

Input Editorial - June

What does the future have to hold?

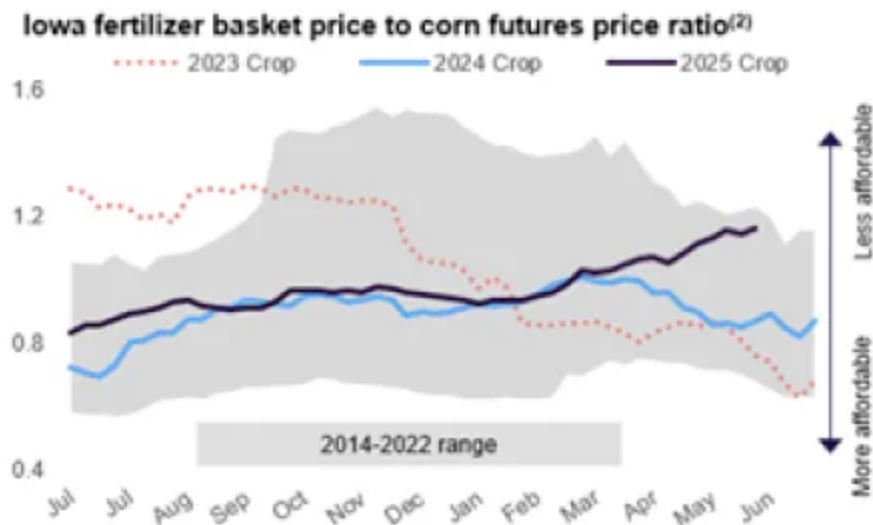


JOHN KING
JUN 08, 2025



Share

Fertility plans for 2026 crop have officially entered the chat. This time of year the entire fertilizer industry begins to shift to “Summer Fill” conversations: fall of 2025, as well as positioning Urea and UAN for next spring (more so next month). This month in the editorial we are going to help articulate what to expect this fall, as well as what is taking place in the market today.



Current Market - Summary

- Urea prices continue their downward spiral at NOLA, with India's tender offering temporary support but not enough to hold back the slide as China ramps up exports.

- UAN prices are holding steady but showing signs of seasonal reset with programs expected to open at sharply lower levels later this month.
- Ammonia remains in a softening trend, with Tampa prices down again and a new domestic supply on the horizon.
- Phosphate prices are at levels not seen since 2008, punishing U.S. farmers as global tightness and high sulfur costs keep domestic offers near all-time highs.
- Potash prices are stable, but inventories could weigh on prices if global supply holds steady into Q3.

Nitrogen Market

Current Market:

Urea's correction has deepened. US NOLA prices tumbled from the spring highs near \$520/st to around \$365/st by early June—a 30% drop that reset expectations for summer fill programs. A key driver: India's tender seeking 1 million tonnes has supported spot levels for July shipment but is unlikely to hold up prices indefinitely as China's export window opens. Chinese minimum export levels are set at \$360/t FOB to \$370/t FOB, though the July forecast already points to a possible \$350/t FOB level as new supply from China and Egypt arrives.

Interior US markets remain slower to adjust, with Midwest urea still at a premium—\$540-565/st FOB this week—but with a clear risk of correction as summer progresses. Prices will continue to drift as we look toward the end of the month and early Q3 of 2025.

Ammonia is also feeling the weight of supply. The Tampa contract for June settled at \$392/mt CFR, down \$23/mt from May, and indications suggest

another leg down might be needed to stimulate demand. Domestic truckload prices in places like Pryor, Oklahoma, have fallen by as much as \$60/st this spring, now sitting near \$520/st FOB . With the bulk of pre-planting done, top-dress demand is all that remains to support the market.

UAN prices are firm through side-dress will little downside in sight through the remainder of spring. Increased corn acres have really limited supply and producers are well subscribed through the end of the month. Retailers across the midwest continue to scramble to find product to fulfill prompt demand Midwest prices range from \$390 to \$445/st FOB depending on terminal.

Forward Market:

When looking at summer fill/fall pricing we fully expect the market to reset to favorable numbers compared to today's market. However, a lot of these prices will be higher than last year.

