CIS Exports

May 5, 2014

2014

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Exports

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The CIS export volumes of dry bulk and general cargoes increased by 17.6% in March. Shipments grew brisker in all the regions under review.

The overall cargo traffic rose significantly in the Azov-Black Sea basin, especially that of grain – by 740,000 t (+17.8%). Only steel product shipments dropped slightly – by 110,000 t or 4.4%.

Cargo exports from the Baltic Sea basin and northwestern ports of Russia added 15.3% (+1.2 million tons) mainly due to active shipments of coal (+315,000 t), fertilizers (+555,000 t) and steel products (+170,000 t).

In the Far East, transportation volumes of pig iron and steel products decreased by 16.7% and 14.7% respectively, that had no impact on the general market situation. Shipping volumes grew by 1.3 mmt or 28% only amid active coal exports that increased by 32.5% (+1.4 mmt) in March.

In the Caspian Sea, steel product export volumes rose by 51.3% (+60,000 t), those of grain – by 11.5% (+13,000 t). In general, cargo traffic increased by 30% in the region.

Grain shipments in April

Grain shipments were largely stable in the **Azov-Black Sea** basin – almost 4.9 million tons of cargo had been shipped in March, April exports were estimated at 4.8 mmt. Over 3 mmt of the product were carried entirely from Ukraine in April (2.6 mmt of maize; 345,000 t of wheat; 88,000 t of soya; 14,000 t of rape and 8,000 t of barley). About 1.8 mmt of the cargo were planned to be processed in the Russian ports. Grain and bran shipments to Egypt, Israel, Tunis, Libya, Turkey and Spain remained rather intense. Freight rates decreased on the major routes. So, transportation costs of 25,000 t of wheat from Novorossiysk to Misurata fell by $2/t to $17/t, those of a similar lot from Odessa to Alexandria – by $2.5/t to $14-15/t. A 5,000 t lot of grain was shipped from Odessa to Ashdod at $31.5/t on average ($0.5/t down). At the same time, shipping cost of 3,000 t of maize from Nikolayev to the Marmara Sea ports had inched up by $0.5/t at the beginning of April, but in three weeks it reached the previous level – $23/t. Delivery costs of 3,000 t of wheat from Rostov-on-Don to Ashdod dropped by $4.5/t to $43-44/t, from Azov to the Marmara Sea ports – by $4/t to $26/t. In the meantime, transportation costs of 3,000-5,000 t of the cargo from Mariupol to the Adriatic coast of Italy stood still at $37-38/t, those of a 10,000 t lot to Alexandria – at $27-28/t.

Grain exports from the **Baltic Sea** ports decreased – over 740,000 t of cargo had been handled in March; while 650,000-700,000 t were expected to be shipped in April. As before, grain and bran were carried mostly from Liepaja, Klaipeda and Riga to Germany, Denmark and the ARA ports. Freight rates had fallen by €4.5/t since the beginning of April. A 2,000-3,000 t lot of wheat was shipped from Klaipeda to Hamburg at €15-16/t, while a similar lot was carried from Riga to the ARA ports at €18.5/t on average. Transportation cost of 3,000-5,000 t of wheat from Liepaja to Denmark dropped to €14/t.

In the **Caspian Sea**, grain shipments from the ports of Volga and Astrakhan became brisker in the second half of April; those from Aktau were steady. Almost 130,000 t of wheat had been exported to Iran in March. The cost of transportation from the Astrakhan ports increased – 3,000 t of the cargo were carried to Amirabad at $26/t ($1/t up). At the same time, shipping cost of a similar lot of product from Makhachkala stood still at $21/t, that of 3,000-5,000 t of wheat from Aktau to Anzali – at $18-19/t.

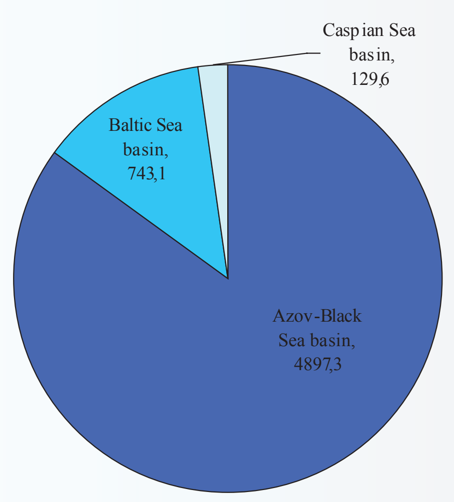
After fluctuating during the month, FOB-quotes for Russian milling wheat decreased in the Azov-Black Sea basin – prices for the product dropped by $4.5/t to $289-295/t in the deep-water ports, while those were hovering around $262-267/t ($2/t down) in the Azov Sea ports. Ukrainian wheat was offered at $283-288/t FOB in the Black Sea region after decreasing by $10.5/t during the month. At the same time, prices for Kazakh wheat increased by $9/t to $240-255/t FOB Aktau within the same period.

Grain shipments from ports of Russia, Ukraine, Georgia, Kazakhstan and Baltic countries in March*, thousand tons

	Mar. 14	Feb. 14	% m-o-m	3 months 14	3 months 13	% change 14/13
Total:	**6008.2**	**5014.2**	**19.8%**	**15737.4**	**8775.1**	**79.3%**
including:						
from Ukrainian ports	2961.8	2822.5	4.9%	8590	5684.4	51.1%
from Russian ports	2032.3	1427.3	42.4%	4575	1084.7	321.8%
from Baltic ports	662	539	22.8%	1711.8	1474.1	16.1%
from Kazakhstan	78	60	30%	225	145.3	54.9%
from Georgian ports	9	2.8	221.4%	26.4	36.9	-28.5%

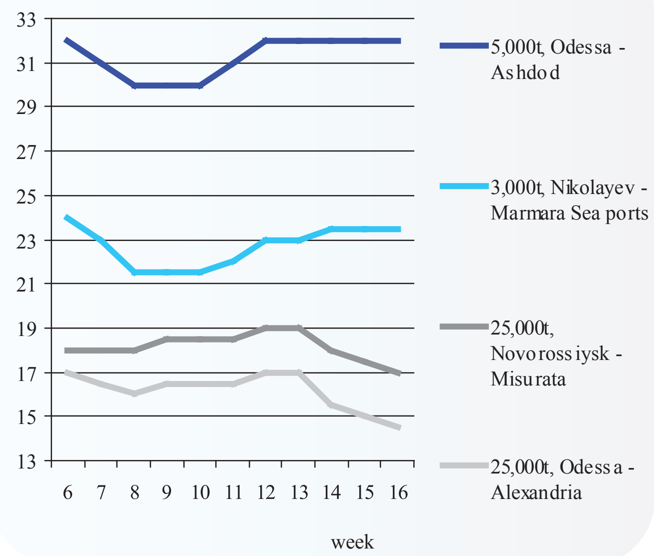
** - our estimates*

Grain exports in March*, thousand tons

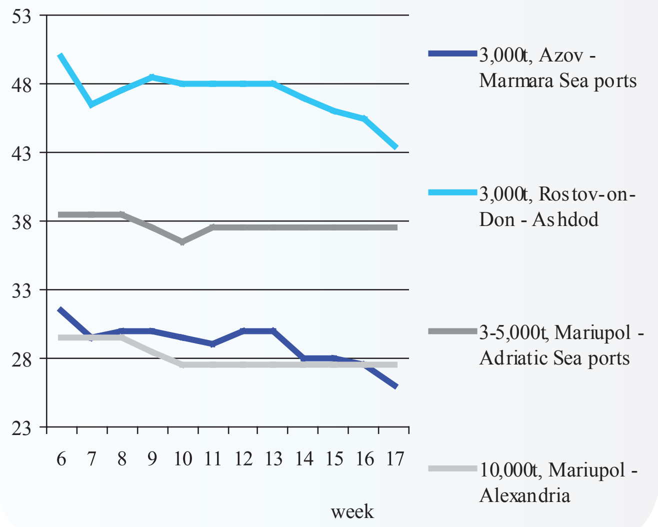


** - our estimates*

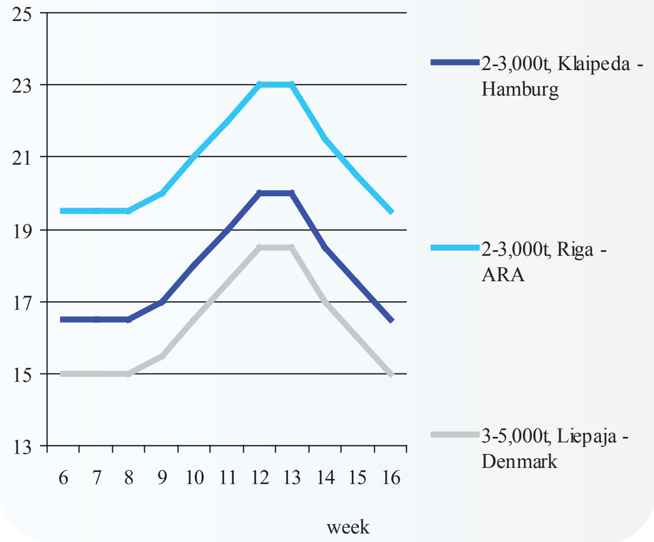
Grain shipping costs in Black Sea, $/tonne



