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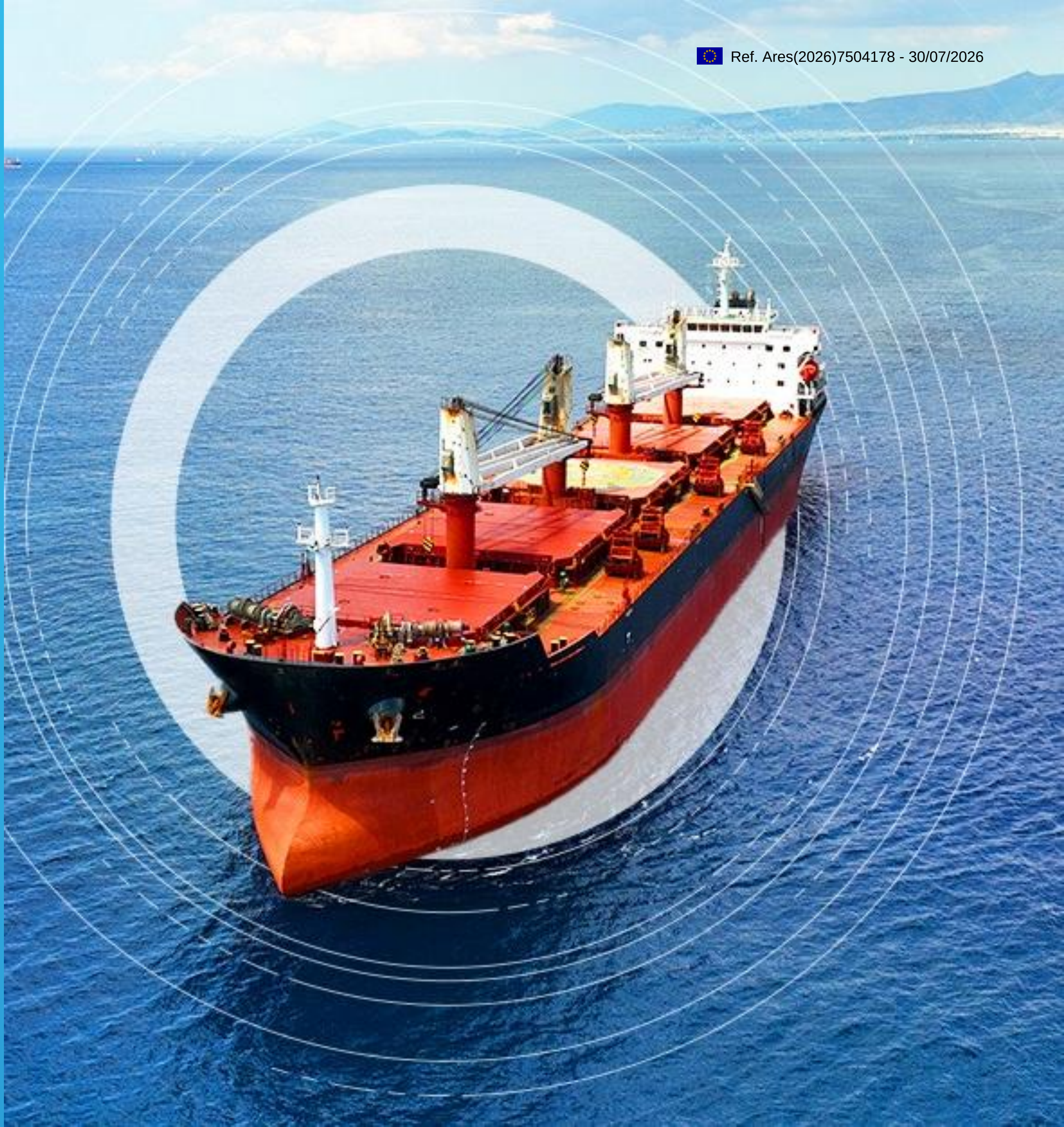
Fertilizer market situation and outlook

The EU FMO meeting
24 July 2026



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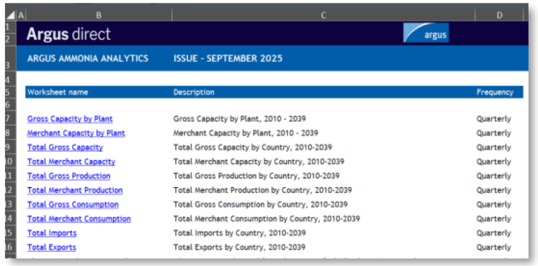
Argus ***Fertilizer Analytics & Outlooks*** *portfolio*

Supporting fundamentals datafiles

Excel datafiles "Data & Downloads"

- Capacity
- Projects tracker
- PIEC forecast
- Cost curves
- Feedstock prices
- Trade Matrices
- Spotlights

