

U.S. Fertilizer Market Summary 7/20/2026

	7/17/26	Last Week	Year Ago
Urea US Gulf NOLA	385-415	363-410	430-435
DAP US Gulf NOLA	770-780	765-775	740-745
MAP US Gulf NOLA	770-780	755-760	780-782
Potash US Gulf NOLA	335-390	335-340	335-340

The U.S. fertilizer market has shifted from summer lull to heightened volatility, primarily driven by a significant escalation in Middle East geopolitical conflicts and subsequent supply-chain disruptions. The interim peace between the U.S. and Iran has effectively collapsed following the renewal of a U.S. naval blockade and fresh rounds of airstrikes, alongside retaliatory Iranian missile attacks on energy infrastructure and commercial tankers. These events have severely reduced vessel traffic through the critical Strait of Hormuz shipping corridor. On the domestic front, severe weather, regional transport lock maintenance, and input cost anxieties are applying pressure to the supply pipeline.

Urea Market Analysis

Current Price Environment: U.S. Gulf NOLA granular urea barge prices surged to **\$385–\$415/st FOB** for July-August positions, up from the prior week's range of \$363–\$410/st. Domestic inland distribution hubs quickly mirrored these international gains. Eastern Cornbelt prices rose to \$460–\$470/st FOB, while Western Cornbelt pricing advanced to \$445–\$465/st FOB.

Key Factors Affecting Price:

- **Strait of Hormuz Conflict Collapse:** A severe slowdown in tanker transits due to constant threat of missiles, drones, and mines has drastically elevated regional freight risks. In response to the high-risk environment, India directed its shipping firms to completely halt the deployment of Indian seafarers in the strait.
- **Widespread Inland Supplier Hesitancy:** International price jumps have practically paralyzed physical trading in inland markets like Brazil and parts of the U.S. Suppliers have widely withdrawn active price lists to recalculate replacement costs and protect depleting stockpiles.
- **Rising Input Values & Global Curtailed Supply:** Natural gas spikes in Europe to around \$16.00/MMBtu have pushed theoretical European ammonia production costs to a hefty \$667/mt FOB, keeping production tightly disciplined. Meanwhile, unexpected technical failures, such as a major pipeline gas leak at India's RFCL facility, have taken considerable urea production offline mid-season.
- **U.S. Operational Delays:** Shipping delays at the West Canal's Brazos Lock have triggered extensive transit backlogs, with wait times reaching up to 70 hours for dry fertilizer barges.

Two-Month Pricing Prediction (July–September 2026): Highly Bullish / Sharply Advancing (\$415 – \$465/st FOB NOLA)

Urea is entering a structural supply deficit heading into late summer. The total collapse of the Middle East ceasefire means premium replacement costs will dictate the market. Combined with impending Indian import tenders anticipated in August and expanding domestic fall pre-buy demand, NOLA barge prices are positioned to break comfortably past \$440/st over the next 60 days.

MAP/DAP Market Analysis

Current Price Environment: Phosphate trading at NOLA saw a firm recovery. Both DAP and MAP barges returned to exact parity, strengthening to **\$770–\$780/st FOB** (up from last week's \$765–\$775/st for DAP and \$755–\$760/st for MAP). Inland wholesale pricing remained comparatively flat but firm, with Cornbelt DAP settling at \$825–\$850/st and MAP resting at \$825–\$845/st FOB.

Key Factors Affecting Price:

- **Severe Raw Material Surges (The Sulfur Crisis):** The cost of third-quarter molten sulfur contracts settled at \$705/lb CFR Tampa—reflecting a steep \$50/lb increase from Q2. This severe raw-material inflation, combined with absolute global deficits of solid prilled sulfur (\$1,150/mt FOB), continues to dramatically suppress manufacturing rates.
- **Rigid Global Trade Restrictions:** China's ongoing suspension of domestic phosphate exports keeps a major structural cap on global supply liquidity, keeping nominal Chinese export references pinned at a high \$880–\$915/mt FOB.
- **Import Squeeze into the Americas:** Strict international sanctions and severe logistics hurdles have slashed year-to-date U.S. phosphate imports. Census data reveals cumulative July–May DAP imports crashed 37.2% year-over-year, while MAP/other imports collapsed by a dramatic 59.3%.
- **Farm-Level Affordability Resistance:** Despite the supply constraints, immediate price ceilings are being limited by heavy farmer resistance. In major planting regions like Brazil, crop barter ratios are heavily distorted; the soybean-to-TSP barter ratio reached 33% above historical July averages, forcing terminal distributors to occasionally discount overstocked warehouses to stimulate cash flow.

Two-Month Pricing Prediction (July–September 2026): Steady to Modestly Bullish (\$775 – \$810/st FOB NOLA)

Phosphate prices are heavily insulated from downside risks due to the severe collapse in global import volumes and sky-high sulfur manufacturing costs. While agricultural affordability pushback will act as a temporary anchor, the arrival of the seasonal post-harvest application window in late August and September will collide with tightly depleted domestic inventories, driving prices steadily upward.

Potash Market Analysis

Current Price Environment: The potash market remains the most resilient and firmly grounded sector. U.S. Gulf NOLA barges edged up slightly to **\$335–\$345/st FOB**. Domestically, minor upward movements materialized as the low end of the market ticked up by \$5/st, bringing Cornbelt warehouse references to a uniform **\$375–\$390/st FOB**.

Key Factors Affecting Price:

- **Impending Production Cutbacks:** Major Russian producer Uralkali announced extensive scheduled plant maintenance turnarounds slated for the third quarter. These

mandatory shutdowns are projected to slash total granular potash output by a massive 30% to 40% of planned capacity during the period.

- **Rigid Global Sanctions Infrastructure:** The European Union's General Court officially dismissed legal challenges attempting to bypass the transit ban on Belarusian potash through Lithuanian ports. This legal ruling firmly locks down traditional Baltic Sea export corridors, keeping Belarus reliant on complex land routes through Asia and sea routes from Russia.
- **Logistical Friction from Crop Squeezes:** In vital global markets like Brazil, intense competition for domestic trucking capacity from the concurrent winter corn harvest has triggered transportation shortages, allowing sellers to easily command premiums for prompt delivery.
- **Strong Domestic Safety Cushions:** Potash values are heavily anchored by a structural baseline, as major North American producers maintain tight supply discipline (with Saskatchewan granular mine offers holding rigid at \$393–\$395/st).

Two-Month Pricing Prediction (July–September 2026): Firm to Moderately Bullish (\$340 – \$365/st FOB NOLA)

Potash is poised to steadily break out of its prolonged horizontal trading channel. While summer field application is minimal, the major 30–40% manufacturing cutbacks from large global producers during Q3 turnarounds will significantly tighten global availability just as buyers look to cover fall requirements. Expect a firm upward push of \$15–\$20/st on NOLA barges by early September.