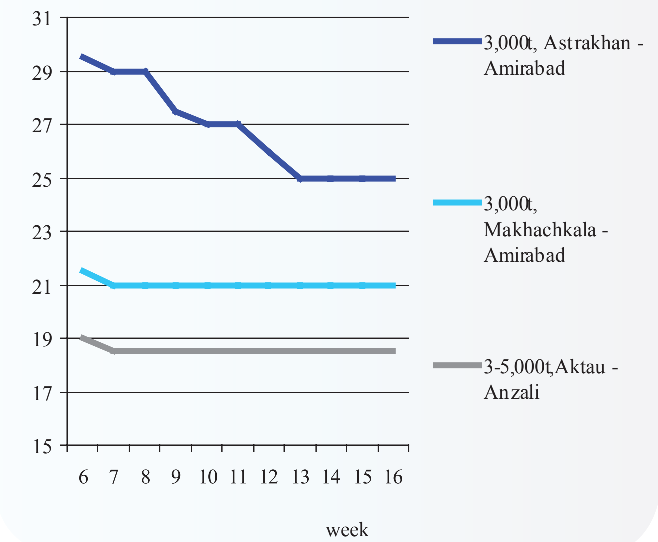
Grain shipping costs in Azov Sea, $/tonne



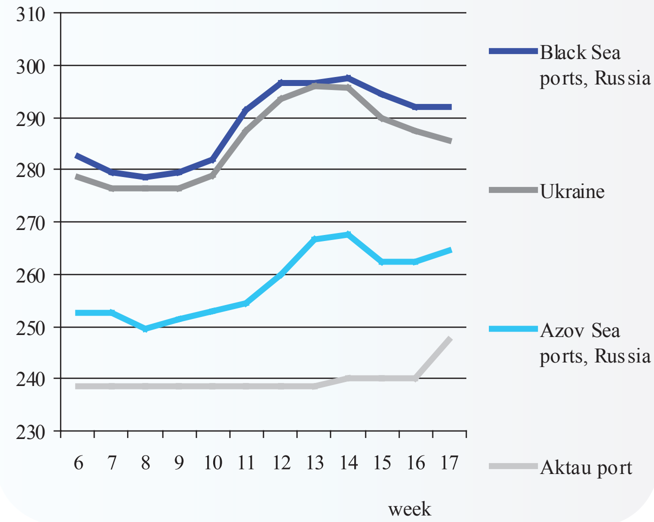
Grain shipping costs in Baltic Sea, $/tonne



Grain shipping costs in Caspian Sea, $/tonne



Export prices for milling wheat in ports of Azov-Black Sea and Caspian basins, $/tonne, FOB

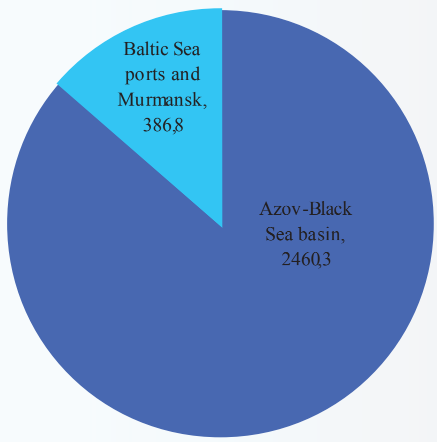


Iron ore shipments in April

For already three months iron ore shipments from the **Azov-Black Sea basin** ports remained intense as for this region. Taking into consideration domestic market conditions and steady buying interest, almost 2.53 million tons of iron ore were planned for shipment in April (2.46 mmt had been delivered in March). In addition, over 795,000 t of this cargo had remained at port stocks in Yuzhny, Odessa and Ismail by the beginning of April. The major volumes of iron ore were traditionally exported to China in large lots, freight rates dropped on this route. For instance, shipping cost of 130,000 t of iron ore concentrate from Yuzhny to the northern ports of China decreased by $4/t to $20/t in early April, that of 70,000 t of the material on a similar route – by $0.5/t to $30-31/t. At the same time, 13,500 t of pellets were steadily shipped from Novorossiysk to Eregli or Zonguldak at $11/t.

Iron ore exports from the **Baltic Sea** ports and **Murmansk** were on the decrease – almost 387,000 t had been carried to the foreign markets in March, whereas April plans did not exceed 255,000 t. As before, the product was shipped only from Klaipeda

Iron ore exports in March*, thousand tons



** - our estimates*

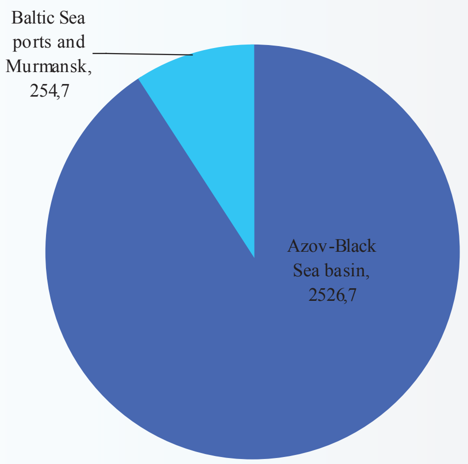
and Murmansk mostly to the Netherlands and China. Freight rates dropped slightly on the major routes. Thus, transportation costs of 60,000 t of iron ore concentrate from Murmansk to China inched down by $0.5/t to $36-37/t in early April and remained stable. Shipping costs of 80,000 t of pellets from Kokkola to Immingham also fell by $0.5/t to $5.5-6/t. Transportation of 70,000 t of the product from Klaipeda to Port Tolbot was steadily quoted at $6-7/t.

Iron ore shipments from ports of Russia, Ukraine and Baltic countries in March*, thousand tons

		Mar. 14	Feb. 14	% m-o-m	3 months 14	3 months 13	% change 14/13
Total, including:		**2847.1**	**2892.3**	**-1.6%**	**7801.4**	**8958.5**	**-12.9%**
of Ukrainian origin		2099.3	2182.2	-3.8%	5555.5	6082.2	-8.7%
	Pellets	999	1042.1	-4.1%	2900.7	2334.9	24.2%
	Iron ore concentrate	1092.5	1112.3	-1.8%	2584.4	3558.7	-27.4%
	Sintering ore	7.8	27.8	-71.9%	70.4	188.6	-62.7%
of Russian origin		742.3	705.9	5.2%	2236.2	2876.3	-22.3%
	Iron ore concentrate	335.9	361.5	-7.1%	1048.5	1409.6	-25.6%
	Pellets	273.6	86	218.1%	574.7	748.8	-23.3%
	HBI	115.6	228.8	-49.5%	566.2	602.9	-6.1%
	Sintering ore	17.2	29.6	-41.9%	46.8	115	-59.3%
Russian transit through ports of Ukraine		308	293.6	4.9%	915.5	1304.3	-29.8%
	Iron ore concentrate	147.6	156.3	-5.6%	451.5	934	-51.7%
	Pellets	112.2	3	3640%	243.9	192	27%
	HBI	31	104.7	-70.4%	173.3	63.3	173.8%
	Sintering ore	17.2	29.6	-41.9%	46.8	115	-59.3%
Russian transit through Baltic ports		198.5	108.2	83.5%	417.3	502.4	-16.9%
	Pellets	136.2	66.1	106.1%	272.8	412.6	-33.9%
	HBI	62.3	42.1	48%	144.5	89.8	60.9%

