



Knowledge grows

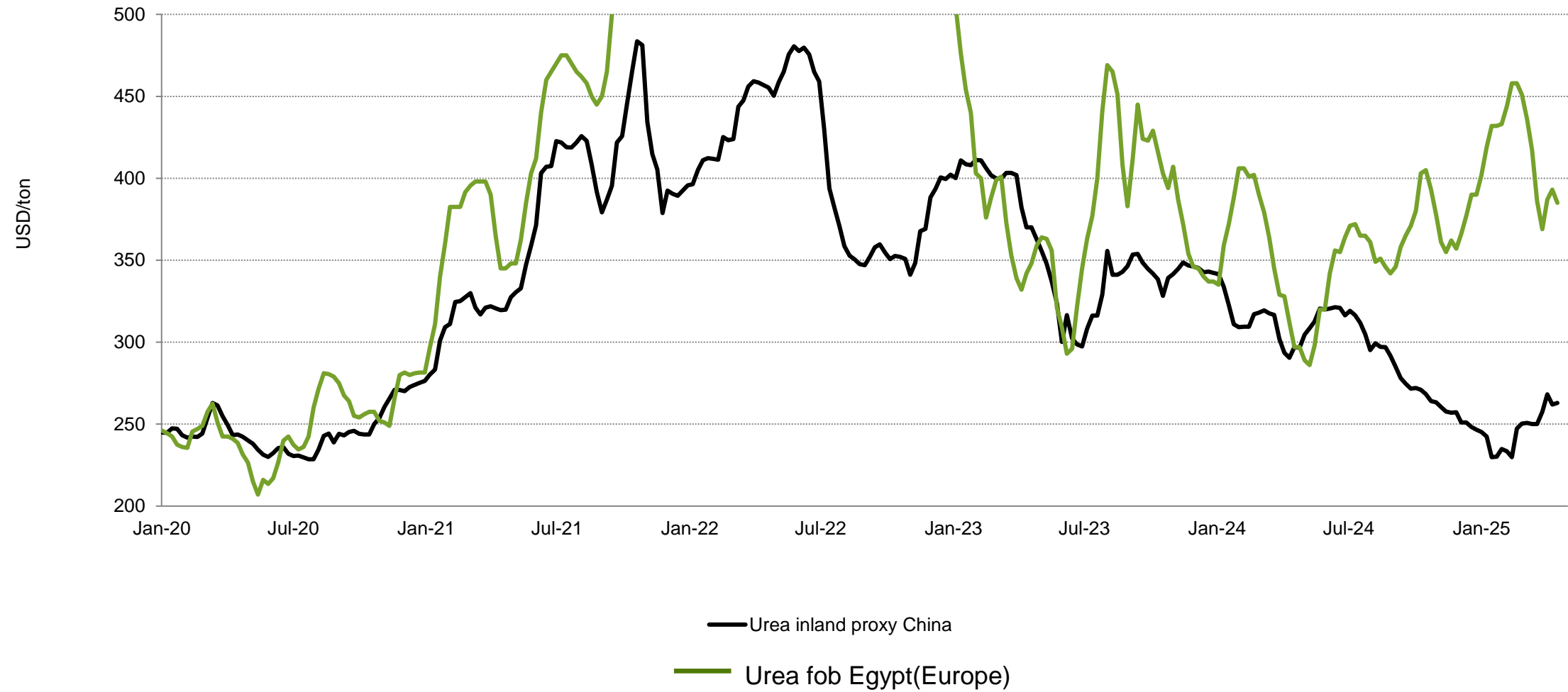
Market update

Dag Tore Mo
Head of Market Intelligence

Arctic Securities
Oslo, 19 May 2025