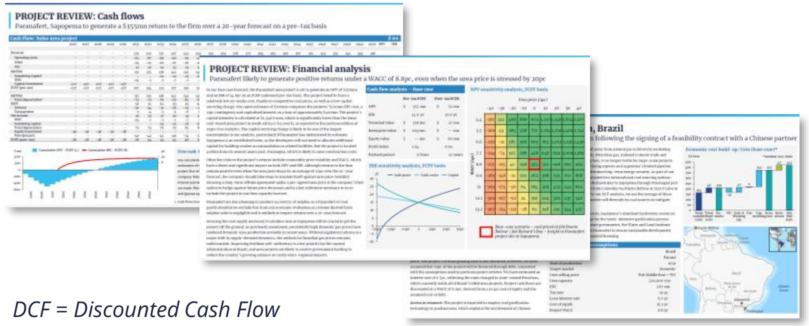

Argus direct

ARGUS AMMONIA ANALYTICS ISSUE - SEPTEMBER 2025

Worksheet name	Description	Frequency
Gross Capacity by Plant	Gross Capacity by Plant, 2010 - 2039	Quarterly
Merchant Capacity by Plant	Merchant Capacity by Plant, 2010 - 2039	Quarterly
Total Gross Capacity	Total Gross Capacity by Country, 2010-2039	Quarterly
Total Merchant Capacity	Total Merchant Capacity by Country, 2010-2039	Quarterly
Total Gross Production	Total Gross Production by Country, 2010-2039	Quarterly
Total Merchant Production	Total Merchant Production by Country, 2010-2039	Quarterly
Total Gross Consumption	Total Gross Consumption by Country, 2010-2039	Quarterly
Total Merchant Consumption	Total Merchant Consumption by Country, 2010-2039	Quarterly
Total Imports	Total Imports by Country, 2010-2039	Quarterly
Total Exports	Total Exports by Country, 2010-2039	Quarterly

PIEC: Production, Exports, Imports, Exports

Financial analysis (DCF modelling) in Project Profiles



DCF = Discounted Cash Flow

Analytics (forecast to 2050)

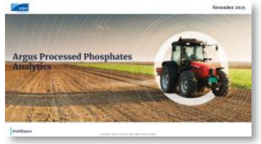
Argus Fertilizer Analytics*:* Quarterly publications for key fertilizer commodities with long-term forecasts for supply/demand/trade out to 2040, global industry cost structure, LRMC costs analysis and price outlook out to 2050.

Argus Ammonia Analytics

Argus Urea Analytics

Argus AdBlue-DEF and TGU Analytics

Argus Processed Phosphates Analytics



Argus Phosphate Rock Analytics

Argus Potash Analytics

Argus Sulphur Analytics

Argus Sulphuric Acid Analytics

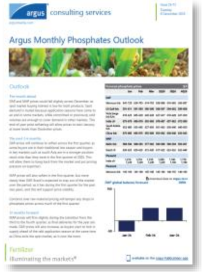
Outlooks (12-24 months forecasts)

Argus Fertilizer Outlooks: Monthly publications for key fertilizer commodities with short-term forecasts for the next 12-24 months supported by SRMC analysis and forward–looking trade balances.

Argus Ammonia Outlook

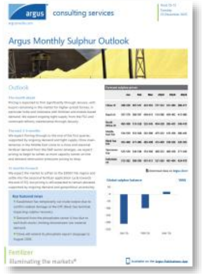
Argus Urea Outlook

Argus Phosphate Outlook



Argus Potash Outlook

Argus Sulphur Outlook



Supplementary ***Statistical Forecasts*** *developed by the Argus* ***Data Science*** *Team using machine learning techniques*