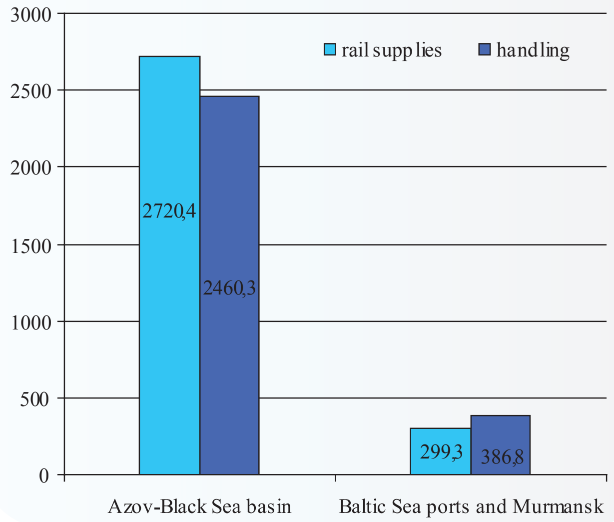
** - our estimates*

Plans of iron ore deliveries to ports in April*, thousand tons

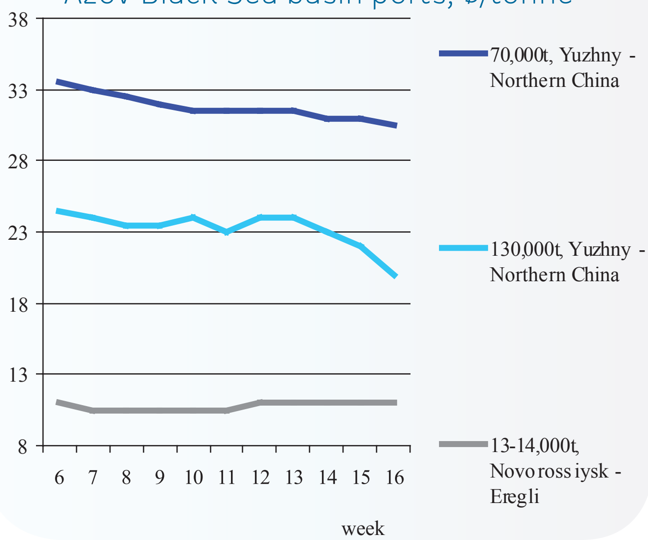


** - our estimates*

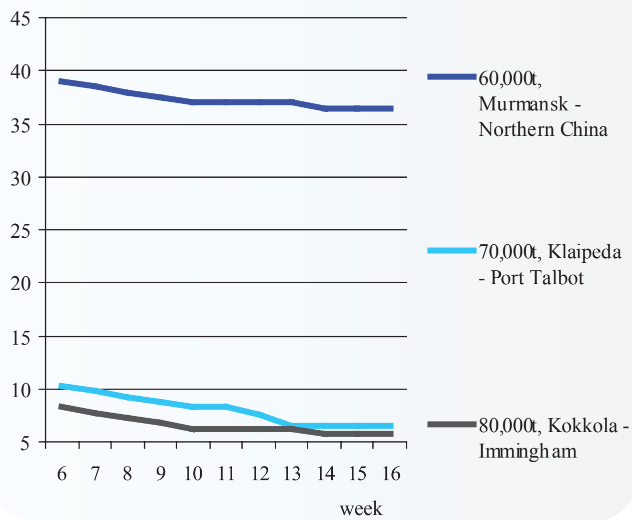
Iron ore rail supplies to ports and its handling in March, thousand tons

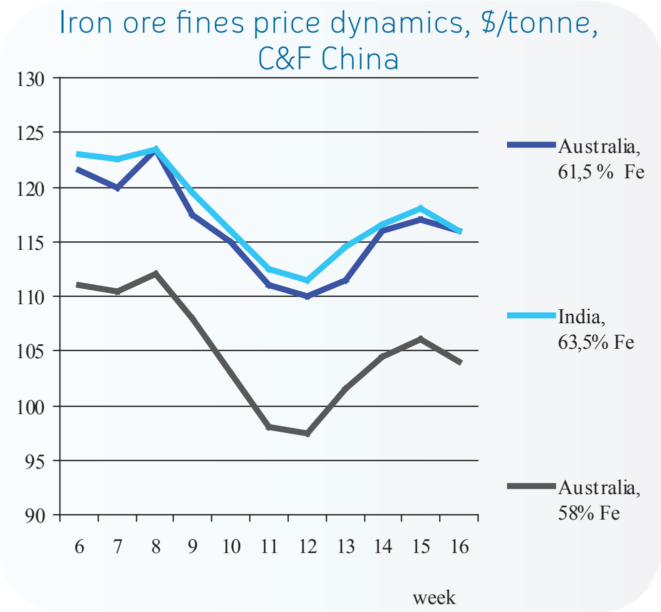


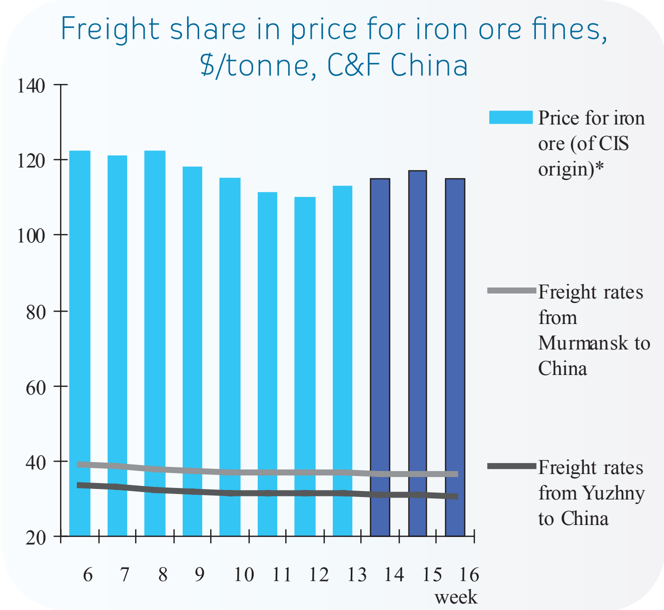
Cost of iron ore transportation from some Azov-Black Sea basin ports, $/tonne



Cost of iron ore transportation from some Baltic ports and Murmansk, $/tonne







** - our estimates*

Steel product shipments in April

Steel product shipping market could be defined as steadily brisk in the **Azov-Black Sea basin** in April. About 2.24 million tons of steel were planned for supply to this region in April, while 2.42 mmt had been processed in March. In addition, 647,000 t of steel products remained at port stocks in Mariupol, Odessa, Ismail and Feodosiya on April 1. The major volumes were traditionally exported in different lots to Turkey, Libya, Egypt and Italy. Shipping costs of 20,000 t of steel products from Mariupol and Novorossiysk to Italy had dropped by $2/t to $20-21/t and $18/t respectively since the beginning of April. Transportation cost of 5,000 t of the material from Oktyabrsk to the Marmara Sea ports inched down by $0.5/t to $18/t, whereas a similar lot was steadily shipped from Mariupol on the same route at $20/t.

Prices for Ukrainian square billet had grown by $7.5/t in the Azov-Black Sea basin in early April and then fell by $9.5/t to $497-500/t (hereinafter on FOB basis); those for Russian semi-finished steel products increased by $2.5/t to $500/t over the month, despite a decrease in mid-April. Quotes for square billet increased by 10/t to $530-535/t FOB Marmara Sea ports in Turkey at the beginning of April.

Steel product exports from the **Baltic Sea** ports dropped – 367,300 t were expected to be shipped in April against 583,000 t handled in March. According to the market sources, the materials were carried from the Russian ports to Belgium and Germany mainly under previously signed contracts, spot offers were sporadic. Freight rates decreased significantly in the region. So, shipping costs of 10,000 t of steel products from St. Petersburg to Bremen fell by €1.5/t to €12-13/t at the beginning of April, those of 3,000 t of the material to the ARA ports – by €2/t to €18-19/t in mid-April. Transportation of 5,000 t of steel products from Kaliningrad to the eastern ports of the UK was quoted at €18/t (€4/t down). Prices for Russian square billet increased by $2.5/t to $500/t FOB in the Baltic ports.

In the **Far East**, steel products were shipped at a moderate pace – 366,000 t of the cargo had been handled in March, 396,000 t of the material were planned for supply to the Russian ports in April. As before, finished and semi-finished steel products were steadily shipped mostly from Nakhodka and Vladivostok. Freight rates inched up by $0.5/t in early April. Transportation cost of 10,000 t of square billet from Vladivostok to Thailand grew to $24/t, that of 7,000 of wire rod from Nakhodka to Manila – to $30/t.

Prices for semi-finished steel products had dropped by $1.5/t in early April, after that they increased by $0.5/t to $503-510/t FOB.

Steel product shipping volumes remained at March level in the **Caspian Sea**, when 173,400 t of the cargo were carried to Iran. Key Russian suppliers planned to deliver almost 57,000 t of the material to the Astrakhan ports and Makhachkala. Exports from Kazakhstan were estimated at 100,000 t. Freight rates had been stable since March – a 3,000 t lot of steel products from Astrakhan to Anzali was quoted at $19/t, a similar lot was carried from Aktau at $13/t.

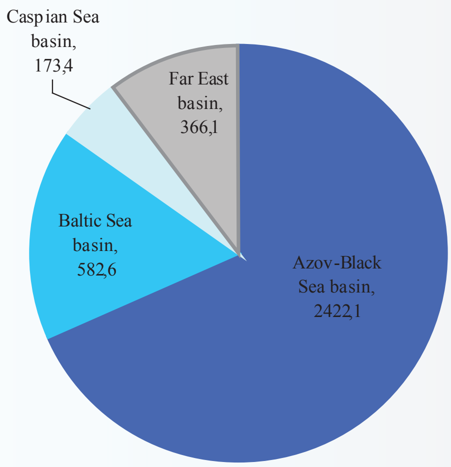
Square billet was available at $495/t FOB in the Russian ports of the Caspian Sea in mid-April.