Urea prices fob Egypt – latest sale at USD390/t

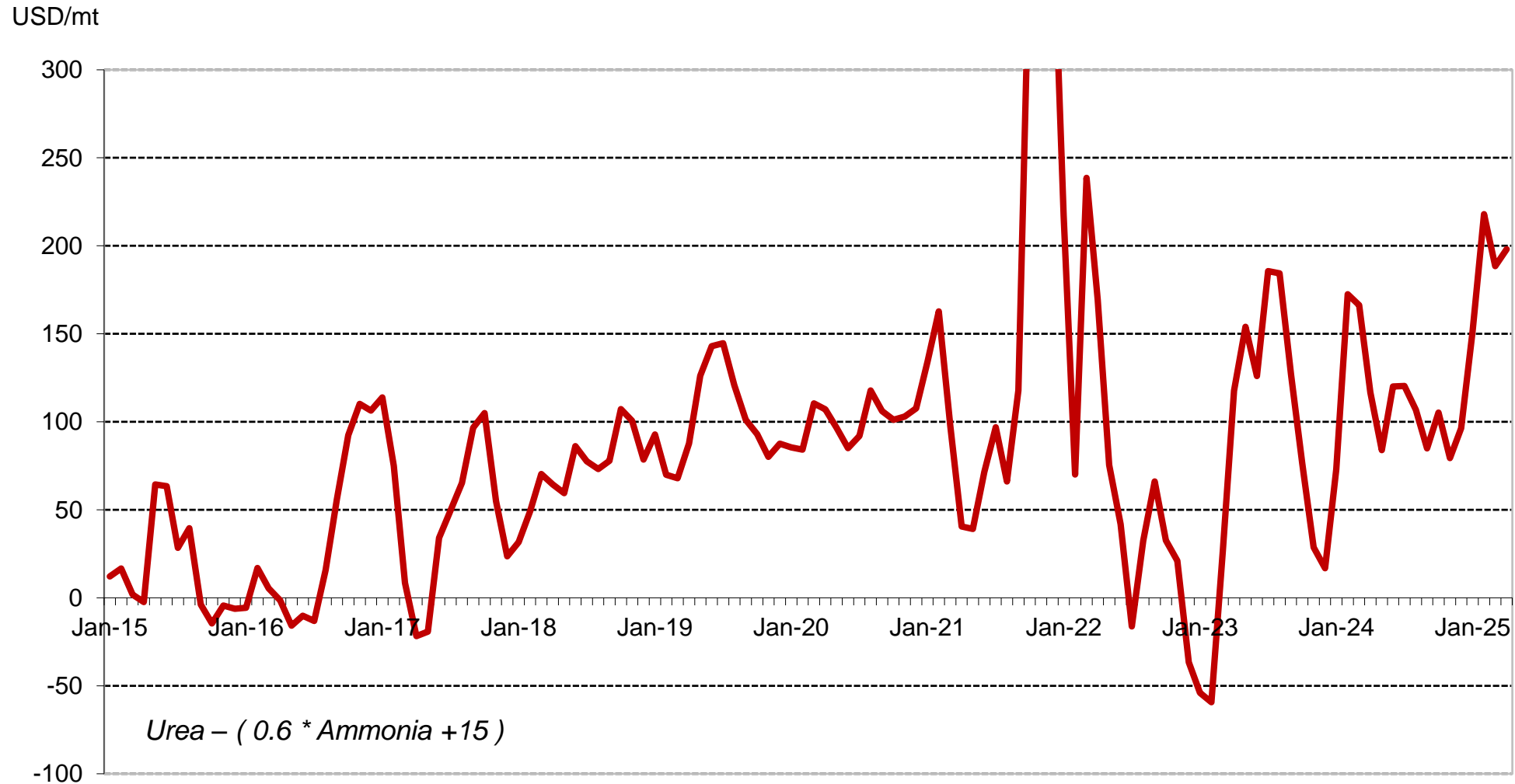


European natural gas (TTF) – less extreme



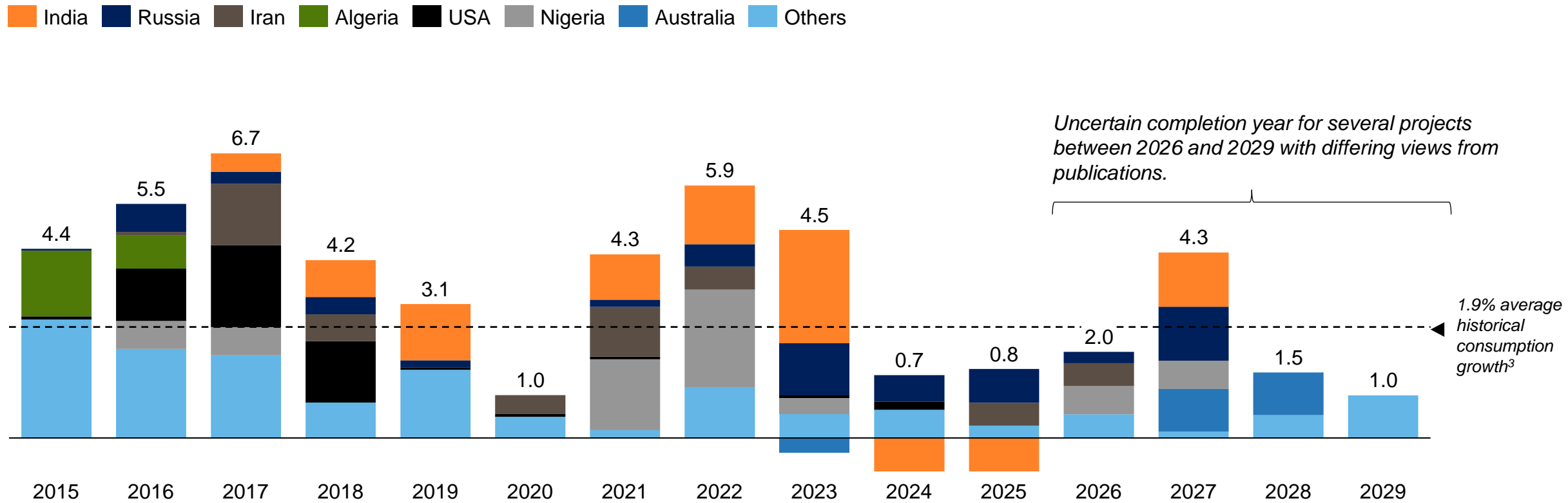
