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

GRAIN SA
GRAAN SA

Updated: September 2022

(Used International prices for August)

Opgedateer: September 2022

(Gebruik Internasionale pryse vir Augustus)

Chemical Prices/Chemikalieë Pryse

Onkruiddoders/Herbicides

Internasionale onkruiddoder pryse – Jaar-op-jaar veranderinge ($/t)/ International herbicide prices - Year to Year change ($/t)			
	Aug-21	**Aug-22**	**% change**
	USD/t	USD/t	
Glyphosate (95%)	8 607	9 977	15,9
Acetochlor (92%)	3 924	6 067	54,6
Atrazine (97%)	3 138	5 441	73,4
Metolachlor (97%)	4 074	7 652	87,8
Trifluralin (95%)	6 837	5 441	-20,4
R/$	**14,77**	**16,70**	**13,1**

Internasionale onkruiddoder pryse – Jaar-op-jaar veranderinge (R/t)/ International herbicide prices - Year to Year change (R/t)			
	Aug-21	**Aug-22**	**% change**
	R/t	R/t	
Glyphosate (95%)	127 119	166 611	31,1
Acetochlor (92%)	57 956	101 317	74,8
Atrazine (97%)	46 348	90 858	96,0
Metolachlor (97%)	60 177	127 796	112,4
Trifluralin (95%)	100 988	90 858	-10,0

Onkruiddoders/Herbicides

International herbicide prices - Month to month change ($/t)			
	Jul-22	**Aug-22**	**% change**
	USD/t	USD/t	
Glyphosate (95%)	10 400	9 977	-4,1
Acetochlor (92%)	6 267	6 067	-3,2
Atrazine (97%)	5 490	5 441	-0,9
Metolachlor (97%)	7 722	7 652	-0,9
Trifluralin (95%)	5 490	5 441	-0,9
R/$	**16,82**	**16,70**	**-0,7**

International herbicide prices - Month to Month change (R/t)			
	Jul-22	**Aug-22**	**% change**
	R/t	R/t	
Glyphosate (95%)	174 924	166 611	-4,8
Acetochlor (92%)	105 413	101 317	-3,9
Atrazine (97%)	92 337	90 858	-1,6
Metolachlor (97%)	129 877	127 796	-1,6
Trifluralin (95%)	92 337	90 858	-1,6

Insekdoders/Insecticides

Internasionale insekdoders pryse - Jaar-op-jaar veranderinge ($/t)/ International insecticide prices - Year to Year change ($/t)			
	Aug-21	**Aug-22**	**% change**
	USD/t	USD/t	
Imidacloprid (95%)	22 348	22 859	2,3
Lambda-cyhalothrin (95%)	26 277	28 382	8,0
Carbofuran (99%)	15 956	16 733	4,9
Deltamethrin (98%)	86 483	76 628	-11,4
Acetamiprid (95%)	18 588	21 778	17,2
Chlorpyrifos (95%)	5 894	7 797	32,3
Cypermethrin (94%)	13 221	11 697	-11,5
R/$	**14,77**	**16,70**	**13,1**

Internasionale insekdoders pryse - Jaar-op-jaar veranderinge (R/t)/ International insecticide prices - Year to Year change (R/t)			
	Aug-21	**Aug-22**	**% change**
	R/t	R/t	
Imidacloprid (95%)	330 076	381 751	15,7
Lambda-cyhalothrin (95%)	388 117	473 979	22,1
Carbofuran (99%)	235 667	279 447	18,6
Deltamethrin (98%)	1 277 360	1 279 695	0,2
Acetamiprid (95%)	274 541	363 697	32,5
Chlorpyrifos (95%)	87 056	130 203	49,6
Cypermethrin (94%)	195 269	195 345	0,0

Insekdoders/Insecticides

Internasionale insekdoders pryse - Maand-op-maand veranderinge ($/t)/ International insecticide prices – Month to Month change ($/t)			
	Jul-22	**Aug-22**	**% change**
	USD/t	USD/t	
Imidacloprid (95%)	22 630	22 859	1,0
Lambda-cyhalothrin (95%)	28 919	28 382	-1,9
Carbofuran (99%)	16 885	16 733	-0,9
Deltamethrin (98%)	77 321	76 628	-0,9
Acetamiprid (95%)	22 106	21 778	-1,5
Chlorpyrifos (95%)	7 445	7 797	4,7
Cypermethrin (94%)	11 733	11 697	-0,3
R/$	**16,82**	**16,70**	**-0,7**