Steel product shipments from/to ports of Russia, Ukraine, Kazakhstan and Baltic countries in March*, thousand tons

	Mar. 14	Feb. 14	% m-o-m	3 months 14	3 months 13	% change 14/13
Total, including:	**3581.3**	**2958.1**	**21.1%**	**10077.1**	**10957.6**	**-8%**
export from Russian ports	1964.1	1517.6	29.4%	5342.1	5481	-2.5%
export from Ukrainian ports	1327.3	1169.1	13.5%	3886	4342	-10.5%
export from Kazakhstan	100	70	42.9%	271	178.8	51.6%
transit through Ukrainian ports	87.7	106.1	-17.3%	254.9	220.3	15.7%
import to Russian ports	7.7	5.9	30.5%	36.8	255.3	-85.6%
import to Ukrainian ports	8.6	16.4	-47.6%	39.9	51.7	-22.8%

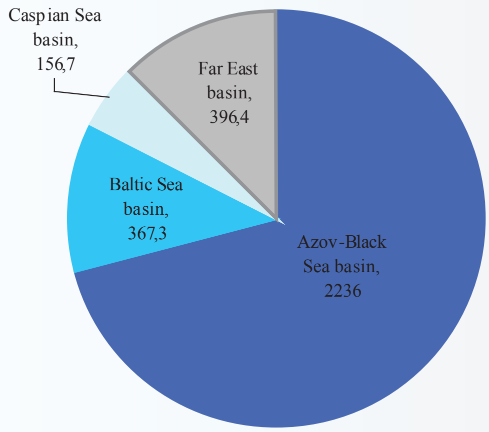
** - our estimates*

Steel product exports in March*, thousand tons



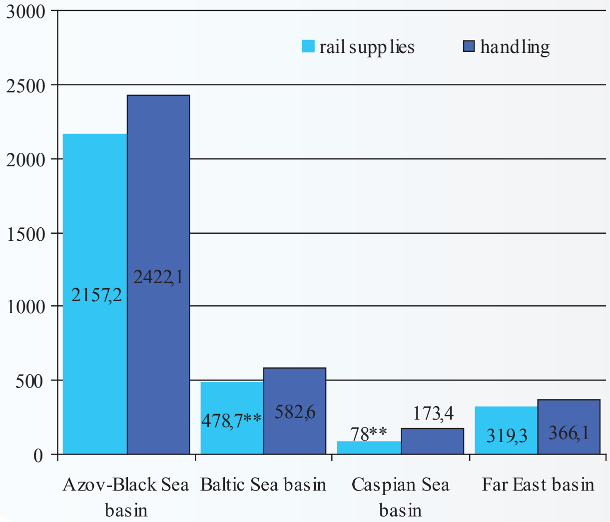
* - our estimates

Plans of steel product deliveries to ports in April*, thousand tons



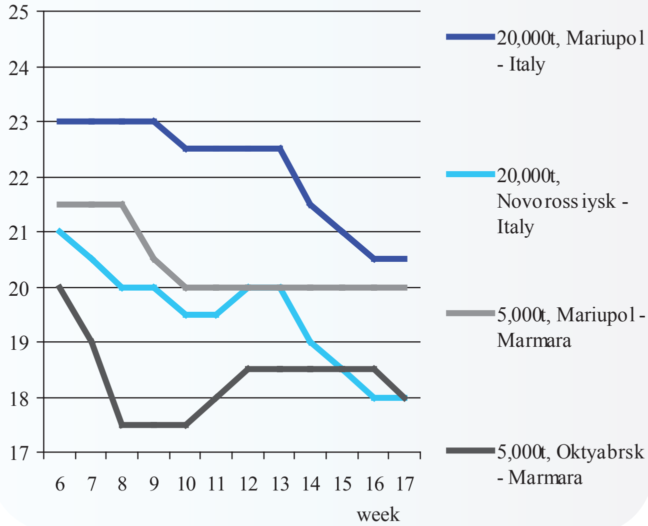
* - our estimates

Steel product rail supplies to ports and its handling in March*, thousand tons

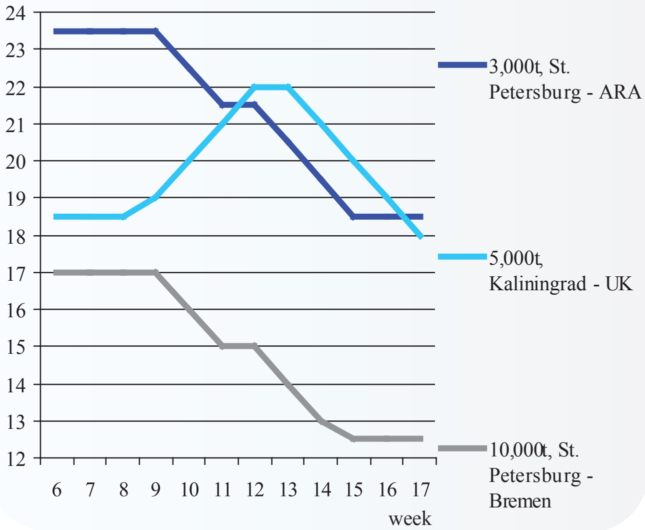


* - our estimates
** - of Russian origin

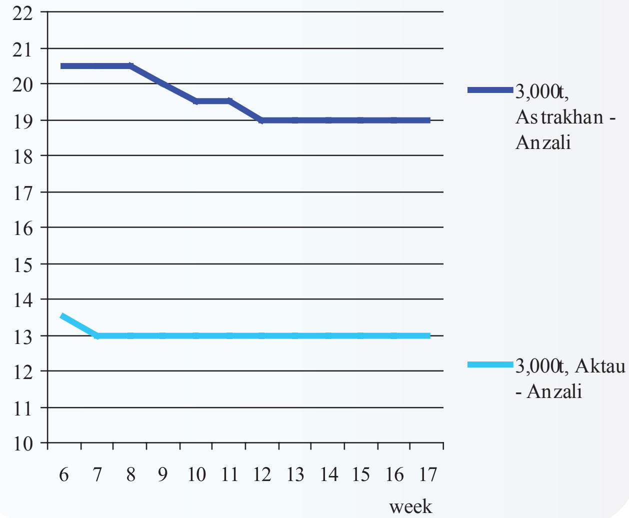
Steel product shipping costs in Azov-Black Sea basin, $/tonne

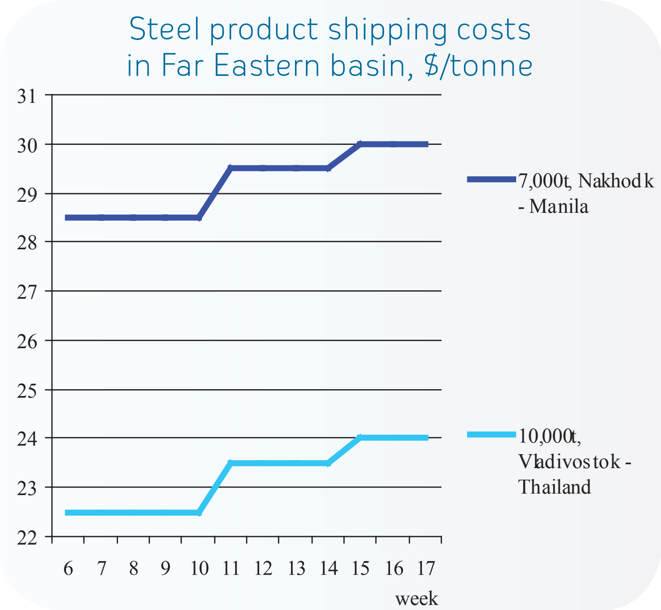


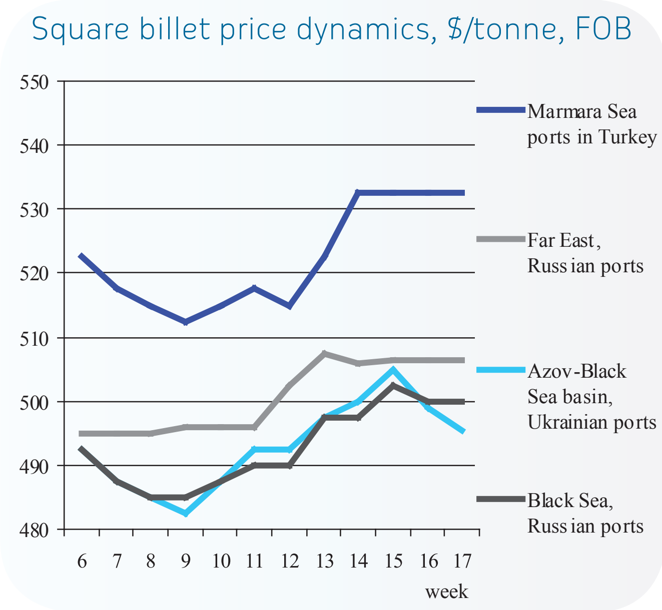
Steel product shipping costs in Baltic Sea basin, €/tonne



Steel product shipping costs in Caspian Sea basin, $/tonne







Coal shipments in April

Coal shipping volumes were at their maximum as for that season of the year in the **Far East**. About 5.31 million tons of the material were planned for shipments in April; 5.72 mmt had been transported in March. Coal was steadily carried on traditional routes at stable freight rates. Shipments of 70,000 t of the product from Vostochny to South Korea and Japan were quoted at $6-7/t and $7-8/t respectively. A 15,000 t lot was delivered from Vostochny to Keelung at $20/t; transportation costs of 5,000 t of coal from Vanino to Pusan were $18-19/t.