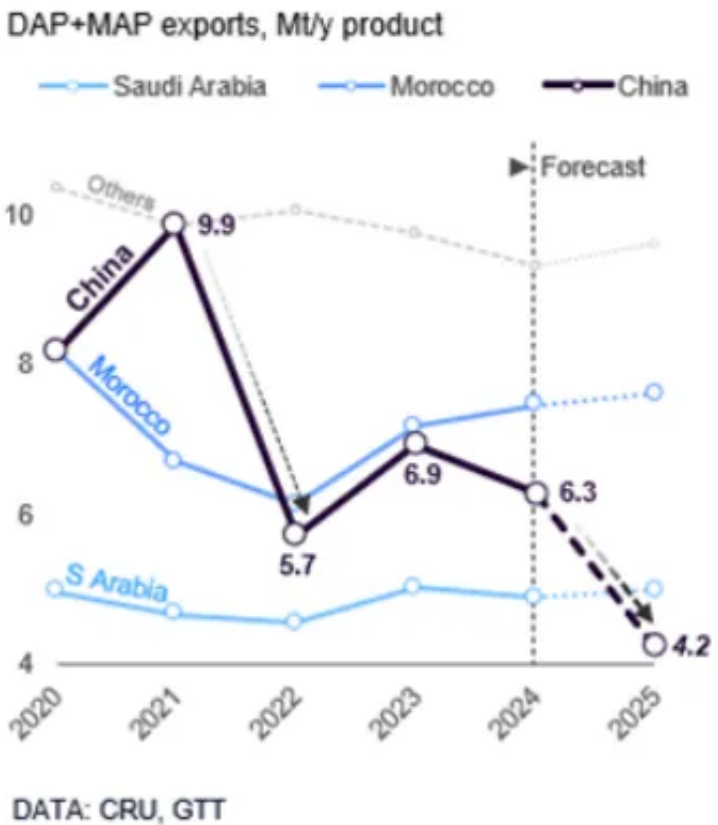
- Urea
 - Last year the market bottomed out at \$300 fob NOLA (\$340-\$350 Midwest).
 - Forecasted lows are speculated at \$325-\$345 fob NOLA for fill type targets. Roughly 8-10% higher than last year.
 - However, Urea is extremely unpredictable and we could see some spot product trade at lower ranges.
- Ammonia
 - Prices continue to drift lower globally and domestically as the new supply that is up and running in the gulf is adequately supplying the market.

- Forecasted pricing for summer are around \$450 fob midwest termir for **summer tank fill** values.
 - Looking at roughly 9% higher than last year. Typically prepay prices will follow this same trend.
- When looking at retail pricing from last fall if we apply the same ma as a 9% increase year over year you are looking at pricing in the mic \$600's at the farm gate.
 - .40c per lbs of N.
- UAN
 - This will likely be the last product to be priced this summer as inventory is extremely thin across the system and producers will no need to move inventory until late into the summer.
 - Most of the time in this scenario prices tend to be higher than what buyers want to see. Producers don't need to clear as much inventor, and therefore they push prices to the upper end of the pricing forecast.
 - Last year we saw NOLA UAN bottom out at \$200 NOLA. This year forecast are calling for barge values to fall in at \$250 fob NOLA, a 25 increase year over year.
 - Retail pricing likely to range from \$360 to \$380.
 - .56c to 60c per unit
 - Will favor fall Ammonia!!

Phosphates

Current Market:

Phosphate fertilizers have reached heights that haven't been seen since the 2008 financial crisis. DAP and MAP values have surged past \$700/st at NOL with some regional offers touching \$800/st or more dlvd to retailers—a reflection of exceptionally tight global supply and persistently high sulfur costs that are squeezing production margins. China's export quotas, design to stabilize domestic supply, have limited the market's ability to rebalance globally, leaving buyers scrambling for available tons. These price levels bring back memories of the 2008 run-up, when a combination of export restrictions, volatile energy prices, and booming demand collided to push phosphate markets into uncharted territory. Today's challenge is compounded by elevated sulfur costs and logistical constraints, factors that threaten to keep phosphate markets tight well into Q3. Farmers and buyers hoping for relief are now confronted with a historically high-priced environment, with average commodity prices.



Future Market:

- Good news....I don't know how it can really get much worse!
- Bad news....I don't think it gets better by fall, or significantly better by spring.
- Growers need to prepare for \$880-\$950 phosphate prices from their retailers.
 - Retailers buying phosphates today are going to have \$35-\$40 worth carry cost to December. This will get passed onto the grower unless prepay takes place.
- Start thinking about what you can do in general to lower your need for phosphates!!
 - Starter?
 - Nutrient Use Efficiency Products?

