Fertilizer/Agro-chemical report
Kunsmis/Landbou-chemiese verslag

GRAIN SA
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Updated: July 2022

(Used International prices for June)

Opgedateer: Julie 2022

(Gebruik Internasionale pryse vir Junie)

Chemical Prices/Chemikalieë Pryse

Onkruiddoders/Herbicides

Internasionale onkruiddoder pryse – Jaar-op-jaar veranderinge ($/t)/ International herbicide prices - Year to Year change ($/t)			
	Jun-21	**Jun-22**	**% change**
	USD/t	USD/t	
Glyphosate (95%)	8 004	10 544	+31,7
Acetochlor (92%)	3 991	6 360	+59,4
Atrazine (97%)	3 192	5 507	+72,5
Metolachlor (97%)	4 144	7 746	+86,9
Trifluralin (95%)	6 954	5 507	-20,8
R/$	**13,93**	**15,81**	**+13,5**

Internasionale onkruiddoder pryse – Jaar-op-jaar veranderinge (R/t)/ International herbicide prices - Year to Year change (R/t)			
	Jun-21	**June-22**	**% change**
	R/t	R/t	
Glyphosate (95%)	111 489	166 703	+49,5
Acetochlor (92%)	55 595	100 552	+80,9
Atrazine (97%)	44 460	87 069	+95,8
Metolachlor (97%)	57 726	122 466	+112,2
Trifluralin (95%)	96 875	87 069	-10,1

Onkruiddoders/Herbicides

International herbicide prices - Month to month change ($/t)			
	May-22	**Jun-22**	**% change**
	USD/t	**USD/t**	
Glyphosate (95%)	10 653	10 544	-1,0
Acetochlor (92%)	6 825	6 360	-6,8
Atrazine (97%)	5 732	5 507	-3,9
Metolachlor (97%)	7 862	7 746	-1,5
Trifluralin (95%)	5 875	5 507	-6,3
R/$	**15,88**	**15,81**	**-0,4**

International herbicide prices - Month to Month change (R/t)			
	May-22	**Jun-22**	**% change**
	R/t	**R/t**	
Glyphosate (95%)	169 169	166 703	-1,5
Acetochlor (92%)	108 382	100 552	-7,2
Atrazine (97%)	91 026	87 069	-4,3
Metolachlor (97%)	124 843	122 466	-1,9
Trifluralin (95%)	93 295	87 069	-6,7

Insekdoders/Insecticides

Internasionale insekdoders pryse - Jaar-op-jaar veranderinge ($/t)/ International insecticide prices - Year to Year change ($/t)			
	Jun-21	**Jun-22**	**% change**
	USD/t	USD/t	
Imidacloprid (95%)	20 053	21 724	+8,3
Lambda-cyhalothrin (95%)	25 989	28 307	+8,9
Carbofuran (99%)	16 229	16 938	+4,4
Deltamethrin (98%)	89 439	78 974	-11,7
Acetamiprid (95%)	17 759	22 264	+25,4
Chlorpyrifos (95%)	5 980	7 017	+17,3
Cypermethrin (94%)	13 299	12 038	-9,5
R/$	**13,93**	**15,81**	**+13,5**

Internasionale insekdoders pryse - Jaar-op-jaar veranderinge (R/t)/ International insecticide prices - Year to Year change (R/t)			
	Jun-21	**Jun-22**	**% change**
	R/t	R/t	
Imidacloprid (95%)	279 341	343 455	+23,0
Lambda-cyhalothrin (95%)	362 031	447 538	+23,6
Carbofuran (99%)	226 068	267 793	+18,5
Deltamethrin (98%)	1 245 886	1 248 579	+0,2
Acetamiprid (95%)	247 377	351 990	+42,3
Chlorpyrifos (95%)	83 297	110 933	+33,2
Cypermethrin (94%)	185 260	190 314	+2,7