Quotes for thermal coal increased by $1/t to $76-78/t FOB in Vostochny at the beginning of April and remained stable. In Australia, prices for the material returned to the late March level of $73-74/t FOB Newcastle after fluctuating somewhat in early April. Coal shipping costs grew by $3.5/t to $76-78/t FOB Richards Bay in South Africa.

Russian suppliers planned to export about 5 mmt of coal to ports of the **Baltic Sea** and **Northern basin** (Murmansk, Arkhangelsk, Kandalaksha), while 5.22 mmt had been processed in March. The relevant cargo shipments remained intense in the region. The major volumes of coal were carried in large lots mainly from Murmansk, Riga and Ust-Luga to the Western Europe. Transportation costs of 70,000 t of the product from Murmansk to Liverpool inched down by $0.5/t to $6-7/t; those of Handy-lots had decreased by $2.5/t since the end of March – 20,000 t of coal were shipped from Ust-Luga to the western ports of the UK at $12-13/t; a 30,000 t lot of the material from Riga to the ARA ports – at $12/t.

At the beginning of April, quotes for thermal coal increased by $1.5/t and stood still at $73-75/t FOB in Riga. Prices were fluctuating in the ARA ports during the month – $3/t up first, then $2.5/t down to be fixed at $75-76/t CIF.

Coal shipments remained not that active in the **Azov Black Sea basin** in April. As before, Russian product was the most expensive one for Turkish buyers so they preferred to work with suppliers from the USA and Colombia. Almost 1.58 mmt of coal had been carried from the Azov- Black Sea basin ports in March; supply plans were announced at 1.22 mmt in April. In addition, about 867,000 t of the material had left at port stocks in Yuzhny, Mariupol, Nikolayev and Ismail by the beginning of the month. The major routes of coal transportation remained traditional. Freight rates decreased in the Black Sea. Thus, shipping costs of 7,000 t of cargo from Tuapse to Nemrut Bay inched down by $0.5/t to $15-16/t in mid-April, while a 25,000 t lot was carried from Yuzhny to Iskenderun at $13.5/t on average ($0.5/t down). Quotes stood still in the Azov region – for instance, 5,000 t of coal were steadily shipped from Mariupol to Marmara Sea ports at $19/t; a 10,000 t lot of the material was carried to Varna at $15-16/t.

In Turkey, prices for thermal coal inched down by $0.5/t to $90-95/t CIF Marmara Sea ports after April 20.

Coal shipments from/to ports of Russia, Ukraine, Georgia and Baltic countries in March*, thousand tons

	Mar. 14	Feb. 14	% m-o-m	3 months 14	3 months 13	% change 14/13
Total in ports, including:	**12973.8**	**10579.4**	**22.6%**	**34675.4**	**30216**	**14.8%**
Russian coal exports through ports of Russia	9392	7654.3	22.7%	25484.1	21679.1	17.6%
Russian coal transit through Baltic ports	2013.8	1954.4	3%	5913.6	5566.3	6.2%
Ukrainian coal exports through ports of Ukraine	770.2	618.9	24.4%	1755.4	989.8	77.3%
Russian coal transit through ports of Ukraine	447.3	40	1018.3%	562.8	812.4	-30.7%
import to Ukrainian ports	345.9	296.8	16.5%	939.9	988.2	-4.9%
import to Baltic ports for Russia	0	0	-	0	28	-100%

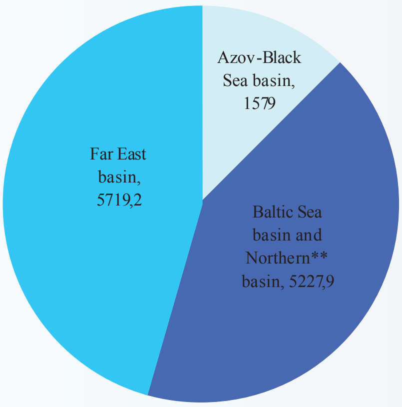
** - our estimates*

Coal rail supplies to ports in March*, thousand tons

	Mar. 14	Feb. 14	% m-o-m	3 months 14	3 months 13	% change 14/13
Far East basin	**5353.8**	**4720.6**	**13.4%**	**14891.5**	**11984.8**	**24%**
thermal coal	3925	3654.8	7.4%	11370.7	8522.8	33.4%
coking coal	1075.9	728.8	47.6%	2499.6	2577.2	-3%
anthracite	352.9	337	4.7%	1021.2	884.8	15.4%
Baltic basin	**3872.2**	**3247.9**	**19.2%**	**11011.8**	**10744.6**	**2.5%**
including:						
Russian coal supplies	3661.1	3065	19.4%	10413.8	10261.7	1.5%
thermal coal	3426.4	2822.9	21.4%	9457.4	9325.3	1.4%
coking coal	87.9	169.9	-48.3%	612	595.5	2.8%
anthracite	146.8	72.2	103.3%	344.4	340.9	1%
Kazakh thermal coal supplies	211.1	182.9	15.4%	598	483	24%
Azov-Black Sea basin	**1499.4**	**1280.8**	**17.1%**	**4085.6**	**3541.9**	**15.4%**
including:						
Russian coal supplies	750.1	679.3	10.4%	2186	2543.2	-14%
thermal coal	576	602.7	-4.4%	1860.1	2147.4	-13.4%
anthracite	113.6	53.9	110.8%	242.7	252.5	-3.9%
coking coal	60.5	22.7	166.5%	83.2	143.3	-41.9%
Ukrainian coal suppplies	744	553.6	34.4%	1800.9	929.3	93.8%
anthracite	340.3	270.1	26%	867.4	706.2	22.8%
thermal coal	403.7	283.5	42.4%	933.5	223	318.4%
Kazakh thermal coal supplies	5.3	47.9	-88.9%	98.7	69.4	42.2%
Northern bassin (Murmansk, Arkhangelsk, Kandalaksha)	**1236.8**	**1171.3**	**5.6%**	**3654.8**	**3170**	**15.3%**
thermal coal	1225.5	1140.3	7.5%	3591.3	3094.8	16%
anthracite	11.3	31	-63.5%	63.5	75.2	-15.6%
Total	**11962.2**	**10421**	**14.8%**	**33643.7**	**29441.3**	**14.3%**

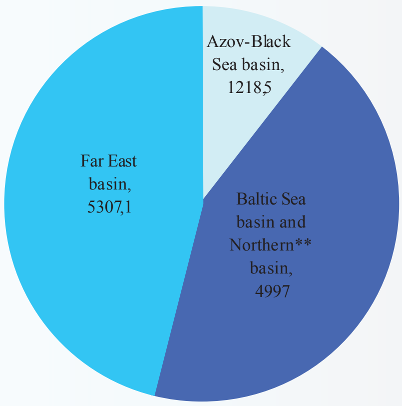
** - our estimates*

Coal exports in March*, thousand tons



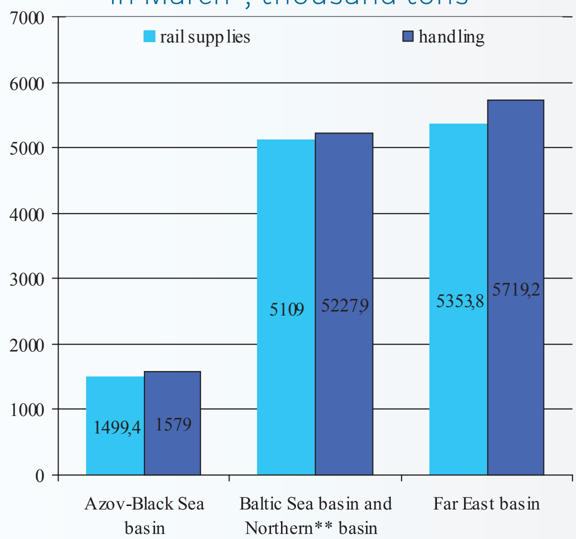
** - our estimates*
*** - Murmansk, Arkhangelsk, Kandalaksha*