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Agenda

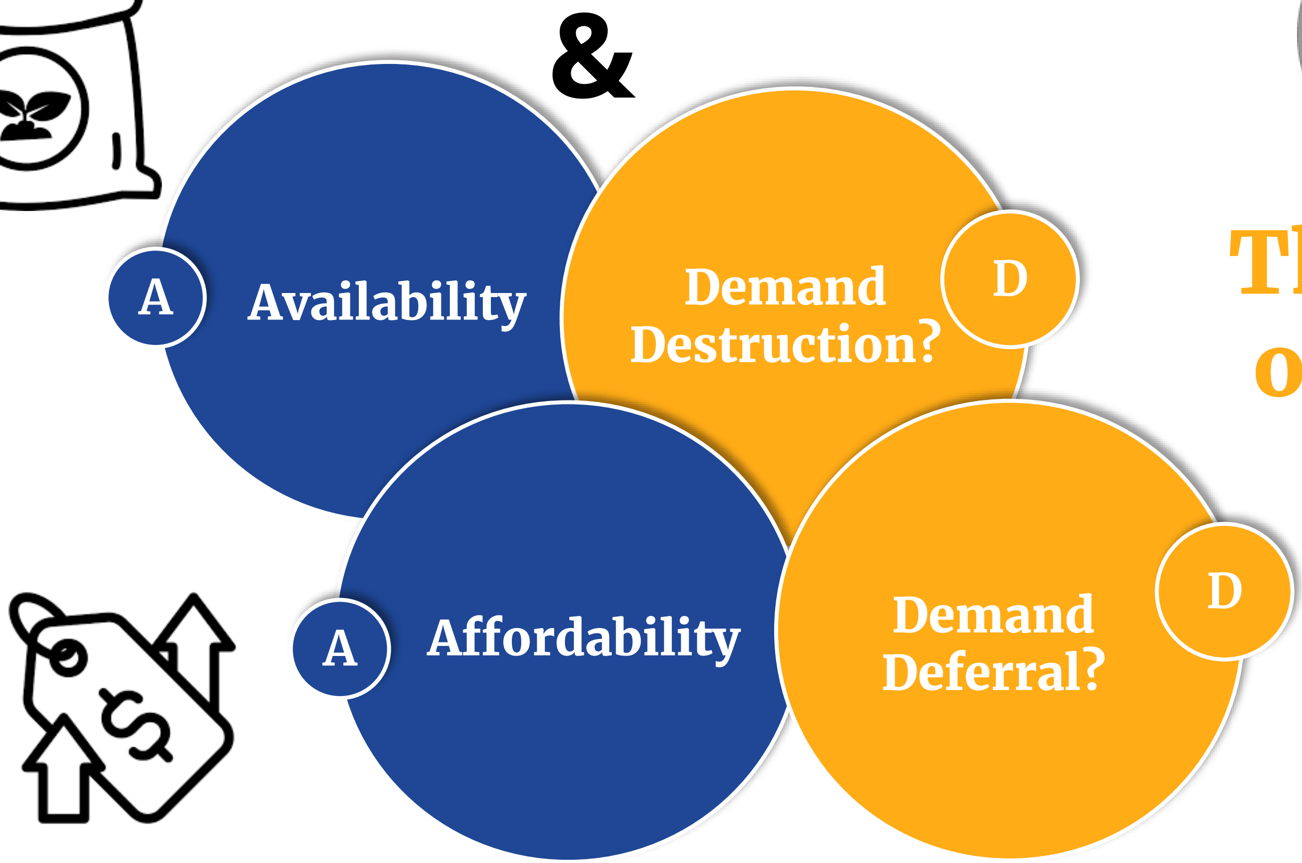
Fertilizer market situation and outlook

1	**Macro fertilizer developments**
2	**Middle East conflict: impact on fertilizer markets**
3	**European fertilizer market and a forward look**

What are the key trends in the global fertilizer market today?

Challenging fertilizer affordability has been exacerbated by the Middle East conflict

The story of 2 x As



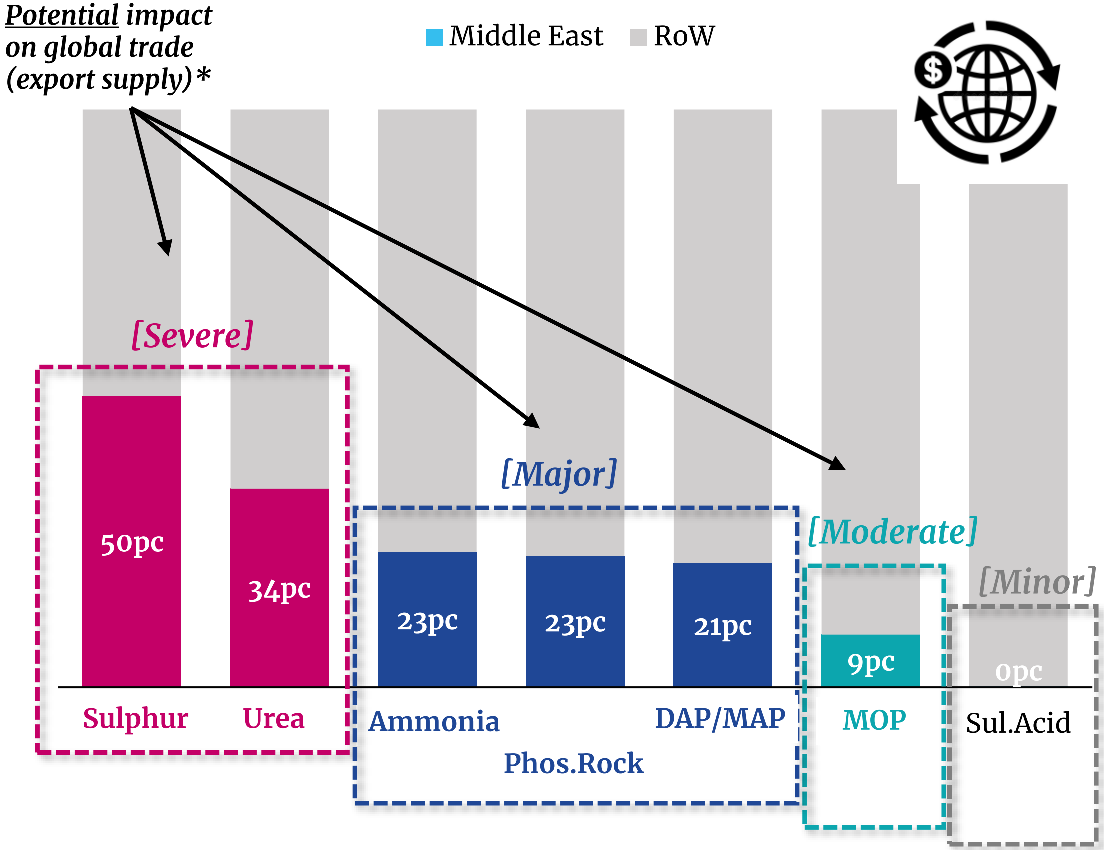
The story of 2 x Ds (4)