■ Natural gas TTF \$/mnBtu day-ahead

Ammonia to urea upgrading margin – fob Arab Gulf



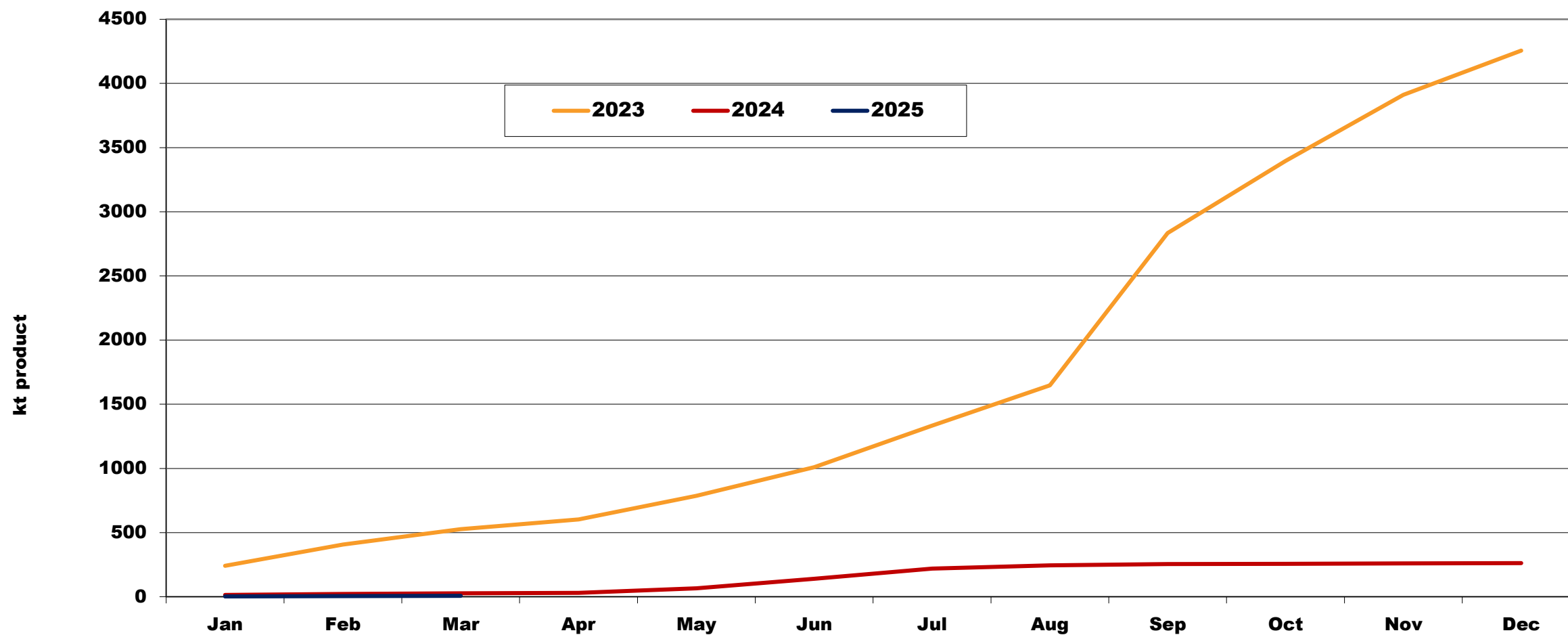
Peak of urea capacity additions is behind us