Plans for coal deliveries to ports in April*, thousand tons



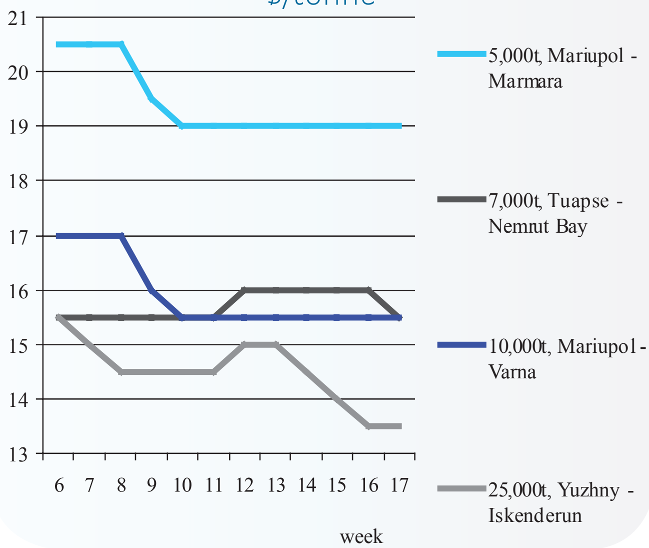
** - our estimates*
*** - Murmansk, Arkhangelsk, Kandalaksha*

Coal rail supplies to ports and its handling in March*, thousand tons

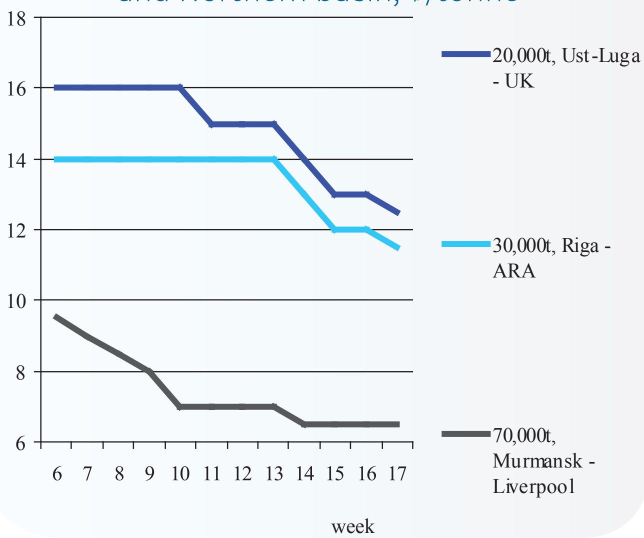


** - our estimates*
*** - Murmansk, Arkhangelsk, Kandalaksha*

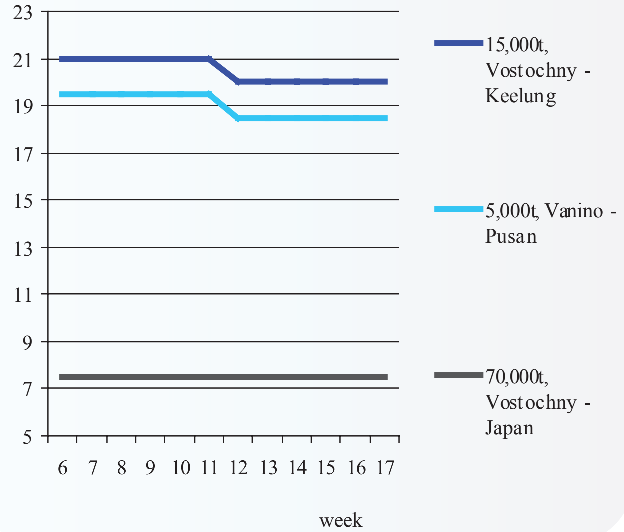
Coal shipping costs in Azov-Black Sea basin, $/tonne



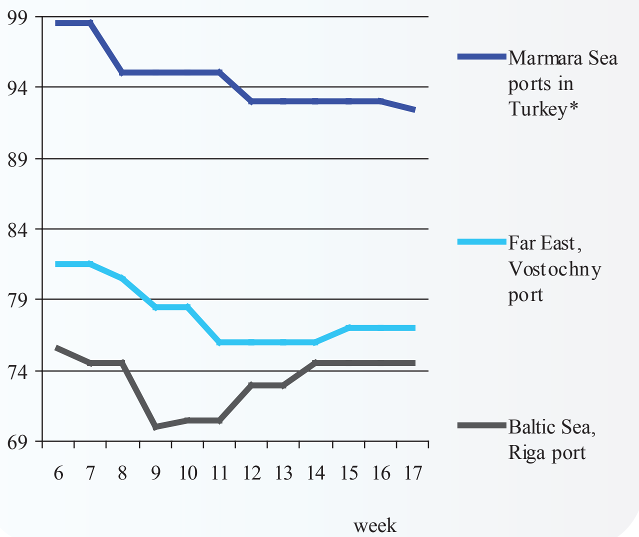
Coal shipping costs in Baltic Sea and Northern basin, $/tonne



Coal shipping costs in Far East basin, $/tonne

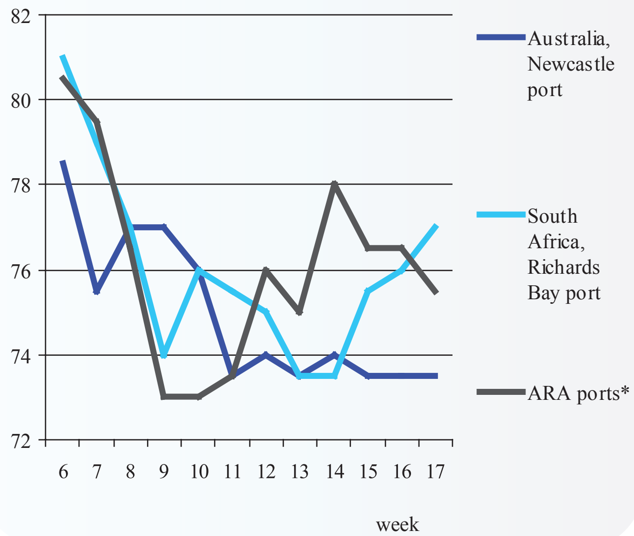


Thermal coal price dynamics, $/tonne, FOB



*- CIF

Thermal coal price dynamics, $/tonne, FOB



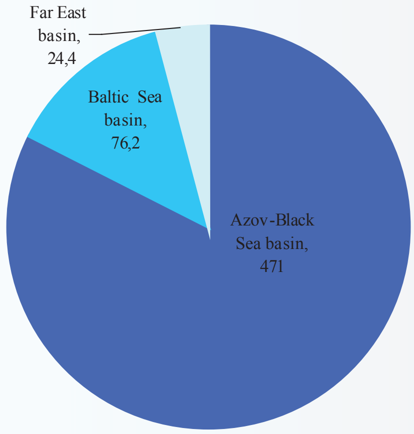
*- CIF

Pig iron shipments in April

Plans of pig iron supplies to the **Azov-Black Sea basin** ports in April were announced at a rather low level as for this region – 240,000 t only, whereas 471,000 t had been processed in March. On April 1, cargo stocks amounted to 84,600 t. The major volumes of cargo were traditionally carried from Ilyichevsk, Novorossiysk and Mariupol, large lots were shipped to the USA, while coaster vessels delivered the material to Italy and Turkey. Small-tonnage freight rates were stable. A 10,000 t lot of pig iron was carried from Ilyichevsk and Mariupol to Marghera at some $23.5/t and $25.5/t respectively. Transportation of 5,000-7,000 t of the material from Mariupol to the Marmara Sea ports was steadily quoted at $17-18/t. Shipping cost of 50,000 t of the cargo from Novorossiysk to New Orleans fell by $1/t to $21/t in the second half of April.

In the Russian Azov-Black Sea basin ports, pig iron prices dropped to $395/t FOB ($2.5/t down) at the beginning of April. Ukrainian product was available at $385-390/t FOB as it had been in late March. Quotes for pig iron remained at $395-400/t FOB in the northern ports of Brazil.

Pig iron exports in March*, thousand tons



*- our estimates

Freight market

Pig iron shipping volumes were on the rise in the **Baltic Sea**: 76,200 t had been exported in March, while 129,200 t were planned for transportation in April. The material was carried mainly in small lots from Riga to the Spanish ports. Coaster freight rates decreased by €3/t. Some €15-16/t were paid for 3,000 t of the cargo delivered from Riga to Lubeck; shipping cost of 3,000-5,000 t of pig iron from Klaipeda to Spain fell to €25/t. As per our estimates, transportation cost of a similar lot from St. Petersburg to the ARA ports dropped to €17/t.

In the Baltic Sea ports, Russian pig iron prices were fixed at $395/t FOB after decreasing by $2.5/t in early April.

Pig iron exports remained slack in the **Far East** – suppliers planned to deliver 36,300 t of the product to the regional ports in April; while some 24,400 t had been handled in March. Those cargoes were occasionally shipped mostly from Nakhodka and Vladivostok to Southeast Asia. Freight rates had been steady since September 2013. A 10,000 t lot was shipped to Taiwan at $20/t. Transportation of 3,000-5,000 t of the material to Pohang was quoted at some $17/t.