Source: Argus Consulting

Recap: Middle East is home to 50pc of sulphur and over 30pc of the global urea exports

Production of sulphur, ammonia and urea has been disrupted. The Strait of Hormuz (SoH) remains closed (?).

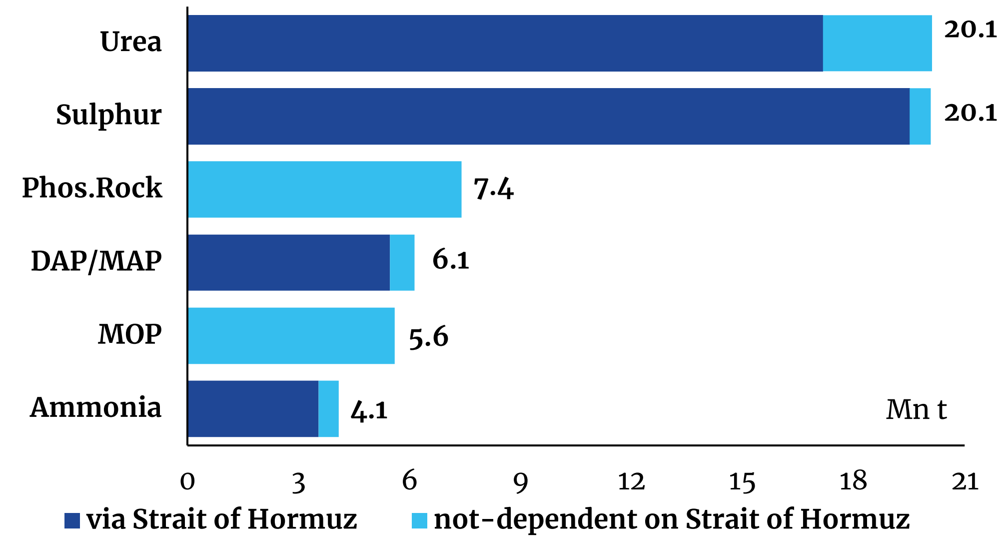
EXPORTS (2025): percentage share of the ME in the global trade

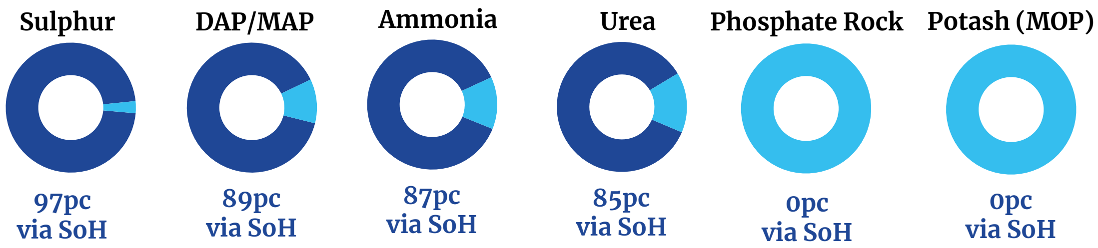


60+ mn t main fertilizers & fertilizer raw materials are exported out of the ME

Exports (2025): ranking by product exported by the ME suppliers

60+ mn t main fertilizers & fertilizer raw materials are exported out of the ME *(incl. 45 mn t via Strait of Hormuz)*