Internasionale insekdoders pryse - Maand-op-maand veranderinge (R/t)/ International insecticide prices – Month to Month change (R/t)			
	Jul-22	**Aug-22**	**% change**
	R/t	R/t	
Imidacloprid (95%)	380 628	381 751	0,3
Lambda-cyhalothrin (95%)	486 417	473 979	-2,6
Carbofuran (99%)	283 997	279 447	-1,6
Deltamethrin (98%)	1 300 534	1 279 695	-1,6
Acetamiprid (95%)	371 822	363 697	-2,2
Chlorpyrifos (95%)	125 229	130 203	4,0
Cypermethrin (94%)	197 347	195 345	-1,0

Swamdoders/Fungicides

Internasionale swamdoder pryse – Jaar-op-jaar veranderinge ($/t)/ International fungicide prices - Year to Year change ($/t)			
	Aug-21	**Aug-22**	**% change**
	USD/t	USD/t	
96% Azoxystrobin Technical	35 508	42 318	19,2
95% Difenoconazole technical	25 732	26 463	2,8
97% Epoxiconazole technical	55 210	67 183	21,7
95% Propiconazole technical	23 175	27 328	17,9
96% Trifloxystrobin technical	79 955	67 591	-15,5
R/$	**14,77**	**16,70**	**13,1**

Internasionale swamdoder pryse – Jaar-op-jaar veranderinge (R/t)/ International fungicide prices - Year to Year change (R/t)			
	Aug-21	**Aug-22**	**% change**
	R/t	R/t	
96% Azoxystrobin Technical	524 447	706 717	34,8
95% Difenoconazole technical	380 057	441 930	16,3
97% Epoxiconazole technical	815 449	1 121 952	37,6
95% Propiconazole technical	342 293	456 373	33,3
96% Trifloxystrobin technical	1 180 936	1 128 769	-4,4

Swamdoders/Fungicides

Internasionale swamdoder pryse – Jaar-op-jaar veranderinge ($/t)/ International fungicide prices – Month to month change ($/t)			
	Jul-22	**Aug-22**	**% change**
	USD/t	USD/t	
96% Azoxystrobin Technical	39 283	42 318	7,7
95% Difenoconazole technical	26 266	26 463	0,8
97% Epoxiconazole technical	67 790	67 183	-0,9
95% Propiconazole technical	27 066	27 328	1,0
96% Trifloxystrobin technical	68 903	67 591	-1,9
R/$	**16,82**	**16,70**	**-0,7**

Internasionale swamdoder pryse – Jaar-op-jaar veranderinge (R/t)/ International fungicide prices – Month to month change (R/t)			
	Jul-22	**Aug-22**	**% change**
	R/t	R/t	
96% Azoxystrobin Technical	660 736	706 717	7,0
95% Difenoconazole technical	441 787	441 930	0,0
97% Epoxiconazole technical	1 140 222	1 121 952	-1,6
95% Propiconazole technical	455 242	456 373	0,2
96% Trifloxystrobin technical	1 158 948	1 128 769	-2,6

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 and insecticides decreased from July 2022 to August 2022 while the prices were mixed for fungicides (some increasing and other decreasing). According to the tables in this report, glyphosate (95%) (Dollar terms) decreased by 4,1% from July'22 to August'22 as the market demand for this product was rather weak.
- From data received from various local companies, agrochemical price increases seems high, but in line with other inputs. One active ingredient to keep an eye on is glyphosate prices, which can increase at an average of 147% between respective companies. The other products could increase between 7% and 26% in the coming season.