Insekdoders/Insecticides

Internasionale insekdoders pryse - Maand-op-maand veranderinge ($/t)/ International insecticide prices – Month to Month change ($/t)			
	May-22	**Jun-22**	**% change**
	USD/t	USD/t	
Imidacloprid (95%)	23 114	21 724	-6,0
Lambda-cyhalothrin (95%)	29 586	28 307	-4,3
Carbofuran (99%)	17 191	16 938	-1,5
Deltamethrin (98%)	80 151	78 974	-1,5
Acetamiprid (95%)	23 114	22 264	-3,7
Chlorpyrifos (95%)	6 973	7 017	+0,6
Cypermethrin (94%)	11 946	12 038	+0,8
R/$	**15,88**	**15,81**	**-0,4**

Internasionale insekdoders pryse - Maand-op-maand veranderinge (R/t)/ International insecticide prices – Month to Month change (R/t)			
	May-22	**Jun-22**	**% change**
	R/t	R/t	
Imidacloprid (95%)	367 050	343 455	-6,4
Lambda-cyhalothrin (95%)	469 830	447 538	-4,7
Carbofuran (99%)	272 988	267 793	-1,9
Deltamethrin (98%)	1 272 803	1 248 579	-1,9
Acetamiprid (95%)	367 050	351 990	-4,1
Chlorpyrifos (95%)	110 733	110 933	+0,2
Cypermethrin (94%)	189 697	190 314	+0,3

Swamdoders/Fungicides

Internasionale swamdoder pryse – Jaar-op-jaar veranderinge ($/t)/ International fungicide prices - Year to Year change ($/t)			
	Jun-21	**Jun-22**	**% change**
	USD/t	USD/t	
96% Azoxystrobin Technical	34 586	37 365	+8,0
95% Difenoconazole technical	26 631	25 401	-4,6
97% Epoxiconazole technical	57 531	61 439	+6,8
95% Propiconazole technical	20 818	27 152	+30,4
96% Trifloxystrobin technical	85 750	71 937	-16,1
R/$	**13,93**	**15,81**	**+13,5**

Internasionale swamdoder pryse – Jaar-op-jaar veranderinge (R/t)/ International fungicide prices - Year to Year change (R/t)			
	Jun-21	**Jun-22**	**% change**
	R/t	R/t	
96% Azoxystrobin Technical	481 777	590 741	+22,6
95% Difenoconazole technical	370 970	401 586	+8,3
97% Epoxiconazole technical	801 413	971 358	+21,2
95% Propiconazole technical	289 995	429 267	+48,0
96% Trifloxystrobin technical	1 194 499	1 137 323	-4,8

Swamdoders/Fungicides

Internasionale swamdoder pryse – Jaar-op-jaar veranderinge ($/t)/ International fungicide prices – Month to month change ($/t)			
	May-22	**Jun-22**	**% change**
	USD/t	USD/t	
96% Azoxystrobin Technical	38 662	37 365	-3,4
95% Difenoconazole technical	26 076	25 401	-2,6
97% Epoxiconazole technical	69 759	61 439	-11,9
95% Propiconazole technical	27 556	27 152	-1,5
96% Trifloxystrobin technical	74 438	71 937	-3,4
R/$	**15,88**	**15,81**	**-0,4**

Internasionale swamdoder pryse – Jaar-op-jaar veranderinge (R/t)/ International fungicide prices – Month to month change (R/t)			
	May-22	**Jun-22**	**% change**
	R/t	R/t	
96% Azoxystrobin Technical	613 960	590 741	-3,8
95% Difenoconazole technical	414 080	401 586	-3,0
97% Epoxiconazole technical	1 107 780	971 358	-12,3
95% Propiconazole technical	437 595	429 267	-1,9
96% Trifloxystrobin technical	1 182 071	1 137 323	-3,8