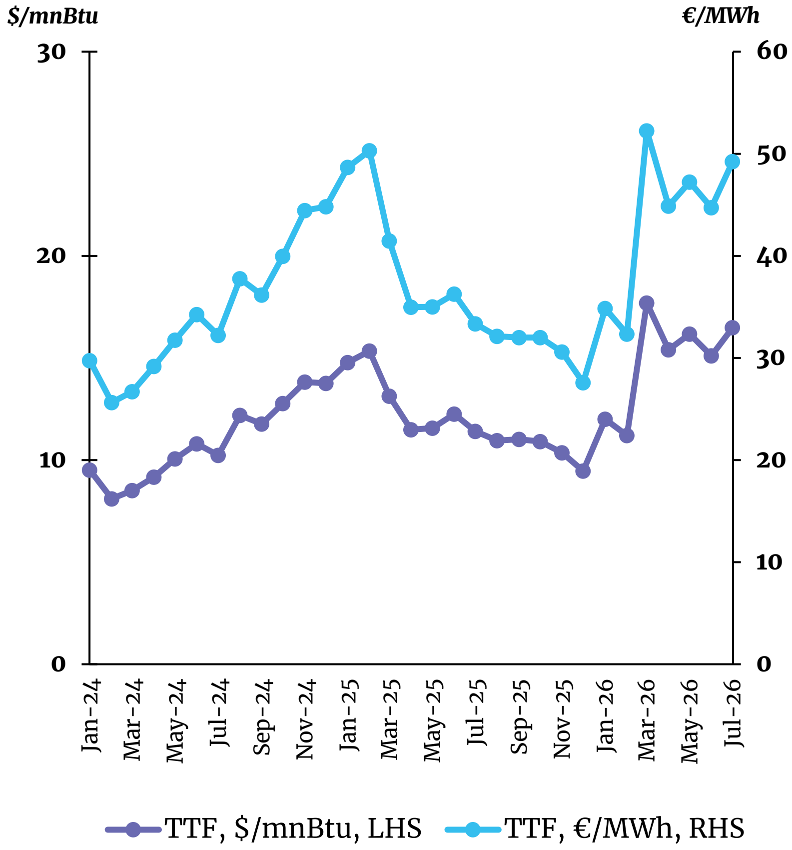




Fertilizer raw materials prices (upstream drivers): natural gas, sulphur and ammonia

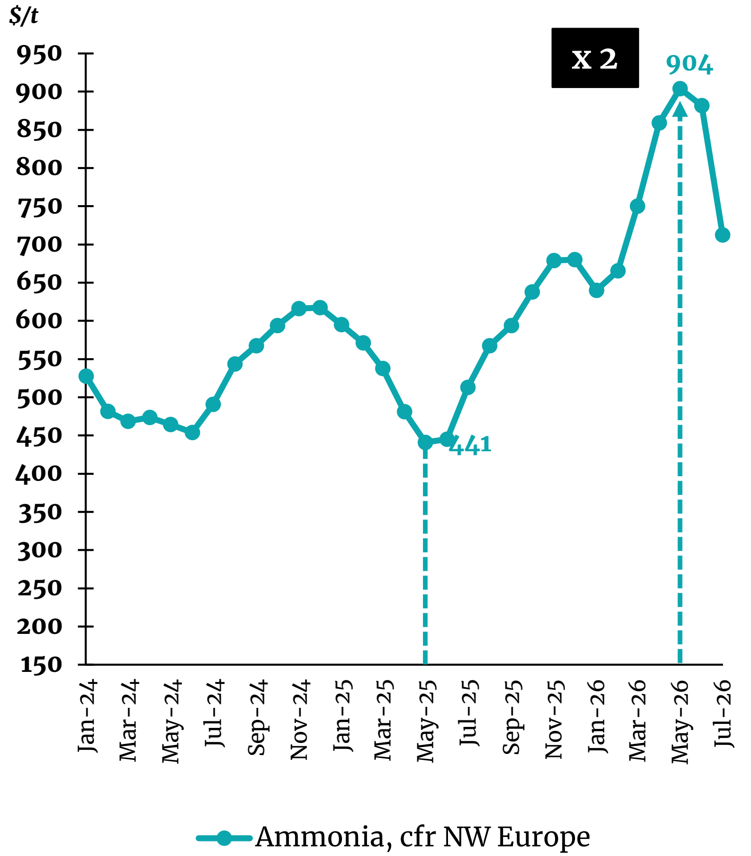
Elevated raw materials prices have been driving firmness of fertilizer values, though NH3 has softened