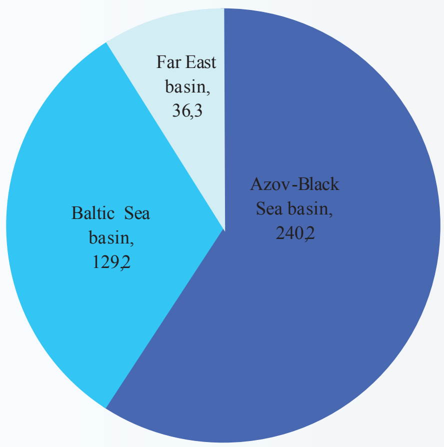
In the second half of April, pig iron prices decreased by $22.5/t in the Russian Far East ports to the March figures - $370-375/t FOB.

Pig iron shipments from ports of Russia, Ukraine and Baltic countries in March*, thousand tons

	Mar. 14	Feb. 14	% m-o-m	3 months 14	3 months 13	% change 14/13
Total in ports, including:	**572**	**520.9**	**9.8%**	**1662.9**	**1304.6**	**27.5%**
Russian pig iron	273.5	372.7	-26.6%	1043.1	845.9	23.3%
incl. transit through Ukrainian ports	69	164.5	-58.1%	368.1	412.4	-10.7%
incl. transit through Baltic ports	76.2	28.4	168.3%	174	42.6	308.5%
Ukrainian pig iron	298.5	148.2	101.4%	619.8	458.7	35.1%

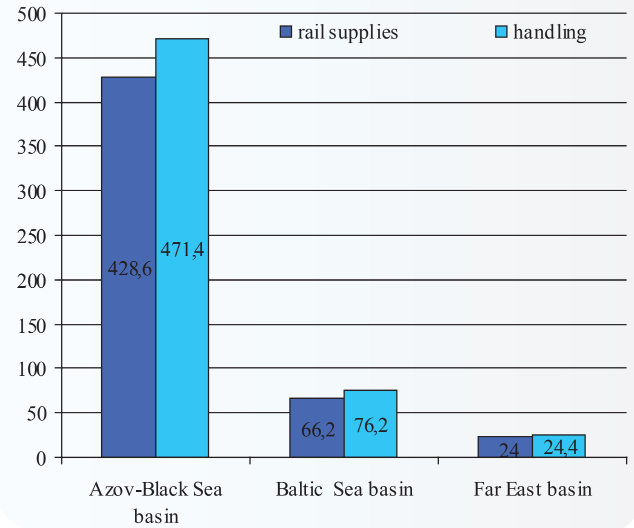
** - our estimates*

Plans of pig iron deliveries to ports in April*, thousand tons

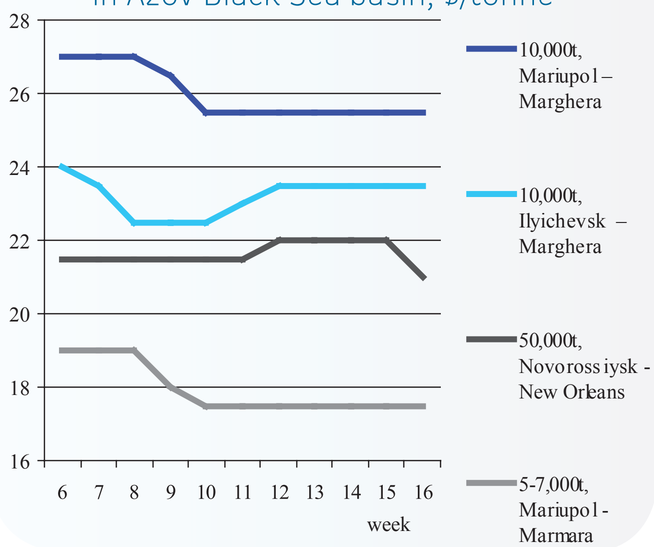


** - our estimates*

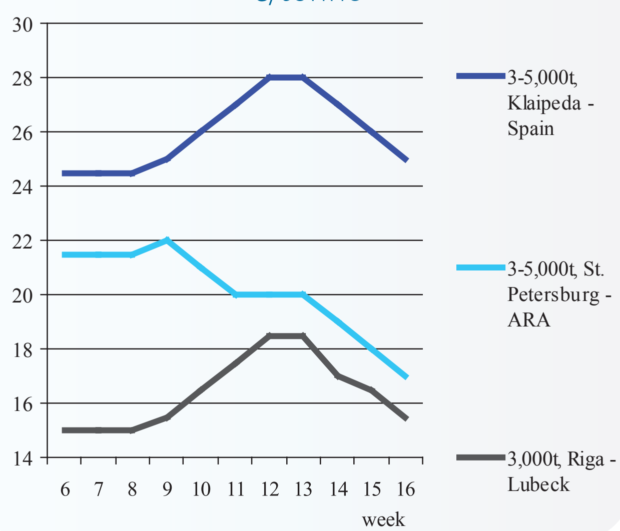
Pig iron rail supplies to ports and its handling in March, thousand tons



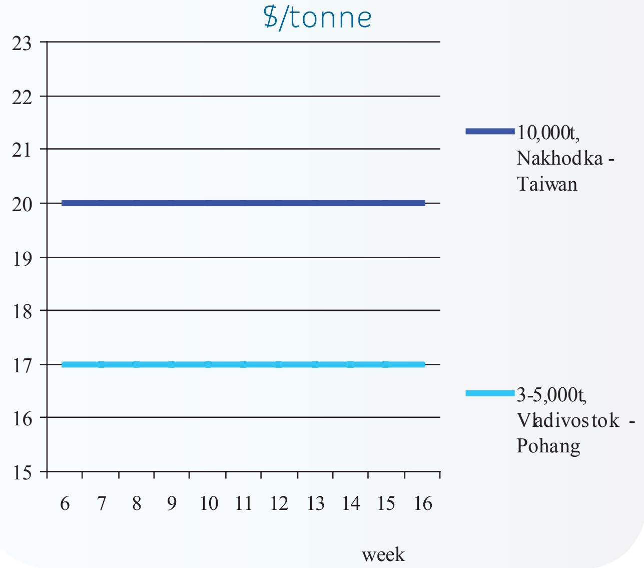
Pig iron shipping costs in Azov-Black Sea basin, $/tonne



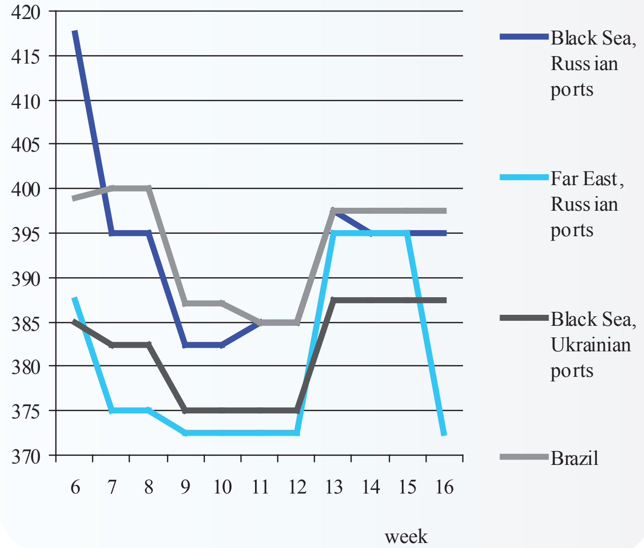
Pig iron shipping costs in Baltic Sea basin, €/tonne



Pig iron shipping costs in Far Eastern basin, $/tonne



Pig iron price dynamics, $/tonne, FOB

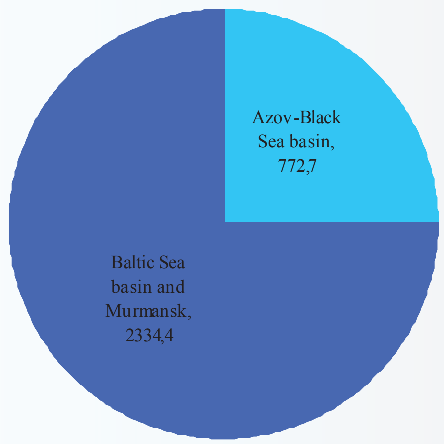


Fertilizer shipments in April

Fertilizer shipping volumes were on the rise in the **Baltic Sea** and **Murmansk**. Some 2.33 million tons of the cargo had been exported in March, while about 2.57 mmt were planned for export in April. Cargoes were shipped on steady routes. Freight rates dropped, particularly in Handysize segment – for instance, since the beginning of April, transportation cost of 25,000 t of ammonium nitrate from Riga to Brazil had decreased by $4.5/t to $28/t, that of 5,000 t of the cargo from St. Petersburg to the eastern ports of the UK – by €1/t to €25/t. Delivery costs of 60,000-70,000 t of potash fertilizers from Klaipeda to China inched down by $0.5/t to $43-44/t.