Highlights in the Agrochemical sector

- The COVID-19 pandemic affected the production and supply of the agrochemicals market. The global pandemic has impacted the proper functioning of the international agrochemicals market. As countries are dependent on China for raw material supply, the restrictions imposed on transportation and imports across borders in various nations have resulted in shortages of raw materials. China is currently the largest glyphosate supplier in the world. The dynamics of China's glyphosate greatly impacts the global supply structure, over 80% of glyphosate produced in China is exported, to more than 20 destinations in the world.
- In China, on a month-to-month basis, prices (Doller terms) of most herbicides, insecticides and fungicides decreased from May 2022 to June 2022. According to the tables in this report, glyphosate (95%) (Dollar terms) decreased by 1% from May'22 to June'22 as the market demand for this product was rather weak.
- The global glyphosate market is projected to reach USD 9.91 billion by 2022, at a Compound Annual Growth Rate (CAGR) of 6.32% from 2016 to 2022. The key drivers for the market's growth are the commercialization of GE-HT (Genetically Engineered Herbicide-Tolerant) crops and increasing agricultural and non-agricultural applications of glyphosate.

Source: Cnchemicals

Fertilizer Prices/Kunsmispryse

International Fertilizer Prices/Internationale Kunsmispryse (Dollar Terms/ Dollar Waarde)

Year on year change	June-21	June-22	% Change
Kunsmis/Fertilizer	**Dollar/ton**	**Dollar/ton**	**%**
Ammonia (Middle East)	575	967	+68,2
Urea (46) (Eastern Europe)	423	460	+8,7
DAP (USA Gulf)	631	998	+58,2
KCL (CIS)	312	934	+199,4
Rand/Dollar exchange rate	**13,93**	**15,81**	**+13,5**

Gemiddelde Internasionale kunsmispryse (Rand waarde)/ Average International fertilizer prices (Rand terms)

Year on year change	June-21	June-22	% Change
Kunsmis/Fertilizer	**Rand/ton**	**Rand/ton**	**%**
Ammonia (Middle East)	8010	15288	+90,9
Urea (46) (Eastern Europe)	5892	7273	+23,4
DAP (USA Gulf)	8790	15778	+79,5
KCL (CIS)	4346	14767	+239,8

Local Fertilizer Prices/ Plaaslike Kunsmispryse (Rand Terms/Rand Waarde)

Year on year change	July-21	July-22	% change
Kunsmis/Fertilizer	**Rand/ton**	**Rand/ton**	**%**
KAN (28)	7820	14170	+81,2
Ureum (46)	10698	15501	+44,9
MAP	14939	23031	+54,2
Kaliumchloried	10495	23504	+124,0

International Fertilizer Prices/Internationale Kunsmispryse (Dollar Terms/ Dollar Waarde)

Month to month change	May-22	June-22	% Change
Kunsmis/Fertilizer	**Dollar/ton**	**Dollar/ton**	**%**
Ammonia (Middle East)	1074	967	-10,0
Urea (46) (Eastern Europe)	549	460	-16,2
DAP (USA Gulf)	1125	998	-11,3
KCL (CIS)	942	934	-0,8
Rand/Dollar exchange rate	**15,88**	**15,81**	**-0,4**

Gemiddelde Internasionale kunsmispryse (Rand waarde)/Average International fertilizer prices (Rand terms)

Month to month change	May-22	June-22	% Change
Kunsmis/Fertiliser	Rand/ton	Rand/ton	%
Ammonia (Middle East)	17055	15288	-10,4
Urea (46) (Eastern Europe)	8718	7273	-16,6
DAP (USA Gulf)	17865	15778	-11,7
KCL (CIS)	14959	14767	-1,3

Local Fertilizer Prices/ Plaaslike Kunsmispryse (Rand Terms/Rand Waarde)

Month to month change	June-22	July-22	% Change
Kunsmis/Fertiliser	Rand/ton	Rand/ton	%
LAN (28)	14560	14170	-2,7
Urea (46)	17306	15501	-10,4
MAP	24585	23031	-6,3
KCL	23012	23504	+2,1