Natural gas: monthly prices in 2024/2026



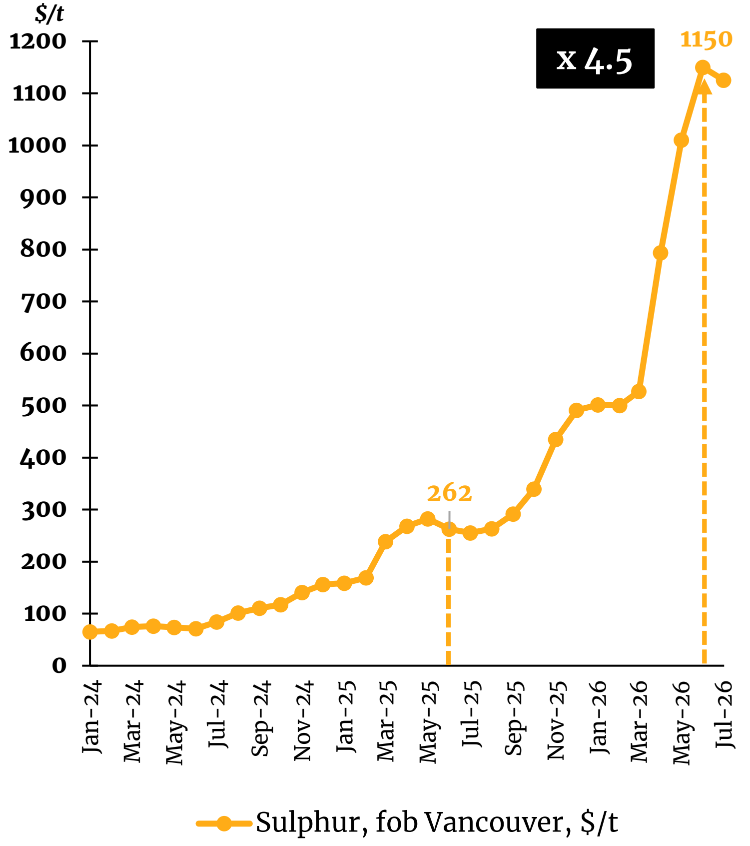
Mar'26 vs Mar'25 **+29pc** **+21pc**

Ammonia: monthly prices in 2024/2026



May'26 vs May'25 **+105pc**

Sulphur: monthly prices in 2024/2026



Jun'26 vs Jun'25 **+338pc**

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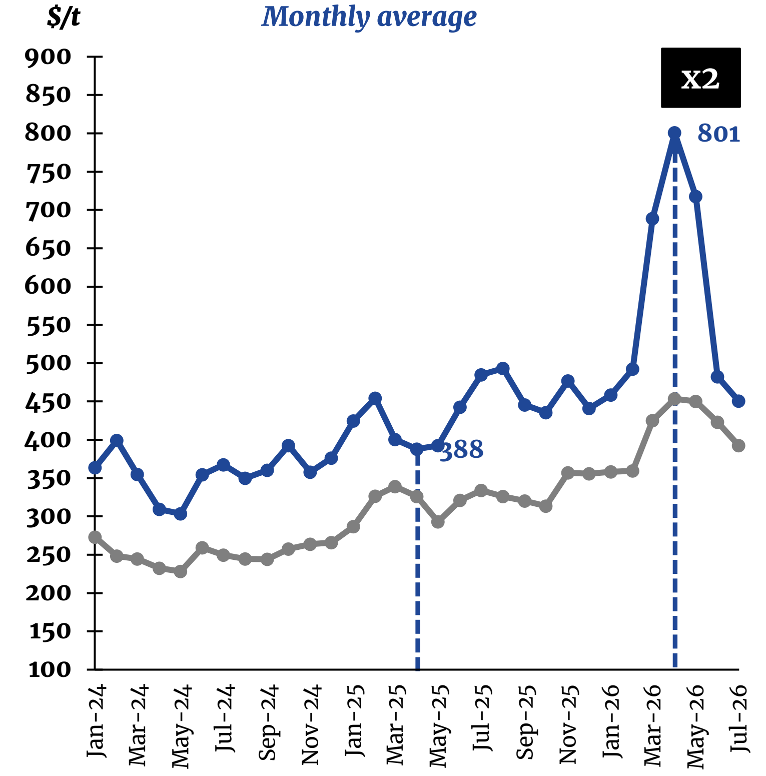
Source: Argus Media – Analytics Services

Fertilizer prices responding to the risks of supply disruptions due to the ME conflict

Supply shortages due to the Middle East conflict pushed fertilizer prices higher, though nitrogen has softened, K largely unaffected

