



A worker stands next to sacks of fertilisers unloaded from a cargo ship at a port in Lianyungang, Jiangsu province. China is largely self-sufficient in urea and less exposed to natural gas price volatility. PHOTO: REUTERS/FILE

China's coal-based urea shields farmers from global fertiliser turmoil

REUTERS, Beijing/Singapore

Farmers around the world may be switching to less nutrient-hungry crops as the Iran war hits the supply of fertilisers, but in China, they're sitting pretty with plenty of stock thanks to the country's rather unique reliance on coal to produce urea.

However, some analysts say China may not allow exports of urea - the most widely used fertiliser globally - after spring planting as it normally does, as that could drive up local prices. Beijing typically waits to see if there is a surplus in May before assessing how much can be shipped abroad.

Whereas other big exporters of urea - a nitrogen-based plant nutrient - like Russia, Qatar and Saudi Arabia use gas to produce it, some 78 percent of China's urea output is produced with coal - a relatively cheap resource it has in abundance.

"China is largely self-sufficient in urea and it is less exposed to natural gas price

volatility than many other producing regions," said Willis Thomas, head of fertilisers analysis at CRU.

China's vast deployment of coal - which it also uses to create oil, gas and other products - has been particularly prescient even if it is more polluting than natural gas, as it reduces the need for energy imports that can be cut off in a conflict.

PRICE SURGES OUTSIDE CHINA
Benchmark prices for urea have surged some 70 percent since the end of February as the war prevents ships from passing through the Strait of Hormuz, a vital route for about 30 percent of the fertiliser's global trade.

Urea prices last week were trading at around \$700-780 per metric ton on a free-on-board basis in Indonesia. In contrast, in northern China, prices were around 1,760-1,840 yuan (\$255-\$267) a ton last week, CRU's Thomas said.

US farmers plan to plant less corn - a nitrogen-intensive crop this year than last year, and will plant more soybeans, the US Department of Agriculture said last week.

Australian growers are also expected to favour barley over nitrogen-intensive wheat and canola in the upcoming season.

But in China, which has also put curbs on exports of other types of fertiliser and directed the early release of commercial fertiliser reserves, little switching is expected.

"I'm sticking with corn this year because it's still more profitable than soybeans," said a corn farmer with the surname Guo in northeastern Heilongjiang province.

AMPLE UREA SUPPLIES
China is set to produce a record 76.5 million tons of urea this year, up 6.3 percent from last year, with domestic demand estimated at 66 million tons, including 43 million tons for agriculture, according to the China Nitrogen Fertilizer Industry Association.

Nine new plants are expected to commence production this year, adding 4.9 million tons per year, mostly coal-based, Thomas said.

Last year, China exported 4.9 million

tons, somewhat below historical norms of 5 to 5.5 million tons which would typically account for around 10 percent of global exports, according to StoneX.

India, which imported more than 40 percent of its urea and DAP, a blend, from the Middle East last year, has asked China to allow the sale of some urea cargoes.

However, China may keep curbs on exports in place over the coming months, some analysts said.

"If China starts exporting, local urea prices will quickly jump in line with the global market. The government doesn't want that situation," said StoneX analyst Josh Linville.

China's General Administration of Customs and its state planning agency, the National Development and Reform Commission, did not immediately respond to Reuters requests for comment.

India is one of the few countries that has also explored coal gasification as a strategic alternative feedstock for urea, but those projects are limited to a handful of early-stage initiatives.

Prime Bank promotes Ziaur Rahman to AMD post

STAR BUSINESS DESK

Md Ziaur Rahman has recently been promoted to the post of additional managing director (AMD) of Prime Bank PLC.

Prior to this promotion, Rahman had been serving as deputy managing director (DMD) of the bank since 2021, according to a press release.

He is currently also serving as the chief anti-money laundering compliance officer (CAMLCO) and chief risk officer (CRO) of the bank.

With more than 30 years of diverse experience in the banking sector, Rahman has developed strong expertise.

He has served as a branch manager, head of credit risk management, head of syndicate and structured financing, and head of corporate business, along with having extensive experience in compliance.

Before joining Prime Bank as deputy managing director, he served in various leading roles at Dhaka Bank PLC, NRB Bank PLC, and Eastern Bank PLC.

Rahman obtained his master's degree from the University of Dhaka.



Md Ziaur Rahman

War to kickstart renewables boom: IEA chief

AFP, Paris

The world's worst energy crisis, caused by the Middle East war, will accelerate the development of renewables, nuclear energy and electric vehicles, the head of the International Energy Agency has predicted.

In an interview published on Tuesday with the French conservative Le Figaro newspaper, IEA executive director Fatih Birol argued that the current energy crunch "is more serious than those of 1973, 1979 and 2022 combined".

But despite the fuel price spike caused by Iran's de facto blockade of the vital Strait of Hormuz chokepoint, there were "reasons to be optimistic" from how "the architecture of the worldwide energy system will change".

"It will take years. It will not be a solution to the current crisis, but the geopolitics of energy will be profoundly transformed," said Birol.

That said, some technologies will develop faster than others, he insisted.

"That is the case with renewables, such as solar and wind power, which can be installed very quickly. We will be turning to renewables very soon, probably within a few months," Birol predicted.

Even so, the IEA head insisted that countries should be "as prudent as possible" in saving energy in the short term, warning of the prospect of a "black April".