Highlights in the fertiliser market

- **Nitrogen**: Urea market: Apparently, a dozen of the biggest Chinese urea producers have been requested by the government to suspend urea exports and this kept traders from purchasing Chinese product. The urea market is expected to remain volatile, with the price ready to turn either up or down very quickly as events unfold. Many urea producers around the world are reporting high inventory levels, which is not unusual for this time of year as the market emerges from the quietest quarter of the year and anticipates Q3 buying to pick up. Ammonia market: The unexpected surge in European gas prices caused havoc with ammonia prices. Most European ammonia producers idled their plants and are therefore dependent on imported ammonia. The ammonia traders are of course aware of this dependency and were quick to seize the opportunity when European ammonia consumers came into the market, and this increased Middle East ammonia price (this is unhappy news for the primary ammonia importers such as Omnia and Foskor). Calcium ammonium nitrate (CAN) & Ammonium nitrate (AN) market: The jump in European gas prices caused CAN prices to increase approx. by 5%. On the other hand, Russian AN prices decreased. Even though the shipping out of Russian ports is very expensive (sanctions, increased insurance etc), Russian AN prices delivered in Europe is basically a 50% discount on European-made CAN.
- **Phosphates:** In Brazil – Russian imports boosted stock levels and with limited demand, the importers are forced to discount the price. International, lack of demand (due to high prices) is putting MAP prices under pressure. Opinions suggest that MAP should settle around the $900/t FOB mark. Approx. 2 million tons of phosphate export quotas have been approved by the Chinese government. For Q3 2021 Chinese phosphate exports were around 3.7 million tons so the quota volume is still well short of historical volumes. The quota volume is expected to grow as Q3 has only just started and applications are ongoing, with estimates suggesting around 2.5 million tons could be exported during this quarter. Recent trade data for South Africa shows that MAP imports for January to May period were similar to the same period last year. The bulk of this volume comprised two shipments – one from Russia and the other from the Middle East. In the same period South Africa (Foskor) exported 224,000 tons of phosphate rock, whereas for the same period last year no rock was exported at all.

Source: F Curve Insight

F Curve Insights 7 July 2022 (campaign-archive.com)