Global urea capacity additions ex. China ^{1,2} (mt)

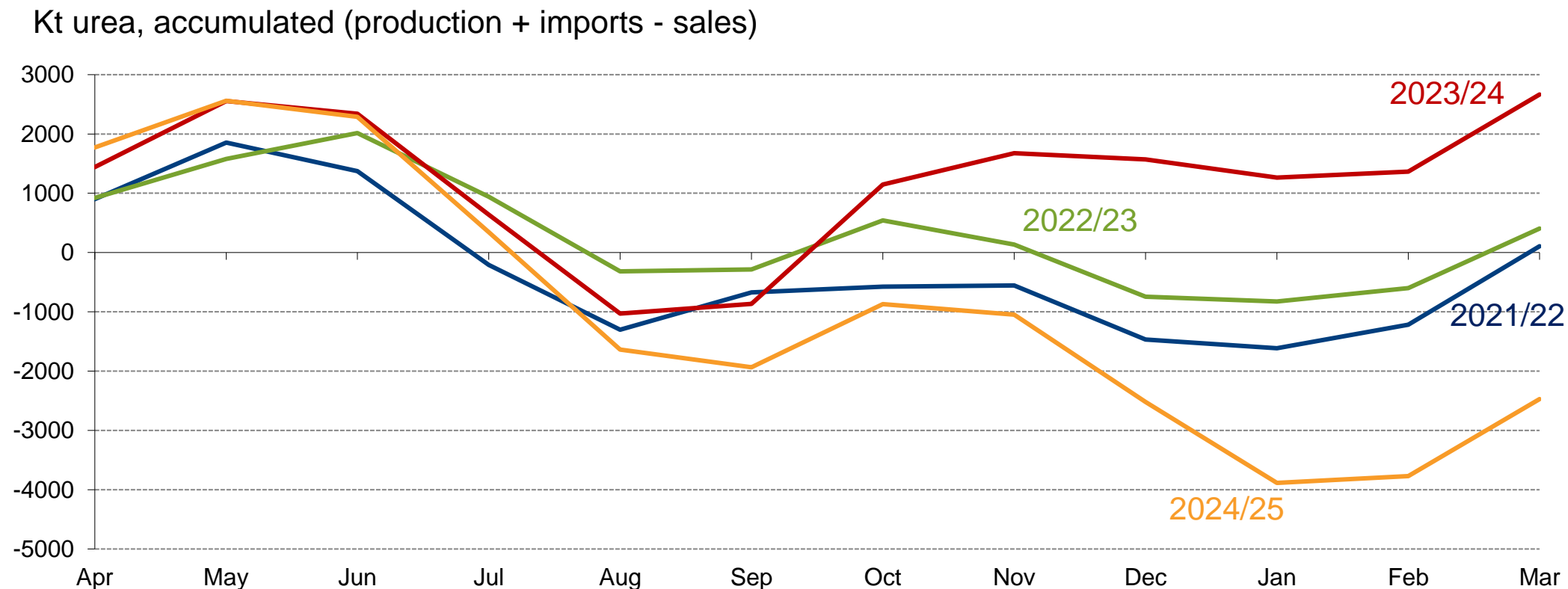


1) Source: CRU March 2024
2) Future Urea projects assessed as "probable" or "firm" by CRU.
3) Growth calculated based on last 10 years up to 2023, equal to ~2.6 mt/year, from 2023 baseline (IFA) of 136.6 mt (global production + China trade). Trend growth rate held back by supply restrictions in 2021 and 2022

