



ICIS Urea Methodology Consultation

Response 2

Questions specific to global Urea pricing reports

ICIS is considering incorporating the current Egypt FOB price in The Market into a North African FOB quote with Algerian prices once the new Sorfert production facility comes onstream and starts exporting urea.

Do you think that the current Egypt FOB price in The Market should be incorporated into a North African FOB quote with Algerian prices once the new Sorfert production facility comes on stream and starts exporting urea?

Please don't, the two markets are not linked with each other. Continuous gas problems in Egypt, production has been severely affected for the last two years, political situation which seems not to get resolved...

By combining two distinct producing countries, the market rates will mean nothing. Prices quoted for the Egyptian market are completely off the market the last few months from nearly all publications.

The funny thing is this week only 10 KT was sold... How can a market price be based on just one very small cargo? It should be based on the European netbacks, but explaining this logic would take some time... Clearly, the Egyptian market is no longer liquid and until the country situation is resolved there is no point of even doing paper trade on such market.

On the other hand, Libya exported by far more volume (in 2013) than Egypt and it does not even have a section on your market quotes... Maybe that's what you should be looking into, no?