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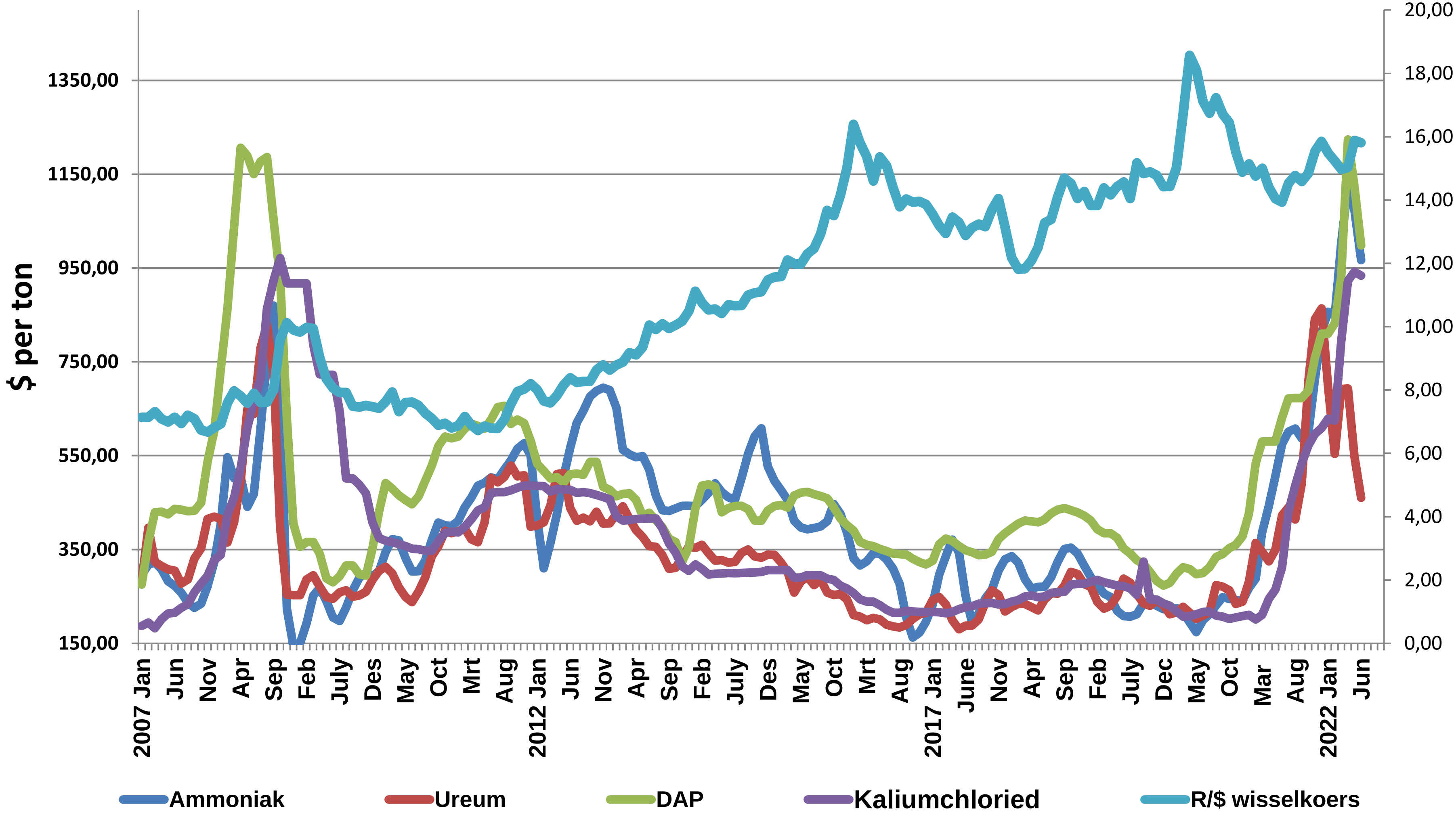
Highlights in the fertiliser market

- **Potash**: The potash market is characterized by very weak demand and prices that have been under downward pressure are now starting to edge lower. Supply from Russia and Belarus are more than expected with the result that stocks are relatively high in many importing regions. The high price of potash negatively impacted demand and retail sales volumes decreased compared to previous years. The market is focusing on Brazil and looking at retail sales to gauge demand as Q3 progresses. If sales remain slow, then potash prices will come under further downward pressure that will cascade across most markets, including Southern Africa. If Brazilian sales are very strong, then potash prices will likely stay at the current $1,000/t level for the coming months.