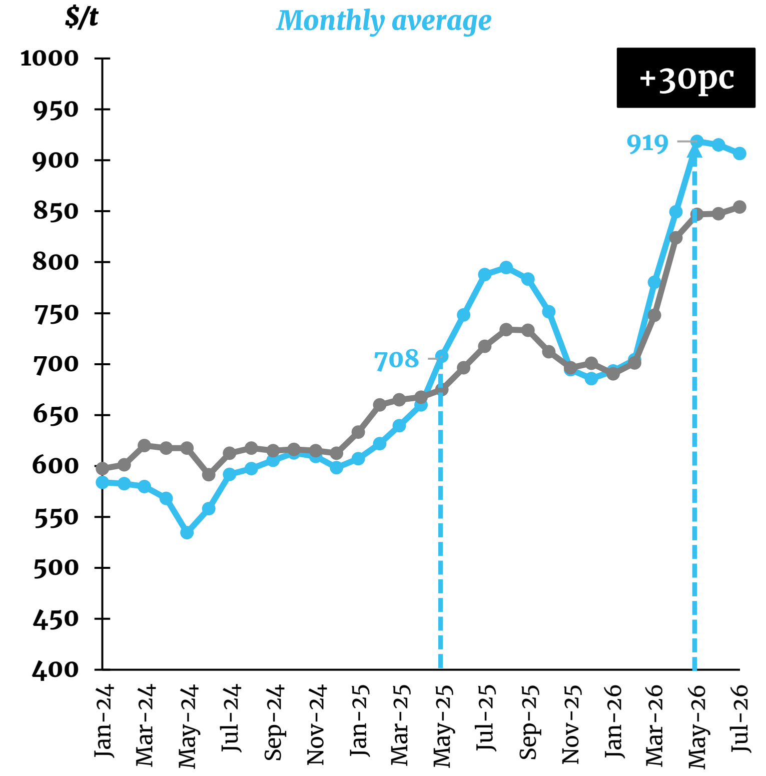
Nitrogen: monthly prices in 2024/2026



Apr'26 vs Apr'25

+106pc	Urea fob Egypt, $/t
+39pc	UAN-30 fca France, €/t

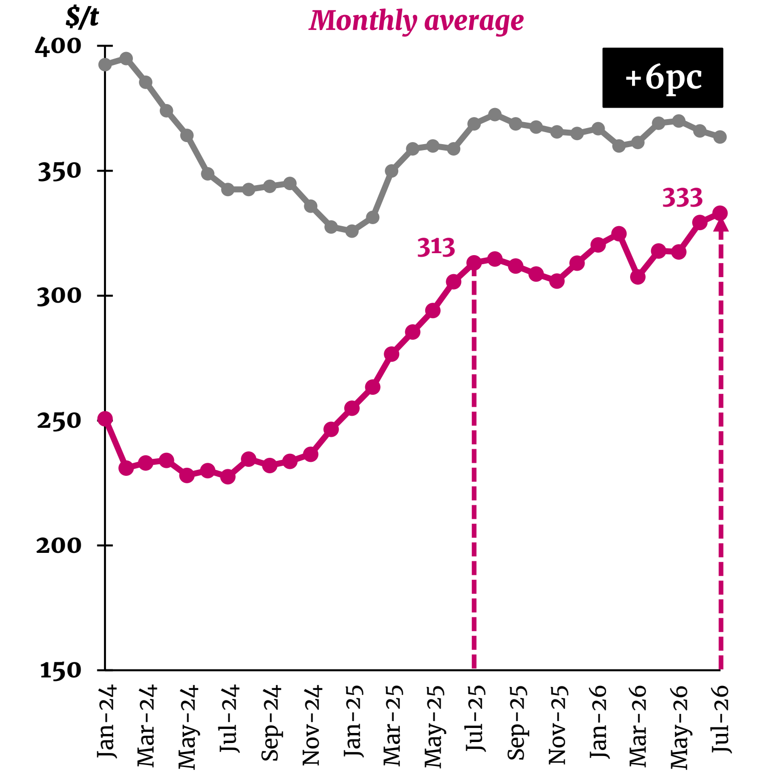
Phosphates: monthly prices in 2024/2026



May'26 vs May'25

+30pc	DAP fob Morocco, $/t
+25pc	**DAP fca France, €/t**

Potash: monthly prices in 2024/2026



Jul'26 vs Jul'25

+6pc	MOP (s) fob Vancouver, $/t
+3pc	**MOP (g) fca France, €/t**

Agenda

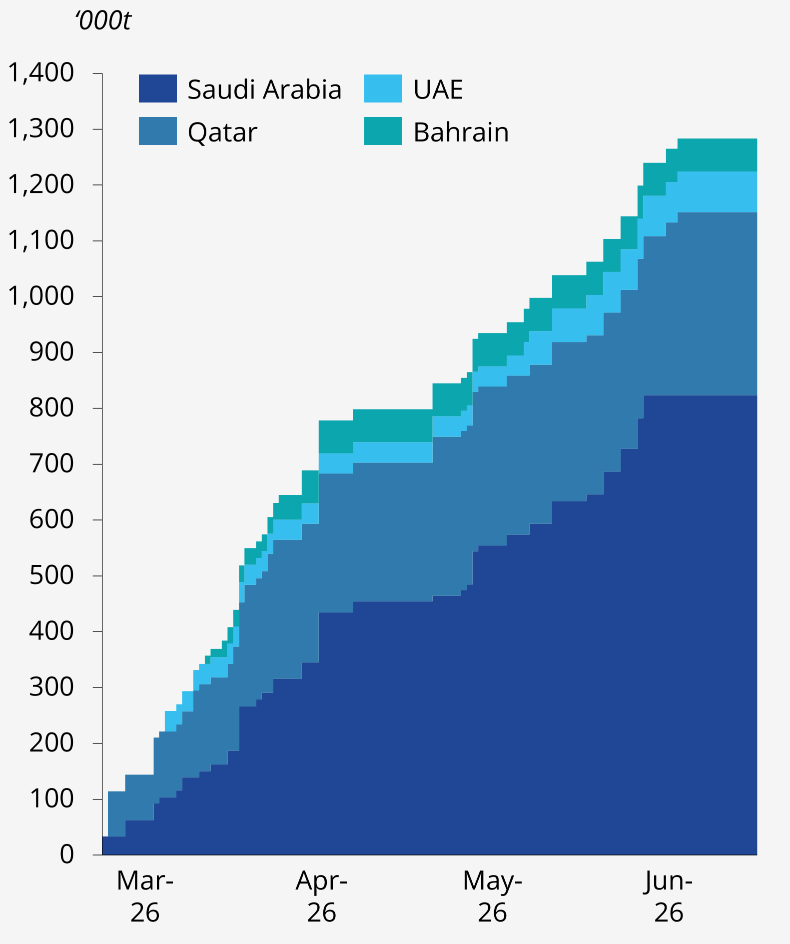
Fertilizer market situation and outlook

Source: Argus Consulting

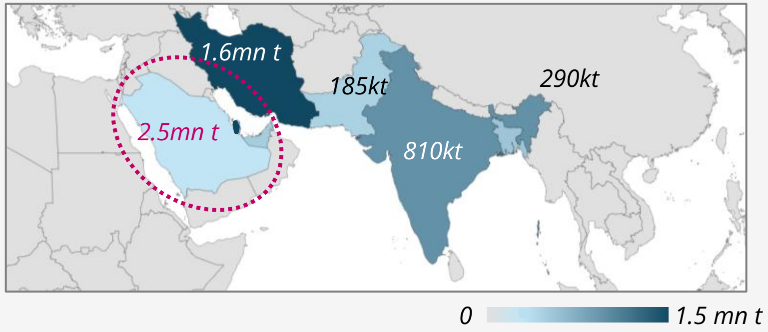
