

U.S. Fertilizer Market Summary 7/27/2026

	7/24/26	Last Week	Year Ago
Urea US Gulf NOLA	410-418	385-415	430-450
DAP US Gulf NOLA	785-795	770-780	745-753
MAP US Gulf NOLA	780-785	770-780	782
Potash US Gulf NOLA	335-345	335-390	335-340

The U.S. fertilizer market has seen significant price firming and volatility throughout July 2026. The primary catalyst is the breakdown of the fragile truce and renewed military escalation between the U.S. and Iran, which has brought maritime shipping through the Strait of Hormuz to a virtual standstill and raised security risks in the Red Sea and Bab el-Mandeb Strait. Combined with soaring European natural gas prices, global sulfur shortages, international export restrictions, and a rally in grain/crop futures, replacement values for nitrogen and phosphate inputs have pushed steadily higher.

Urea Market Analysis

Current Market Status: U.S. Gulf NOLA granular urea barge prices surged throughout July, rising from \$363–\$410/st FOB in early July to \$385–\$415/st FOB mid-month, and reaching \$410–\$448/st FOB by late July. Inland Cornbelt distribution hubs quickly followed, with Eastern Cornbelt prices rising to \$465–\$500/st FOB and Western Cornbelt pricing advancing to \$465–\$495/st FOB.

Key Factors Affecting Price:

- **Strait of Hormuz & Red Sea Shipping Crisis:** Renewed airstrikes and naval blockades in the Middle East have nearly halted commercial tanker traffic through the Strait of Hormuz. Additional threats by Houthi rebels in the Bab el-Mandeb Strait have further constrained Middle East exports. India also directed its seafarers to halt deployments in the Strait of Hormuz, exacerbating crew shortages and logistics delays.
- **Surging Feedstock Costs in Europe:** European natural gas spot prices rose to **\$18.80/MMBtu**, lifting theoretical European ammonia production costs to **\$759/mt FOB**. This high-cost floor squeezes European producer margins and restricts global nitrogen export availability.
- **International Outages and Policy Shifts:** Feedstock gas supply to Pakistan's Agritech urea plant was suspended due to regional LNG trade disruptions. In India, an ammonia pipeline leak shut down the Ramagundam (RFCL) plant during peak kharif sowing season. To combat import dependence, India approved the National Investment Policy for Urea-2026 to incentivize domestic gas-based production.
- **Chinese Export Procedures & Floors:** Chinese export sentiment remains constrained by industry floor pricing considerations (\$400–\$425/mt FOB for granular product) alongside strict CIQ inspection requirements that have lengthened shipping timelines.
- **Surging Crop Futures & Biofuel Demand:** A rally in grain futures—with Chicago wheat hitting two-year highs and corn/soybeans advancing amid Black Sea shipping strikes

and global heatwaves—has significantly improved farm-level output prices and crop margins, boosting fertilizer demand.

- **U.S. Import Tariff Exemptions:** While the U.S. administration announced new 10%–12.5% duties on imports from ~60 economies, fertilizers, food, and fuel were explicitly exempted.

Two-Month Pricing Prediction (August–September 2026): Strongly Bullish (\$435–\$485/st FOB NOLA)

Urea prices are expected to maintain an upward trajectory over the next 60 days. Middle East shipping blockades show no immediate sign of resolution, ensuring international replacement costs remain high. As Indian import tenders hit the market in August and domestic U.S. retailers begin booking fall prepay requirements, NOLA barge prices will likely test \$460–\$480/st.

MAP/DAP Market Analysis

Current Market Status: Domestic phosphate barge prices at NOLA extended their gains in late July. DAP barges rose to \$785–\$795/st FOB (up from \$765–\$775/st in early July), while MAP barges advanced to \$780–\$785/st FOB. Cornbelt warehouse pricing held firm at \$825–\$850/st FOB for DAP and \$825–\$845/st FOB for MAP.

Key Factors Affecting Price:

- **Severe Feedstock Inflation (The Sulfur Crisis):** Third-quarter Tampa molten sulfur contracts settled at \$705/lb CFR (\$50/lb above Q2), while global prilled sulfur prices remained at record highs (\$1,150/mt FOB U.S. Gulf). This feedstock cost spike continues to compress producer margins.
- **Production Curtailments:** High raw material input costs forced major producers like Mosaic to idle or reduce capacity across U.S. and Brazilian facilities (removing nearly 2 million mt of phosphate capacity from the market).
- **Chinese Export Suspension:** China's ongoing moratorium on phosphate exports keeps global export supply tight, with nominal Chinese export references hovering at \$880–\$915/mt FOB.
- **Corporate Alliances & Countervailing Duty Relief:** Koch Ag & Energy Solutions agreed to acquire a 50% stake in OCP Group's Jorf Fertilizers Co. I (JFC I) in Morocco. This expansion follows the U.S. government's temporary 8-month suspension of countervailing duties on Moroccan phosphate imports, facilitating greater Moroccan volume flow into North America.
- **U.S. Inland River Delays:** Tropical Storm Bertha caused temporary port and barge disruptions in the U.S. Gulf. Furthermore, wall replacement work at Calcasieu Lock and ongoing maintenance at Brazos Lock caused wait times of up to 45 hours and 27 hours, respectively.

Two-Month Pricing Prediction (August–September 2026): Firm to Advancing (\$790–\$830/st FOB NOLA)

Phosphates will remain firmly supported on the supply side due to elevated sulfur costs and limited global export availability from China. While high application costs initially led to farmer affordability resistance in overseas markets like Brazil, the approaching U.S. fall application season—combined with depleted terminal inventories—will drive NOLA DAP/MAP barges toward the \$800–\$825/st threshold by late September.

Potash Market Analysis

Current Price Environment: The potash sector remains the most stable segment of the U.S. fertilizer complex. U.S. Gulf NOLA spot barges held steady at \$335–\$345/st FOB. Inland Cornbelt warehouse pricing remained firm in the \$375–\$390/st FOB range, with Cincinnati confirmed at \$380/st and St. Louis at \$375–\$380/st.

Key Factors Affecting Price:

- **Impending Q3 Production Cutbacks:** Russian producer Uralkali announced scheduled maintenance turnarounds for the third quarter that are projected to reduce its granular potash output by **30% to 40%** during the period.
- **Upheld Transit Sanctions:** The EU General Court dismissed legal challenges against the transit ban on Belarusian potash through Lithuanian ports, keeping Belaruskali reliant on longer, higher-cost land routes through Asia or Russian ports.
- **Firm Post-Fill Producer Discipline:** Primary Canadian producers maintained rigid post-fill pricing, with Saskatchewan mine offers holding steady at C\$605–\$615/mt FOB (\$393–\$395/st).
- **Global Demand Signals:** Pupuk Indonesia issued a tender for 75,000 mt of standard potash, drawing offers in the \$450–\$453/mt CFR range—well above current spot levels. In Brazil, inland truck freight competition from the winter corn harvest applied upward pressure on prompt delivery offers (\$540–\$560/mt FOB Rondonópolis).

Two-Month Pricing Prediction (August–September 2026): Stable to Modestly Higher (\$340–\$360/st FOB NOLA)

Potash is poised to trade sideways to slightly higher over the next 60 days. While summer spot trading activity remains thin, planned Q3 maintenance cutbacks among major global suppliers and steady fall pre-buy replenishment by North American blenders will prevent price declines and nudge NOLA barge values up by \$10–\$15/st entering September.