Source: Cnchemicals

Fertilizer Prices/Kunsmispryse

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

Year on year change	**Aug-21**	**Aug-22**	**% change**
Kunsmis/Fertilizer	**Dollar/ton**	**Dollar/ton**	**%**
Ammonia (Middle East)	608	958	57,6
Urea (46) (Eastern Europe)	414	503	21,5
DAP (USA Gulf)	673	838	24,5
KCL (CIS)	486	810	66,7
Rand/Dollar exchange rate	**14,77**	**16,70**	13,1

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

Year on year change	Aug-21	Aug-22	% change
Kunsmis/Fertilizer	**Rand/ton**	**Rand/ton**	**%**
Ammonia (Middle East)	8980	15999	78,2
Urea (46) (Eastern Europe)	6115	8400	37,4
DAP (USA Gulf)	9940	13995	40,8
KCL (CIS)	7178	13527	88,4

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

Year on year change	Sep-21	Sep-22	% ∆
Kunsmis/Fertilizer	**R/ton**	**R/ton**	**%**
KAN (28)	8775	13598	55,0
Ureum (46)	10826	17364	60,4
MAP	15455	21465	38,9
Kaliumchloried	12956	21851	68,7

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

Month to month change	July'22	Aug'22	% Change
Kunsmis/Fertilizer	**Dollar/ton**	**Dollar/ton**	**%**
Ammonia (Middle East)	927	958	3,3
Urea (46) (Eastern Europe)	475	503	5,9
DAP (USA Gulf)	928	838	-9,7
KCL (CIS)	846	810	-4,3
Rand/Dollar exchange rate	**16,82**	**16,70**	**-0,7**

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

Month to month change	July'22	Aug'22	% Change
Kunsmis/Fertiliser	**Rand/ton**	**Rand/ton**	**%**
Ammonia (Middle East)	15592	15999	2,6
Urea (46) (Eastern Europe)	7990	8400	5,1
DAP (USA Gulf)	15609	13995	-10,3
KCL (CIS)	14230	13527	-4,9

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

Month to month change	Aug-22	Sep-22	% ∆
Kunsmis/Fertiliser	**R/ton**	**R/ton**	**%**
LAN (28)	13059	13598	4,1
Urea (46)	15291	17364	13,6
MAP	22978	21465	-6,6
KCL	23660	21851	-7,6

Highlights in the fertiliser market

- **Nitrogen:**
  - Nitrogen markets saw little trading at the beginning of September. Crude oil prices decreased, and which also dragged natural gas prices down with it. An easing of natural gas prices in Europe took the urgency out of European buying. The Nord Stream 1 gas pipeline from Russia remains closed and Europe looks very short of gas supplies as it heads towards winter. The US natural gas price followed the oil trend and declined from $9/MMBtu to $8/MMBtu. European natural gas prices falling (beginning Sep) helped to cool off the panic buying of a number of European companies.
  - **Urea market:** In terms of urea imports into South Africa, July was a very busy month with more than 130,000 tons of urea coming into the country. This surge in cargoes brought the year-to-date (Jan-July) imports to almost the same level as the same period last year, 390,000 tons YTD compared to 405,000 tons Jan-July 2021. Urea prices in some major markets saw small reductions at a local level – Brazil's prices drop due to very slow trading. **Ammonia market:** The ammonia market saw limited activity with European capacity down, the market is however seen as being firm with respect to price over the next month or so.