Potash

Current Market:

The potash market remains relatively steady—less volatile than the rest of the fertilizer complex. The biggest development in the last 30 days is the settlement of India's new contract at \$65/ton higher year-over-year, signaling that potash prices at today's levels are fairly balanced. North American prices are sitting at \$330-335/st FOB NOLA and \$365/st at river terminals. With the Indian contract now set, it's unlikely that prices will drift significantly lower as we approach summer fill. However, potential U.S. sanctions on Russian potash remain a risk factor that could firm prices if implemented, considering Russian imports accounted for around 1.25 million tonnes of supply to the U.S. this past fertilizer year.

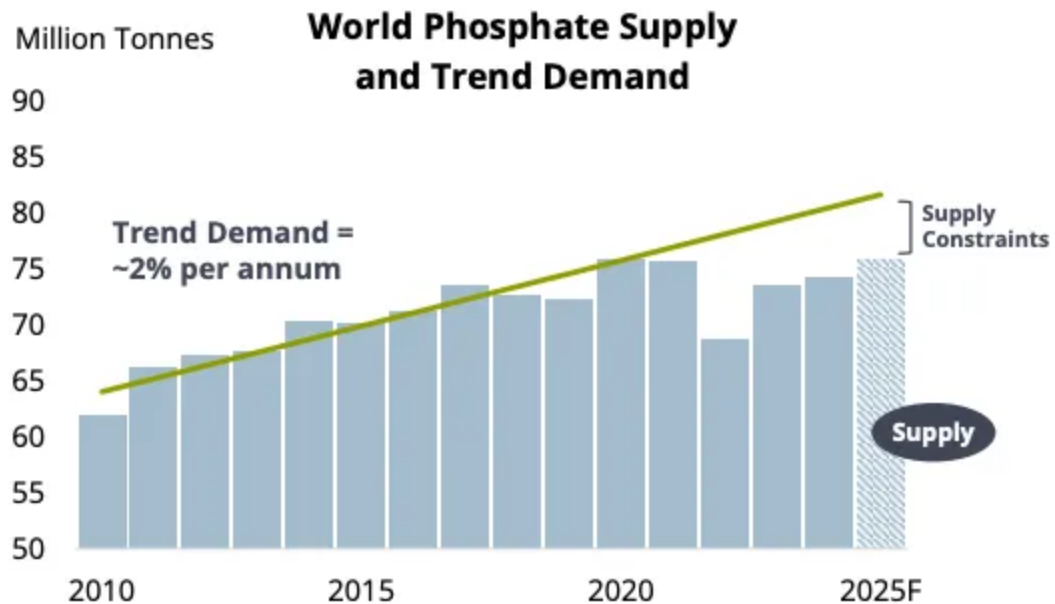
Future Market:

- Midwest prices are likely to be range bound between \$360-\$380 for fill values come this summer.
 - 12% increase from last years values.
 - Last years prices were within reach of historical lows.
- Growers can likely look for pricing to be around \$440-\$500 depending location.
 - Far cry from what we are dealing with on Phosphates!

Conclusion - Recommendations (Growers)

- Nitrogen
 - The nitrogen complex is going to be worth contracting this summer and locking in pricing.
 - Especially when looking at Fall Ammonia.
 - Why.....the past 6 years prepay for fall ammonia has been a no brainer! Looking at the reset this year compared to other forms of nitrogen, growers are going to spend what ever cash they have here!!
 - UAN pricing won't feel great, however global tightness remains and historically low inventories are going to buy producers time. My recommendation.....don't eat the sandwich in one bite...take your time! Layering is not a bad strategy.
- Phosphates
 - Gross.....
 - How many lbs per acre can you live with?

- Work with your agronomist to understand just this!
- Cut rate and use a nutrient use product.
- We are at the top of the range...how much worse can it get?
 - Allocate your prepay to products you have to have!



- Potash
 - Affordable relative to phosphates.
 - Look to allocate dollars from phosphates to potash!

With all this being said, overall fertilizer pricing relative to commodity price feels quite challenging right now. If you have any questions or concern feel free to reach out to us at [Michlig Ag Solutions](#) for further assistance.

Have a great day!

Discussion about this post

Comments Restacks



Write a comment...