Mineral and chemical fertilizer exports from the **Azov-Black Sea basin** ports were expected to remain at March level in April. Amid a moderate demand, 692,000 t of fertilizers were planned for transportation to the Azov-Black Sea basin in April, whereas almost 773,000 t had been shipped in March. Those cargoes were actively shipped to Turkey, while deliveries to the Latin America and Northern Africa were somewhat less intense. Freight rates had decreased since the beginning of April. For instance, shipping costs of 40,000 t of urea from Yuzhny to the western ports of India dropped to $31-32/t; those of 25,000 t from Novorossiysk to Santos – to $29/t ($2/t down in both cases). Transportation cost of 5,000 t of ammonium nitrate from Nikolayev to the Marmara Sea ports inched down by $0.5/t to $24/t.

Fertilizer exports in March*, thousand tons



** - our estimates*

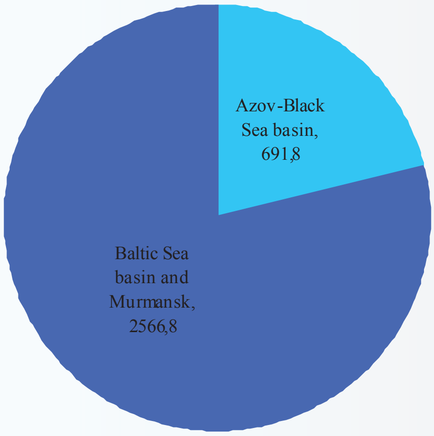
FOB-quotes for most types of fertilizers decreased in April. So, at the beginning of the month, MOP prices fell by $21/t to $266-275/t in the Baltic Sea ports and by $24/t to $274-296/t in Jordan. Phosphorous fertilizers were available at $435-445/t ($17.5 down since the end of March) in the Black Sea and Baltic regions; prices for diammonium phosphate (DAP) dropped by $57.5/t to $455-460/t in mid-April. Quotes for urea fell by $15/t and were fixed at some $295-300/t in the Middle East at the beginning of April. After fluctuating during the entire month, prices for that product decreased by $8/t to $292-297/t in late April. Offers of NPK 16-16-16 stood still at $350-370/t.

Fertilizer shipments from ports of Russia, Ukraine, Georgia and Baltic countries in March*, thousand tons.

	Mar. 14	Feb. 14	% m-o-m	3 months 14	3 months 13	% change 14/13
Total:	**3872.6**	**2980.2**	**29.9%**	**9658.7**	**9009.6**	**7.2%**
including:						
from Russian ports (bulk and packaged)	1043.4	764.2	36.5%	2621.1	2330.7	12.5%
from Baltic ports (bulk and packaged)	1645.2	1342.5	22.5%	4076.8	3096.9	31.6%
from Ukrainian ports (bulk and packaged)	519.1	345.8	50.1%	1218.1	1683.7	-27.7%
from Georgian ports (bulk and packaged)	33.3	34.9	-4.6%	131.8	100.3	31.4%

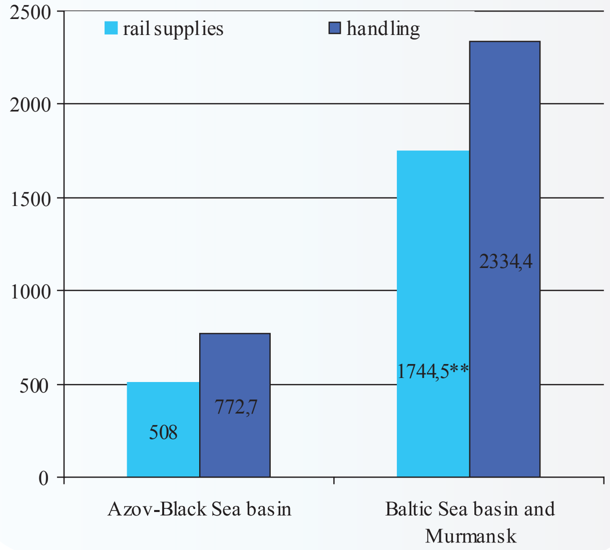
** - our estimates*

Plans of fertilizer deliveries to ports in April*, thousand tons

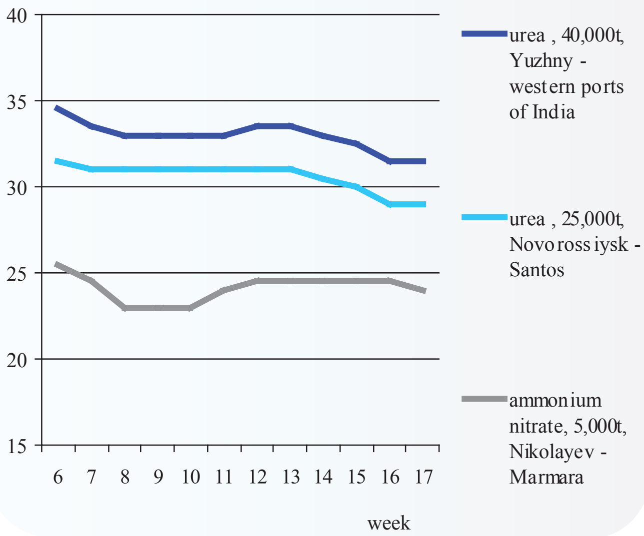


*- our estimates

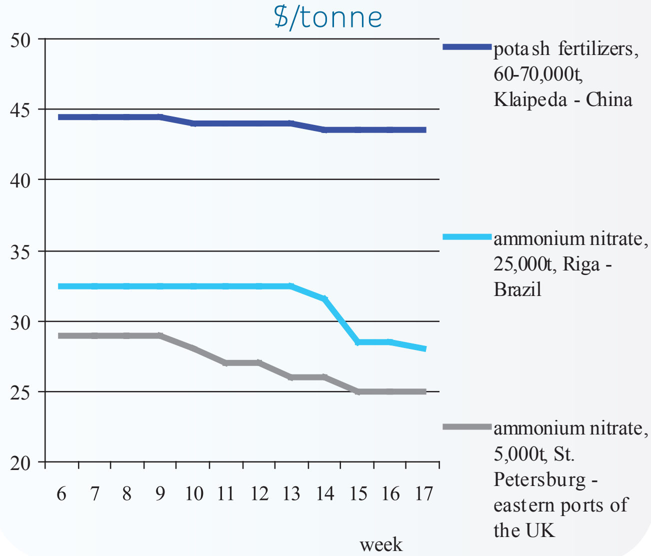
Fertilizer rail supplies to ports and its handling in March*, thousand tons



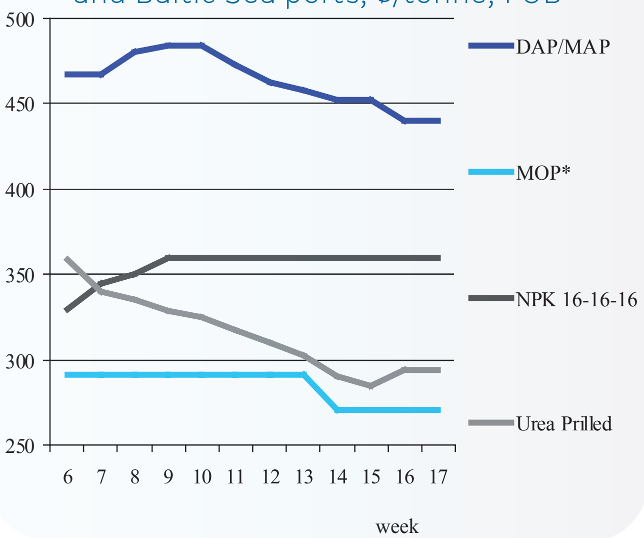
Fertilizer shipping costs in Azov-Black Sea basin, $/tonne



Fertilizer shipping costs in Baltic Sea basin, $/tonne

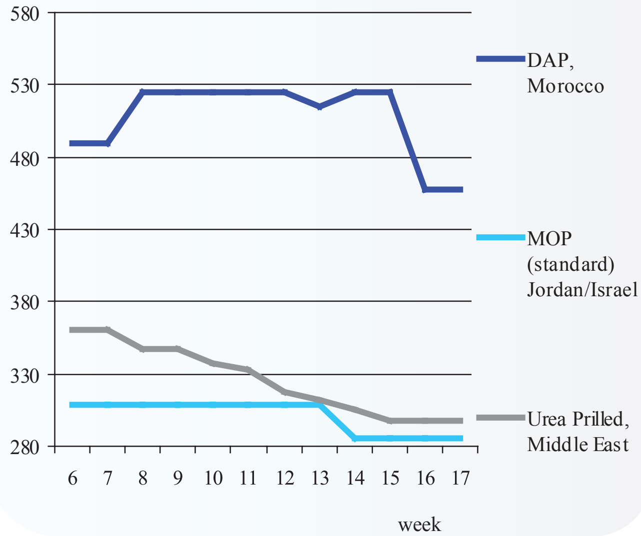


Fertilizer price dynamics in Black Sea and Baltic Sea ports, $/tonne, FOB



*- Baltic Sea, standard

Fertilizer price dynamics in Mediterranean Sea ports, $/tonne, FOB



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