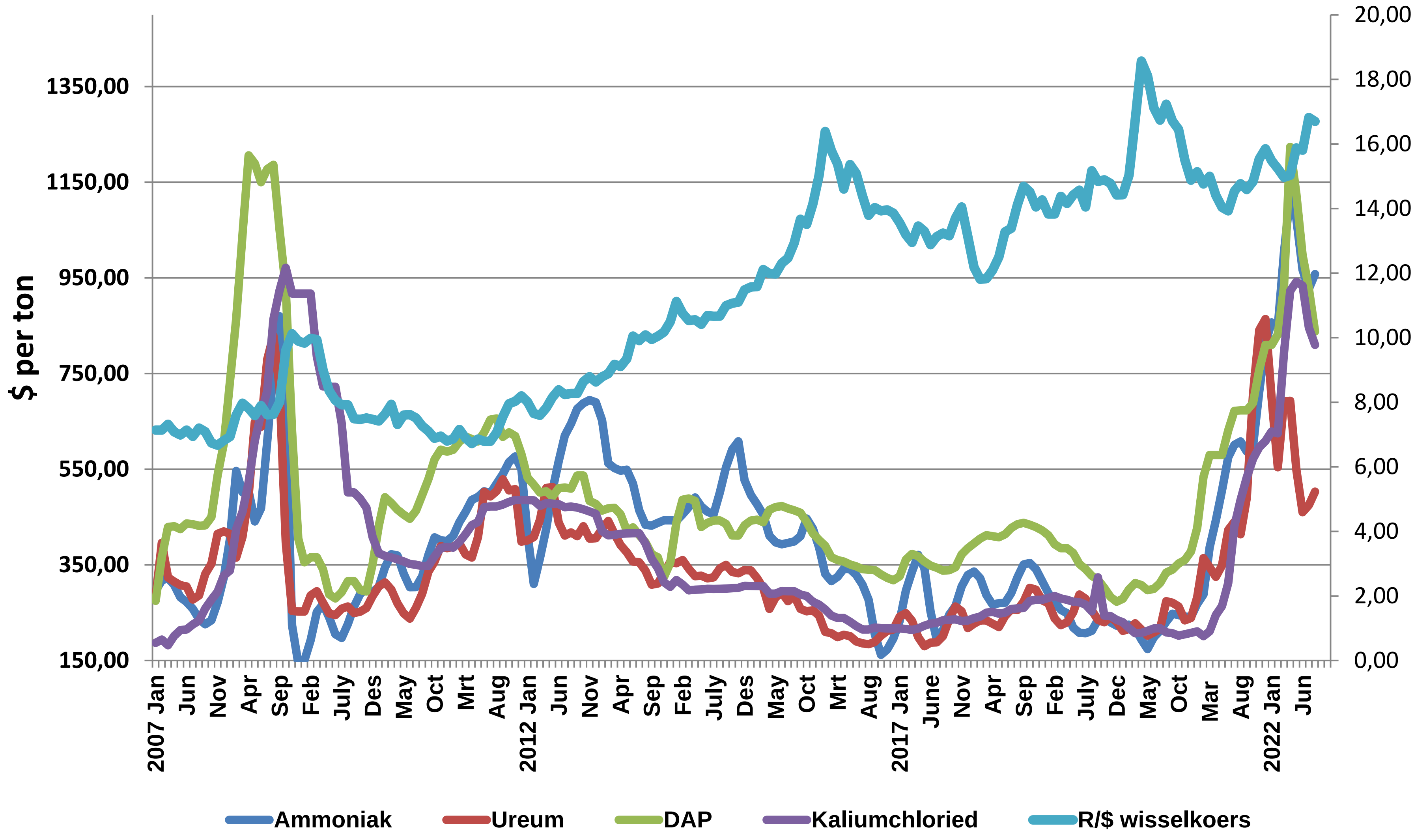
Source: F Curve Insight

Highlights in the fertiliser market

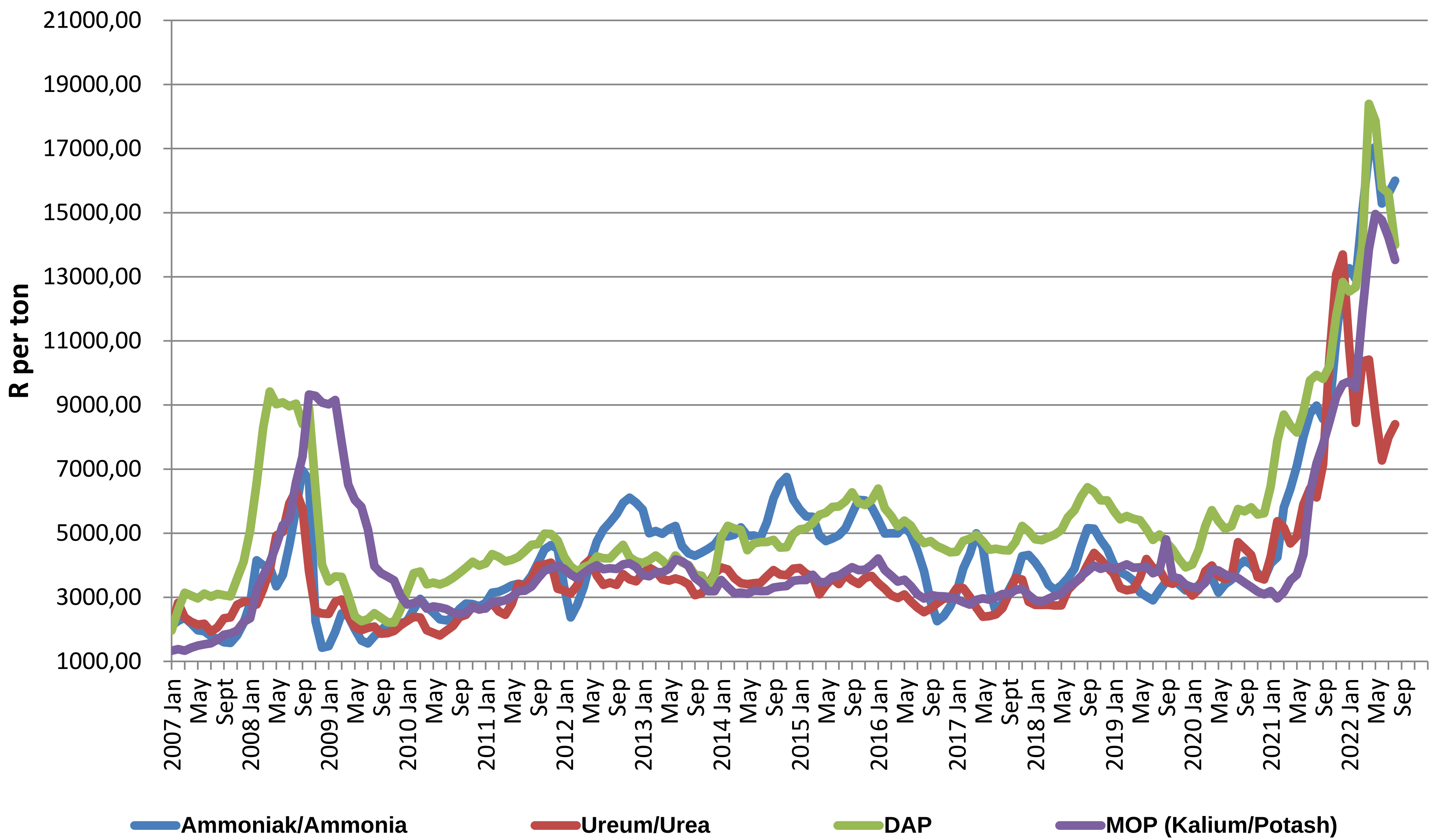
- **Phosphates:**
  - Outlook for phosphate prices is negative due to <u>weak demand</u> in most regions. Phosphate prices decreased in most major markets as the current high price levels discourages demand. An indicator of the extent of demand destruction is the challenge the Chinese are having in selling any of their 1.1 million ton phosphate export quota for Q4. Similarly, OCP in Morocco has seen a 14% drop in export sales YTD, while adding 1 million tons of capacity this year – this against a backdrop of the market expecting severe availability issues after the Russian sanctions.
  - It is clear that substantial price reductions are needed to stimulate demand. The outlook for MAP prices is quite bearish and the market expects prices to continue the current downward trend for the remainder of the year, even with Chinese exports being absent and high gas prices in Europe.
- **Potash:**
  - Not only did local potash prices decreased from August to September but international potash prices also keeps on falling. Potash prices slowly continued on their downward trend mainly due to <u>weak demand</u> and increasing availability from Russia which influences prices. The <u>outlook for potash is still bearish</u>, analysts indicate that potash prices could continue to drop from the current low-$800s to the low-$600s by the end of Q1 2023. Early indications are that sales have picked up and the recent price cuts stimulated buying interest.

Source: F Curve Insight

International Fertilizer Prices/ Internasionale Kunsmispryse



International Fertilizer Prices/ Internationale Kunsmispryse



Local Fertilizer prices/ Plaaslike Kunsmispryse