Pubali Bank, Square Hospitals launch co-branded credit card

STAR BUSINESS DESK

Pubali Bank PLC, in collaboration with Square Hospitals Limited, yesterday launched a co-branded credit card, aimed at expanding inclusive, customer-focused banking and financial services.

Md Esam Ebne Yousuf Siddique, chief operating officer of the hospital, and Md Shahnewaz Khan, deputy managing director of the bank, jointly inaugurated the card at the hospital's auditorium in Dhaka, according to a press release.

Under the partnership, doctors and employees of the hospital will receive co-branded credit cards featuring the logos of Square Hospitals Limited and Pubali Bank PLC.

Sultan Minhaj Uddin, executive vice-president (accounts and finance) of the hospital, and Prof Wahiduddin Mahmood, director (medical services), attended the event.

The initiative reflects a shared commitment to delivering tailored financial solutions, strengthening professional communities, and expanding inclusive, customer-focused banking services, the release added.



Md Shahnewaz Khan, deputy managing director of Pubali Bank PLC, and Md Esam Ebne Yousuf Siddique, chief operating officer of Square Hospitals Limited, inaugurate the co-branded credit card at the hospital's auditorium in Dhaka yesterday. PHOTO: PUBALI BANK

Md Shahin Shahria, general manager and head of Mohakhali Corporate Branch of the bank; NMFiroz Kamal, deputy general manager and head of the card business division; and Md

Azizur Rahaman, deputy general manager and head of Sonargaon Branch, along with other senior officials from both organisations, were also present at the inauguration ceremony.

Dollar nears Tk 123

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"A rise in fuel prices will eventually lead to an increase in food prices."

Ahmed flagged a particular concern around import behaviour during periods of uncertainty. Past episodes have shown that importers tend to accelerate letter of credit (LC) payments, booking early to lock in rates, which amplifies pressure on the dollar at precisely the wrong moment.

On the structural dynamics of the exchange rate, Ahmed also said the forex reserves are under slight pressure, driven in large part by the need to import oil at elevated prices.

Hormuz closure divides

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Among the Gulf producers, Iraq's revenue fell the most - plunging by 76 percent to \$1.73 billion. Kuwait was next with a 73 percent fall to \$864 million.

Iraq's state oil marketer SOMO said on April 2 that March oil revenues were about \$2 billion, close to Reuters' estimate.

Both countries are likely to suffer steeper declines in April as their March revenues were improved by cargoes that managed to sail in the early days of the conflict. A tanker laden with Iraqi crude sailed through the

percent, reaching \$48.28 billion.

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Oil prices rally

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chokepoint and damaged energy facilities are keeping the floor under prices." The U.N. Security Council is expected to vote on Tuesday on a resolution to protect commercial shipping in the Strait of Hormuz, but in significantly watered-down form after veto-wielding

China opposed authorizing force, diplomats said.

Attacks in the region continued with explosions heard in the Syrian capital, Damascus, and surrounding countryside on Tuesday that were caused by the Israeli interception of Iranian missiles, Syrian state TV reported.

"The volatility is mainly stemming from the war. We have to be patient to avoid panicking. This will not last long," he added.

Bangladesh Bank has so far maintained a buffer. Gross foreign exchange reserves stood at \$34.43 billion in the latest available figures, while usable reserves under the IMF's BPM6 methodology were \$29.81 billion.

Since the start of FY26, the central bank has purchased over \$5 billion from the interbank market to rebuild reserves, reversing a years-long trend of dollar sales.

Oil prices rally

Some oil companies and politicians in the West have lobbied for increased investment in fossil fuels to try to protect against supply shocks, but some analysts say renewable energy provides the best protection.

In an early indicator of how the crisis could accelerate a shift from reliance on oil, last week France's TotalEnergies and UAE state-backed renewable energy firm Masdar announced a \$2.2 billion joint venture to rapidly deploy renewable energy across nine Asian countries.

Pests threaten soybean harvest

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claimed that the situation is under control.

"We are advising farmers to use pesticides. The infestation is being managed and will gradually be eliminated," he said.

However, farmers say they see no results despite applying pesticides.

"Officials from the DAE sometimes drive past the fields and leave. They

don't offer any advice or support, and don't even tell us which pesticides to use to save our crops," Siraj Mia alleged.

Other farmers in the Char Amanullah union shared similar complaints.

In response, Harunur Rashid cited a severe manpower shortage. Each of the 24 agricultural blocks in the eight unions should have one sub-

assistant agriculture officer, but only 10 officers are currently working.

Ashish Kumar Kar of DAE added that soil salinity and a lack of rain also worsened the pest attack.

"The pest attack should ease after the recent rainfall," he stated.

He confirmed the manpower shortage and said a recruitment process is underway to address it.

US now

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"Soybean meal is one of the key ingredients in the poultry and aqua feed industry in Bangladesh," the report said, adding that crushing is set to rise as feed production continues to expand.

"Recently, commercial poultry farms have expanded their operations, and some large private feed companies have begun contract farming for poultry production. Additionally, the use

of formulated feed in aquaculture has increased," it added.

The USDA forecasts soybean crushing will rise by 2.2 percent to 23.5 lakh tonnes in MY27, driven by stronger demand for both soybean oil and meal.

It also projects soybean imports will climb 4.3 percent to 24 lakh tonnes in the next marketing year starting in July. Total imports in MY26 are estimated at 23 lakh tonnes, according to the USDA.