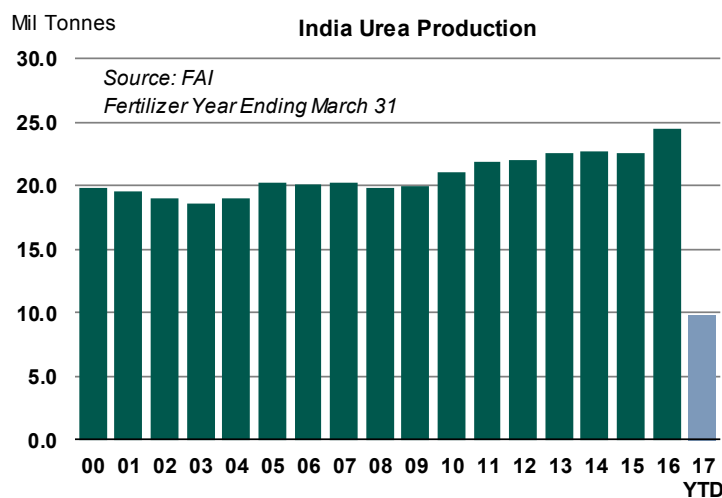
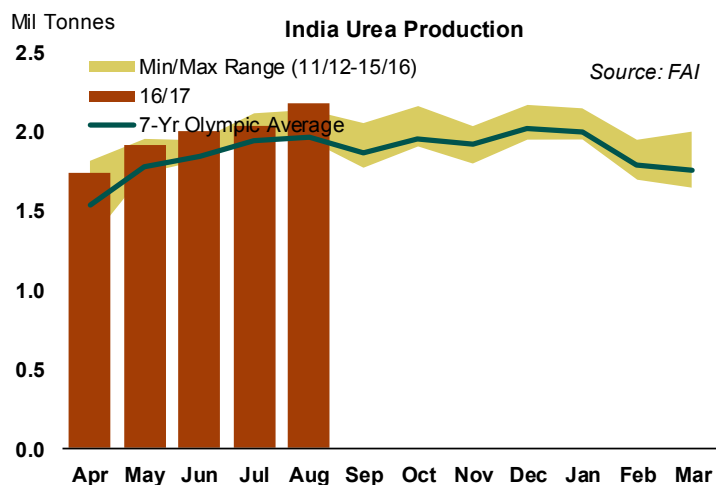
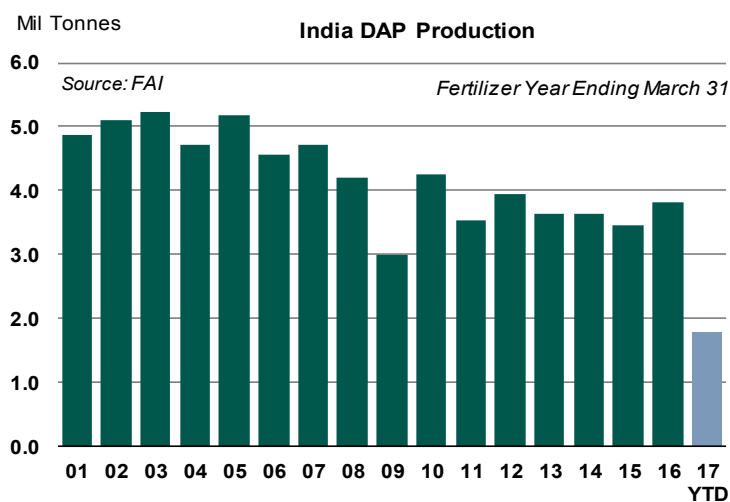
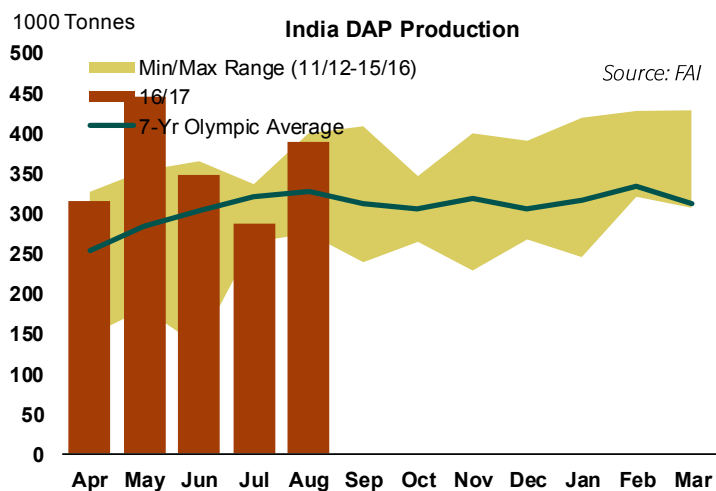
Production

India Plant Nutrient Production

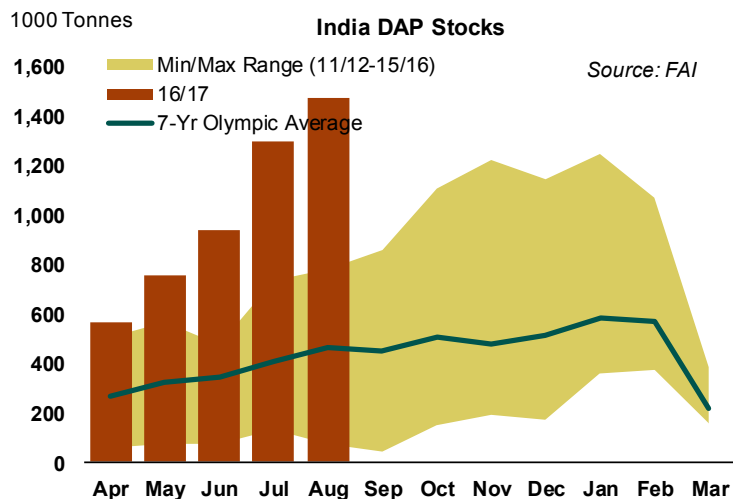
<u>Current Month</u>		% Chg		% Chg	
		Prior	7-Yr	7-Yr	
1000 MT	Aug '16	Aug '15	Yr	Avg	Avg
DAP	390	274	42%	328	19%
Urea	2,181	2,138	2%	1,970	11%
NPK	795	857	-7%	N/A	N/A

<u>Year-To-Date (FY)</u>		% Chg		% Chg	
		Prior	7-Yr	7-Yr	
1000 MT	YTD 16/17	YTD 15/16	Yr	Avg	Avg
DAP	1,786	1,242	44%	1,457	23%
Urea	9,879	9,945	-1%	9,076	9%
NPK	3,381	3,551	-5%	N/A	N/A

Source: FAI



Stocks



India Plant Nutrient Stocks					
Current Month		% Chg Prior Yr		% Chg 7-Yr Avg	
1000 MT	Aug '16	Aug '15			
DAP	1,473	763	93%	465	217%
MOP	272	414	-34%	179	52%
Urea	1,698	218	681%	283	501%
NPK	1,241	948	31%	N/A	N/A

Source: FAI

