

NUTRIFOCUS LIMITED

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JULY 2009 NEWSLETTER

JULY MARKET UPDATE

Nitrogen markets are currently firm. The Nitram price is moving upwards as monthly allocations are filled. We have a very limited tonnage available for September delivery, once sold we will be looking at October delivery which is currently some £12 per tonne over the June delivery price.

The expectation is that there will be more global demand for urea for Q3 and prices are predicted to firm slowly.

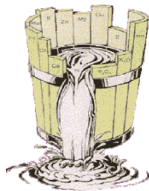
Phosphate prices are the lowest we have seen for some time with TSP £215 and DAP £255. There has been some international purchasing activity and we understand that FOB prices are firming. Some traders are suggesting we might see a significant upward bounce in P pricing.

MOP has recently come down £100 per tonne to £425 but the reduction hasn't really stimulated any demand. With N and P both around £200 and K at £400+ the price is out of balance and the expectation is that we may see a further reduction in the K price.

Please remember that although the cost of growing a crop for harvest 2010 is massively different to 2009 the underlying World pressures still exist. The population is growing, the fertiliser supply / demand balance is still fragile and in fact is a bit more so as several new production facilities have been cancelled or mothballed.

PK DECISIONS & FIBROPHOS

As discussed above P prices may start to firm but there is a possibility that K prices will fall. Will one cancel the other? Only time will tell. What we do know is that P today is massively cheaper than it has been and at sub 50p/kg I think it is certainly worth consideration.



This year we have had a number of positive comments regarding how crops look after the application of Fibrophos. We have similar comments after the application of poultry manure and are not exactly sure what to attribute this to but are reminded of the "barrel" image which has been around the industry since the year dot and shows that yield capacity is only as good as your lowest level of fertility. It is possible that the trace elements in Fibrophos and poultry manure have plugged a gap.

Over and above P & K Fibrophos supplies Magnesium, Sulphur and a wide range of trace elements and is currently between 18 and 25% cheaper than bagged P&K so effectively the trace elements and Magnesium are for free.

Book Fibrophos now and you also have the "win-win" guarantee that should PK prices fall then the Fibrophos price will be adjusted but should PK prices rise then the Fibrophos price is locked. Call us for more info!

SLUGGO SLUG PELLETS

An article on last night's local news reminded of the dangers that conventional slug pellets pose to dogs. Omex produce Sluggo, an organically approved slug killer which is harmless to dogs and other mammals.

We know that Sluggo is more expensive than minis but for July orders we do have an offer to help bring the cost of Sluggo down by 10%.

We are not suggesting that you use Sluggo everywhere but there must be areas on every farm where Sluggo would provide a safer option than a more conventional slug pellet.