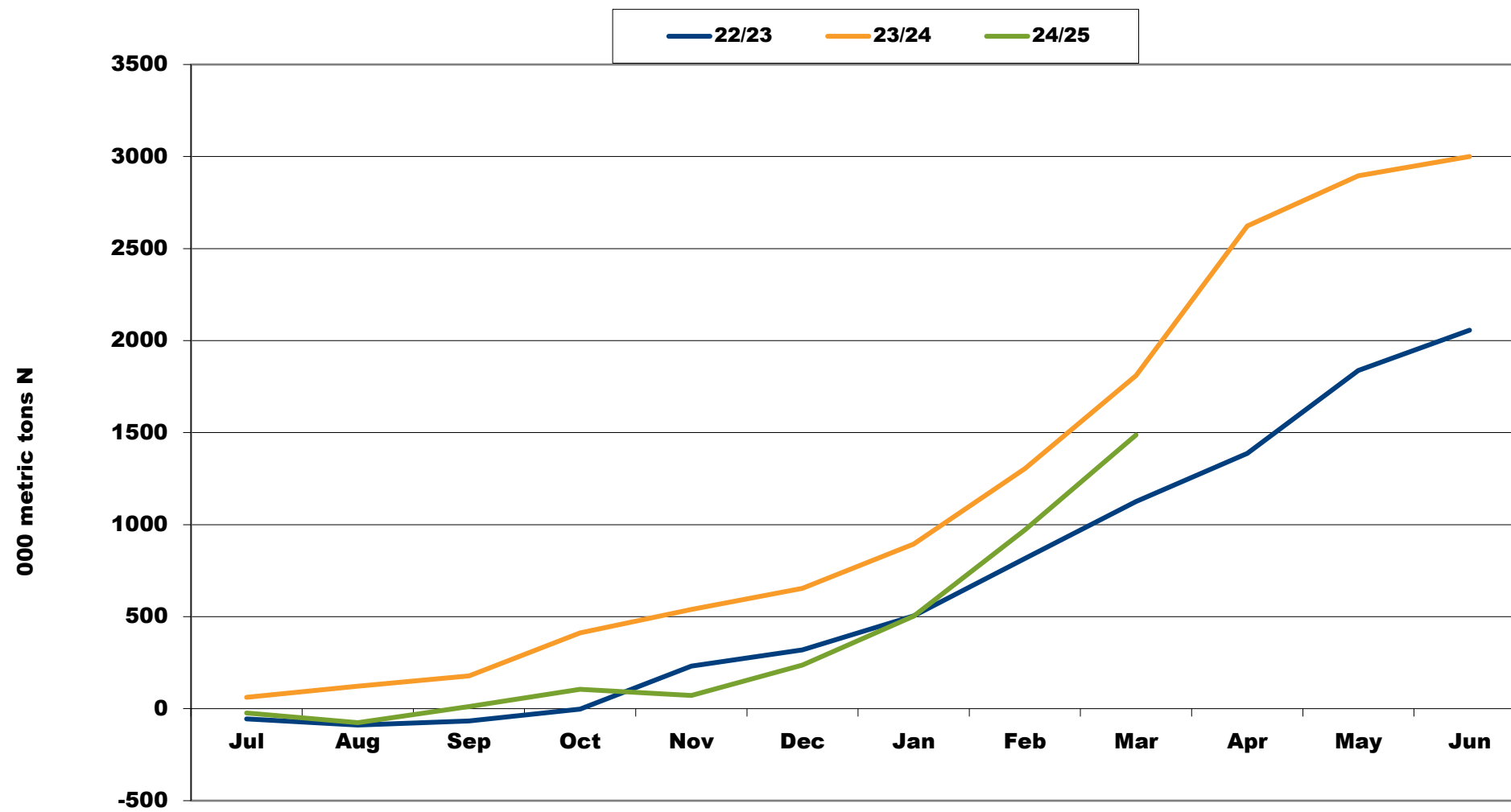
Urea export from China – nothing



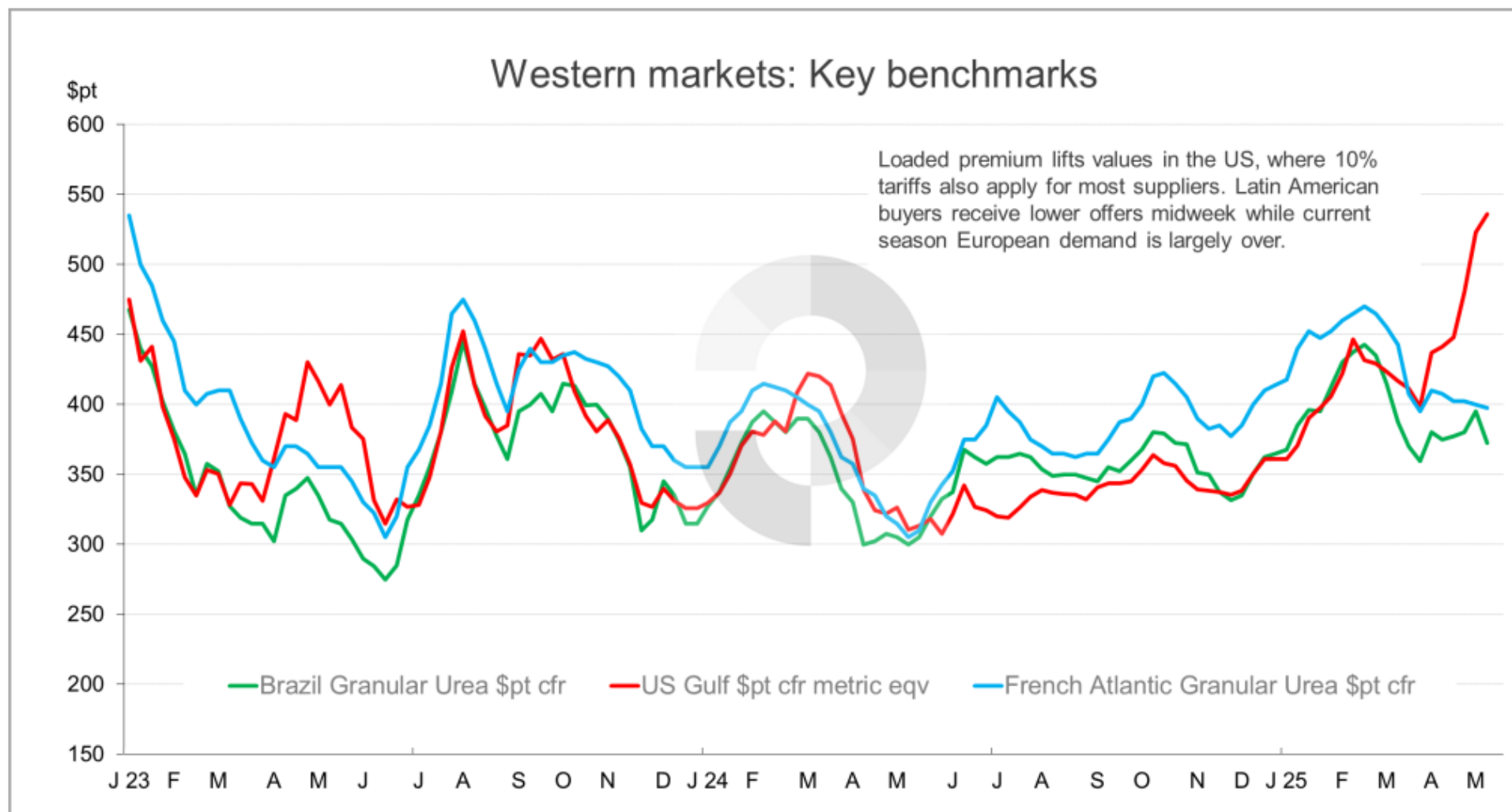
Urea sales up in India, production and imports down– strong decline in inventories this season



