PhosAgro to reduce DAP/MAP production in Q1 2013 by over 17% in favor of complex fertilizers

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OJSC PhosAgro plans to reduce production of diammonium phosphate (DAP) and Monoammonium Phosphate (MAP) in the first quarter of 2013 by 17% while also boosting production of complex fertilizers (NPK and NPS) by over 20% year-on-year, the company said.At the same time, total production of fertilizers in the first quarter will be held at the same level of the first quarter of this year.The company said that it forecasts an increase in demand for complex fertilizers on the domestic and outside markets at the start of 2013. Complex fertilizers, unlike DAP and MAP, have a wider sales market. PhosAgro hopes to become one the leading NPK producers in Russia by the end of this year.PhosAgro produces fertilizer with phosphate-content. The company's main production is phosphorus fertilizer, high-grade phosphate (PS025 concentrate 39% and over), as well as feed phosphates, nitrogenous fertilizers and ammonia.The OJSC PhosAgro group includes OJSC Apatit (RTS: APAT), OJSC Ammophos (RTS: AMMO), OJSC Cherepovets Azot (RTS: CHEA), CJSC Agro Cherepovets, LLC Balakovo Mineral Fertilizers, and LLC Metakhim.The company's nephelinic apatite ore reserves at fields under active development are estimated at 2.1 million tonnes (in accordance with JORC as of June 1, 2011), which ensures the group will phosphate material for production for over 75 years (based on current production levels). The company's ore base also includes significant alumina oxide reserves (A1203) and over 41% of Russia's rare-earth elements.

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