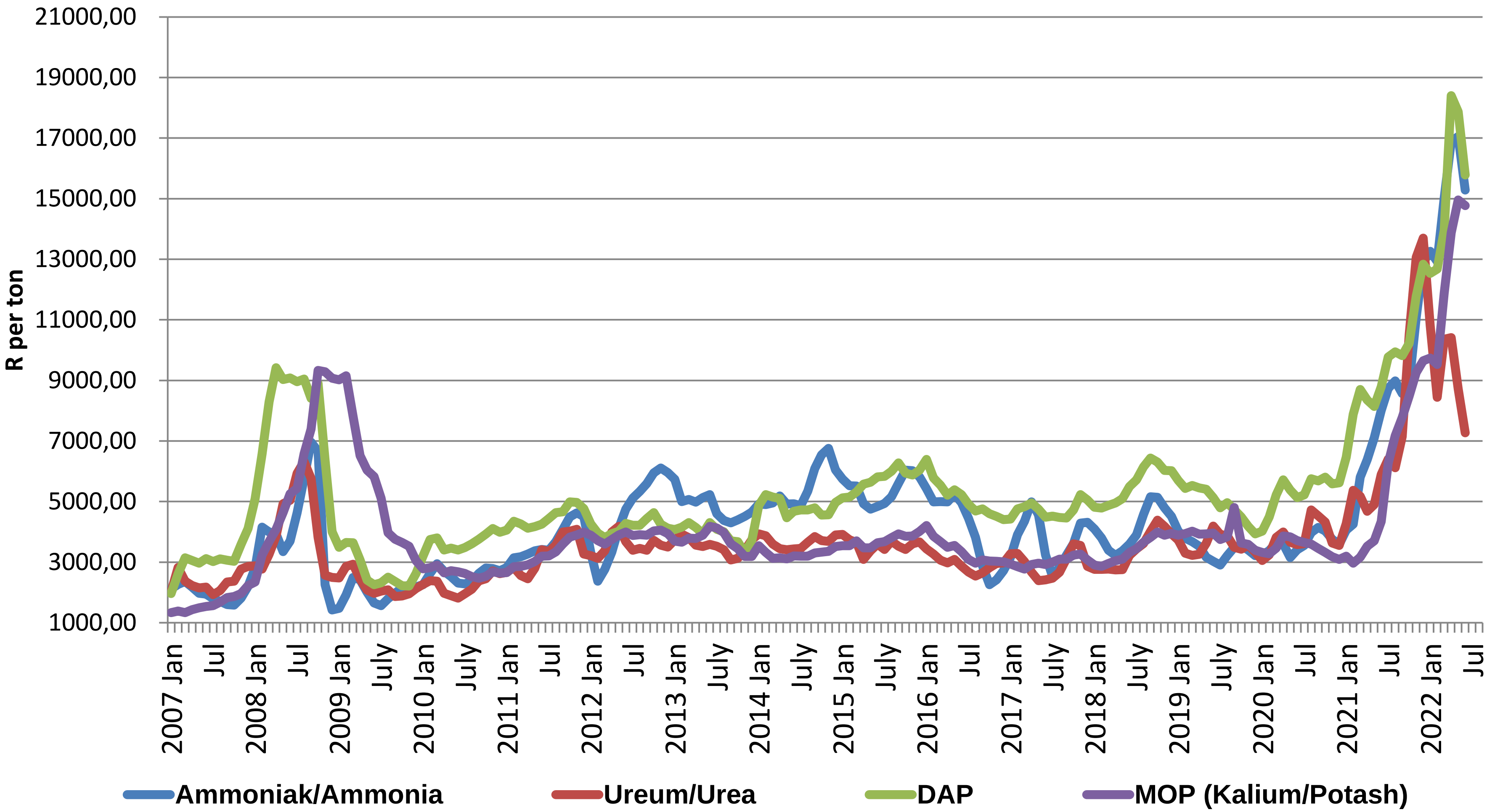
- **General highlights**
  - Feedback from local importers – the Durban port inefficiency is creating a massive challenge and cost for the agricultural industry. Inbound vessels are realizing a minimum of 15 days demurrage and in many cases, the demurrage is 30 or more days (vessel time-charter rates are $35-40,000 per day). In some cases, importers are able to pass this cost on to the local receiver but in other cases the importer has to bear the cost. Of course, this cost is an increase in the cost of handling fertiliser, so it is being added to the selling price producers in our region pay for it.
  - Warnings by industry experts are that producers should think more proactive about fertiliser purchases and seriously consider buying earlier than later, not just for price reasons but also to reduce exposure to the port chaos which might result in higher costs.

Source: F Curve Insight
[F Curve Insights 7 July 2022 (campaign-archive.com)]

International Fertilizer Prices/ Internasionale Kunsmispryse



International Fertilizer Prices/
Internationale Kunsmispryse



Local Fertilizer prices/ Plaaslike Kunsmispryse