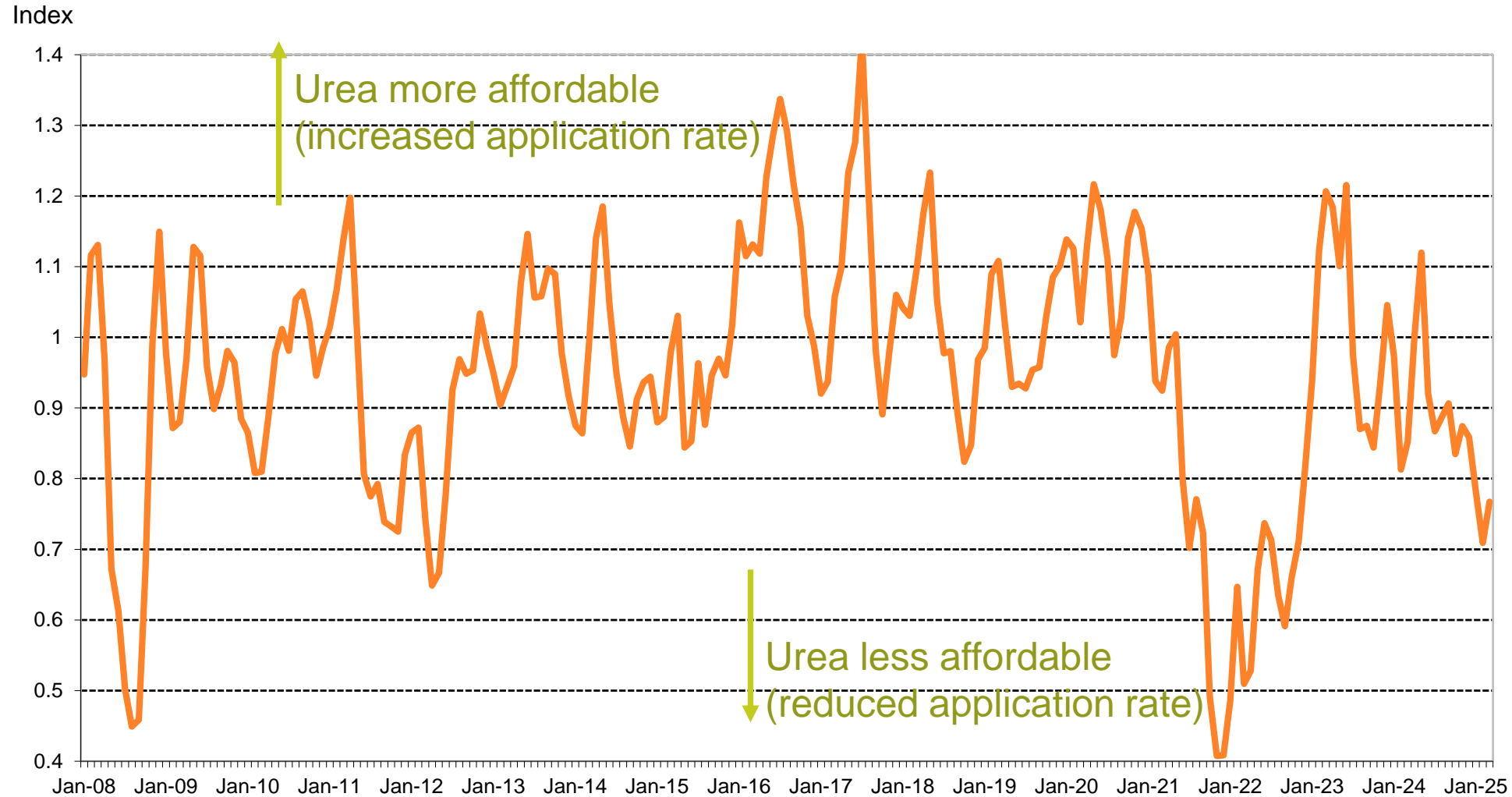
US net nitrogen imports



US nitrogen market extremely tight



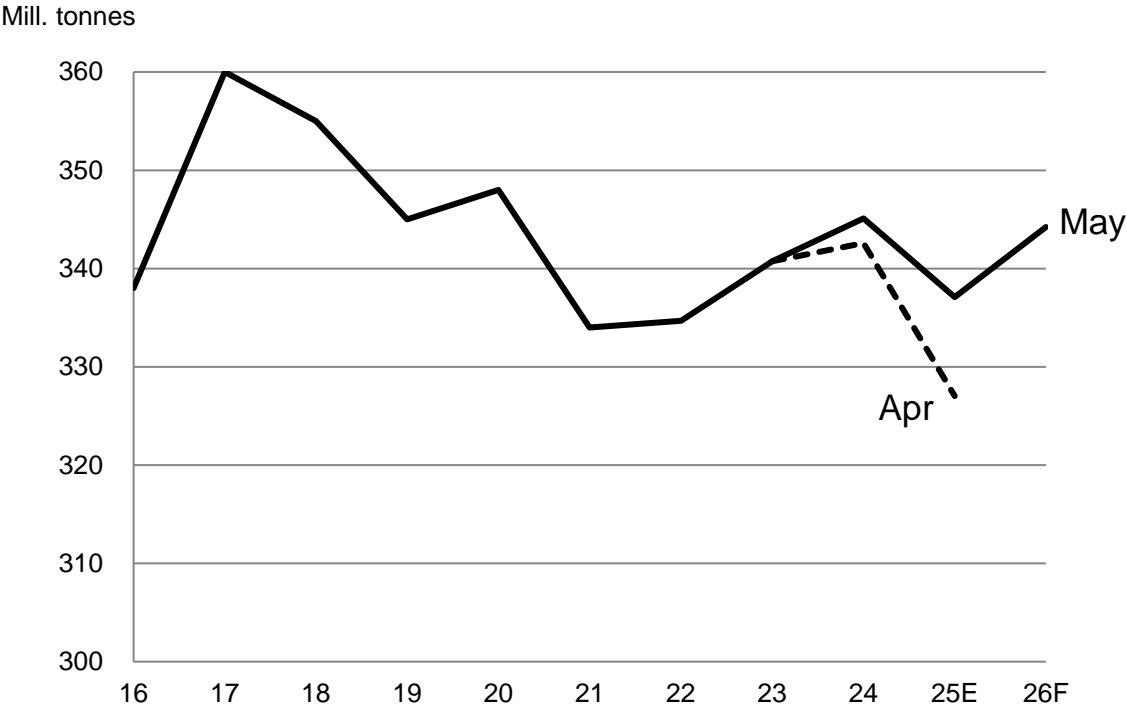
Cereal index/urea index – improving some in March despite lower grain prices, as urea dropped



Source: International publications, FAO (2014-2016 = 100) for both FAO cereal index and urea fob Arab Gulf

Grain inventories outside China, forecast is a modest increase for 2025/26 (July–June)

Grain stocks – excluding China



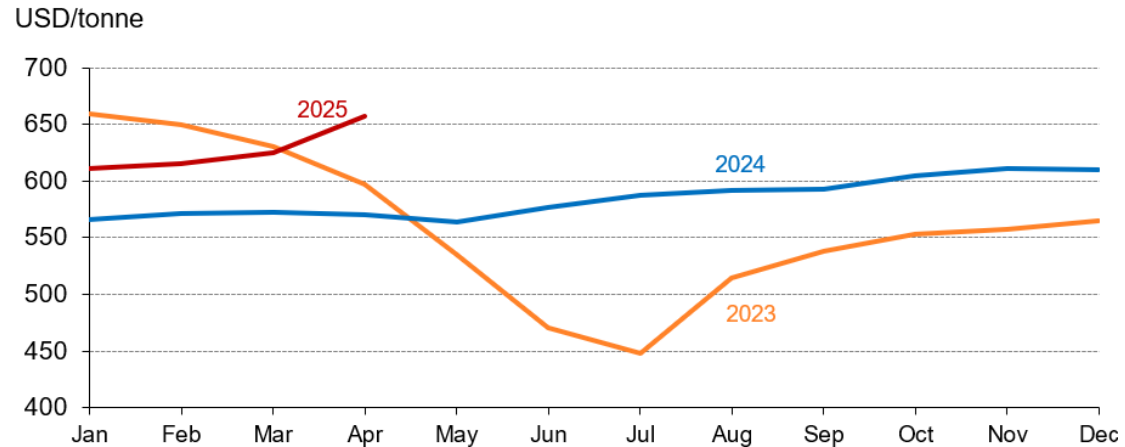
Days of consumption in stock – excluding China



Source: USDA May 2025

Both P and K prices stronger, P much tighter than K

DAP fob US Gulf



Comments

- P markets very tight, prices at a historic high level. Morocco is and will be the key to supply growth for 2025, finally ramping up production from new production lines. Not sufficient to keep prices stable, market still tightening.
- Rock prices stable, upgrading margins around longer-term historic average, expensive sulfur preventing stronger rock pricing.
- K modestly stronger as well, supportive affordability driving demand above a strong supply development.

MOP granular fob Vancouver

