

Fertilizer Sector

Nov'24: Peak Rabi season uplifts urea sales

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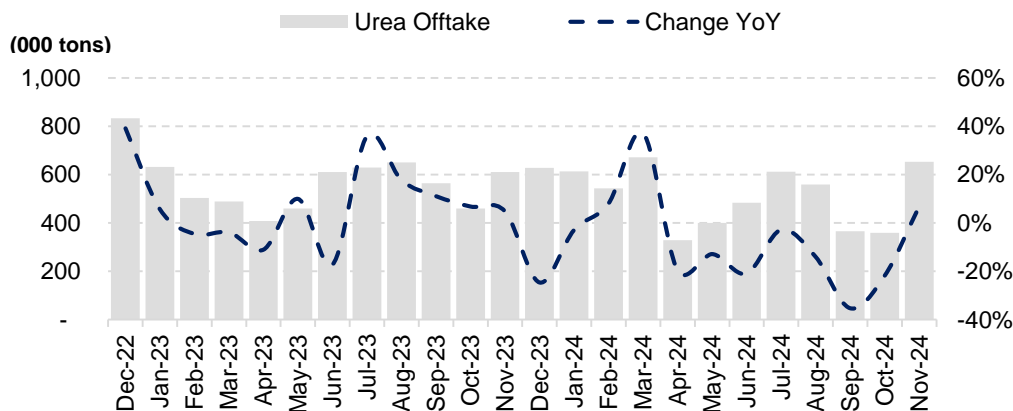
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Fertilizer Sector

Nov'24: Seasonality factor increase urea sales

- The tentative fertilizer sales data depicts 7% YoY growth in urea sales for Nov'24, settling at 652k tons.
- On a company-wise basis, urea sales of FFC and FFBL Group climbed up by 16% YoY, arriving at 283k tons. Meanwhile, offtake of EFERT and FATIMA reduced by 12% and 1% YoY, clocking in at 191k tons and 124k tons, respectively.
- On a MoM basis, urea sales surged by 82% amid peak Rabi season in Nov'24. The urea dispatches of FFC and FFBL combined, EFERT, and FATIMA jumped up by 58%, 91%, and 112% MoM, respectively.
- On a cumulative basis, urea sales in 11MCY24 decreased by 7% YoY to 5,584k tons. Offtake of EFERT and FATIMA dwindled by 24% and 12% YoY, respectively settling at 1,613k tons and 805k tons, respectively. Meanwhile, urea sales of FFC and FFBL reported a 4% YoY growth, reaching 2,686k tons.

Exhibit: Urea offtake clocked in at 652k tons in Nov'24



Source (s): NFDC, AHL Research

Exhibit: Fertilizer Industry's Sales

000 tons	Nov-24	Nov-23	YoY	Oct-24	MoM	11MCY24	11MCY23	YoY
Urea	652	611	7%	358	82%	5,584	6,014	-7%
DAP	270	278	-3%	309	-13%	1,510	1,438	5%
CAN	70	71	-1%	33	113%	579	713	-19%
NP	118	130	-9%	84	40%	773	1,026	-25%

Company-wise offtake

Urea								
FFC and FFBL	283	244	16%	179	58%	2,686	2,588	4%
EFERT	191	218	-12%	100	91%	1,613	2,116	-24%
FATIMA Group	124	126	-1%	59	112%	805	912	-12%
NFML	-	-	nm	-	nm	-	217	nm
DAP								
FFC and FFBL	135	88	52%	156	-14%	909	877	4%
EFERT	48	59	-18%	50	-3%	293	248	18%
FATIMA Group	6	42	-85%	6	1%	49	103	-53%
Private Import	82	89	-9%	98	-17%	259	210	23%

Source (s): AHL Research

Fertilizer Sector

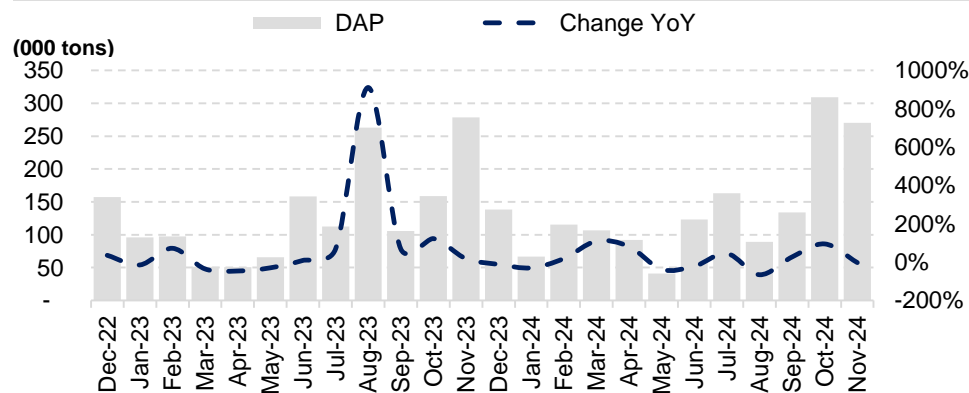
DAP offtake decline amid weak farm economics

- DAP dispatches in Nov'24 clocked in at 270k tons, down by 3% YoY | 13% MoM owing to weak purchasing power of the farmers. With this, total offtake during 11MCY24 arrived at 1,510k tons, up 5% YoY.
- On a company-specific basis, DAP sales of FFC and FFBL combined augmented by 52% YoY to 135k tons in Nov'24. Meanwhile, the offtake declined by 14% on a MoM basis. Hence, FFC and FFBL's total DAP offtake in 11MCY24 settled at 909k tons, up 4% YoY.
- Whereas, EFERT's DAP offtake in Nov'24 declined by 18% YoY | 3% MoM to arrive at 48k tons. Hence, EFERT's DAP offtake in 11MCY24 increased by 18% YoY, arriving at 293k tons.
- FATIMA Group's DAP sales dwindled by 85% YoY, while an uptick of 1% was observed on a MoM basis at 6k tons in Nov'24. Subsequently, FATIMA's DAP offtake plunged by 53% YoY to 49k tons in 11MCY24.

Inventory position

- By the end of Nov'24, the urea inventory stood at 778k tons vis-vis 841k tons in Oct'24. Whereas, DAP inventory settled at 110k tons in Nov'24 compared to 307k tons in Oct'24.

Exhibit: DAP offtake arrived at 270k tons in Nov'24



Source (s): NFDC, AHL Research

Exhibit: Inventory Position (Nov-24)

Fertilizer Inventory (k tons)

Urea	778
DAP	110
CAN	237
NP	215

Company Inventory (k tons)

Urea

FFC and FFBL	153
EFERT	337
FATIMA	209
NFML	0
AGL	79

DAP

FFC and FFBL	15
EFERT	31
FATIMA	18
Private Import	47

Source (s): AHL Research

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- Justified Price to Book (JPTB)
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