

Domestic Fertilizer Prices Could Be Investigated

By [The Moscow Times](#)

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President Dmitry Medvedev digging for potatoes in the Voronezh region village of Trudovoye on Monday. He cheered the agricultural industry, saying the grain export ban may be lifted before the new year
Mikhail Klimentyev

VORONEZH — President Dmitry Medvedev called for an investigation into domestic fertilizer prices, claiming on Monday that local producers are acting as a cartel and sending shares in potash miners Uralkali and Silvinit lower.

"If not on paper, then in spoken form, there exists a cartel, and this all must be investigated as part of an antitrust process and punished," Medvedev said at a government meeting in Voronezh.

The Federal Anti-Monopoly Service has fined both potash miners for acting in collusion, most recently in June, arguing that as the country's only producers of the soil nutrient, they worked together to push up prices.

Uralkali and Silvinit, which sell products to Russian farmers at a discount to global prices, say the domestic makers of complex fertilizers compete with them on exports after buying potash from miners as a raw material.

Uralkali fell 2.2 percent in Moscow, while Silvinit reversed an earlier gain to drop 0.5 percent.

"The president is likely referring to the old conflict between the potash miners and the makers of complex fertilizers, for whom potash is one of the ingredients," said Anna Kupriyanova, an analyst with UralSib. "The latter want to buy potash at a discount to foreign markets, to which the former don't agree."

Higher potash prices hurt Acron, UralChem and EuroChem, the country's biggest makers of complex fertilizers, Kupriyanova said.

Acron reversed an earlier drop to gain 0.6 percent. UralChem and EuroChem are privately held.

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