The conflict in the Middle East has caused unprecedented disruption to urea supply

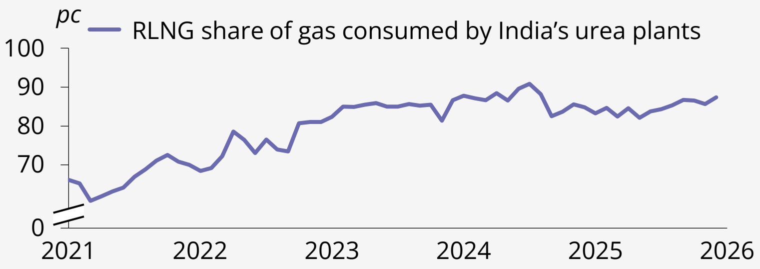
We estimate that almost 5.5mn t of urea production has been 'lost' globally as a direct result of the conflict so far.

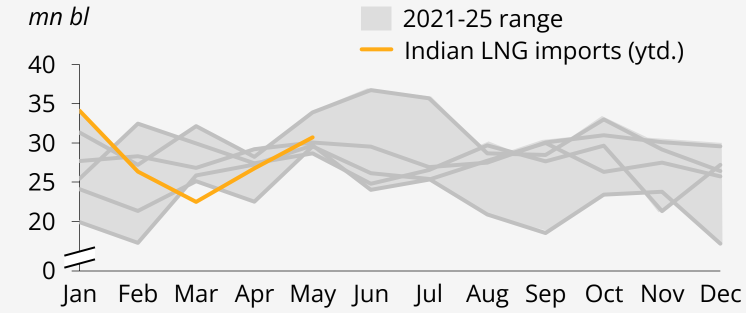
Cumulative accumulation of 'floating storage'



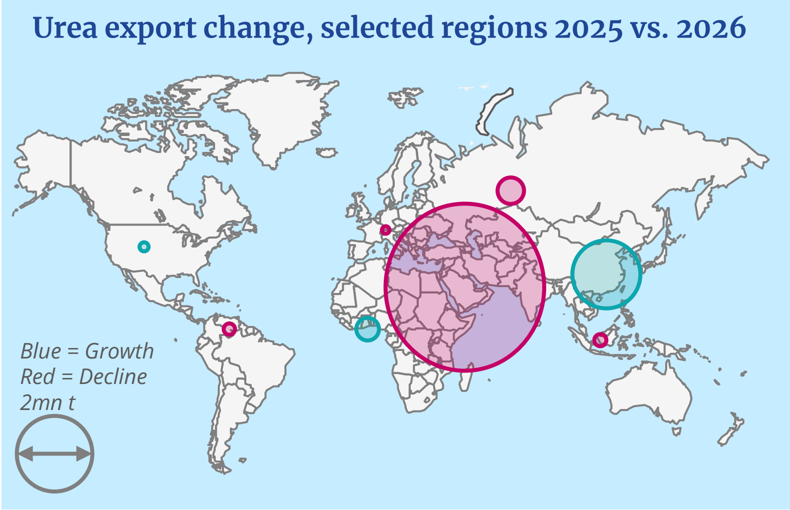
How much production has been lost since 3 March?

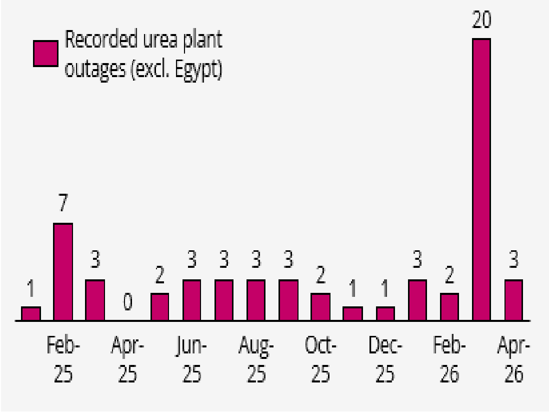






Has the market found alternatives to ME supply?





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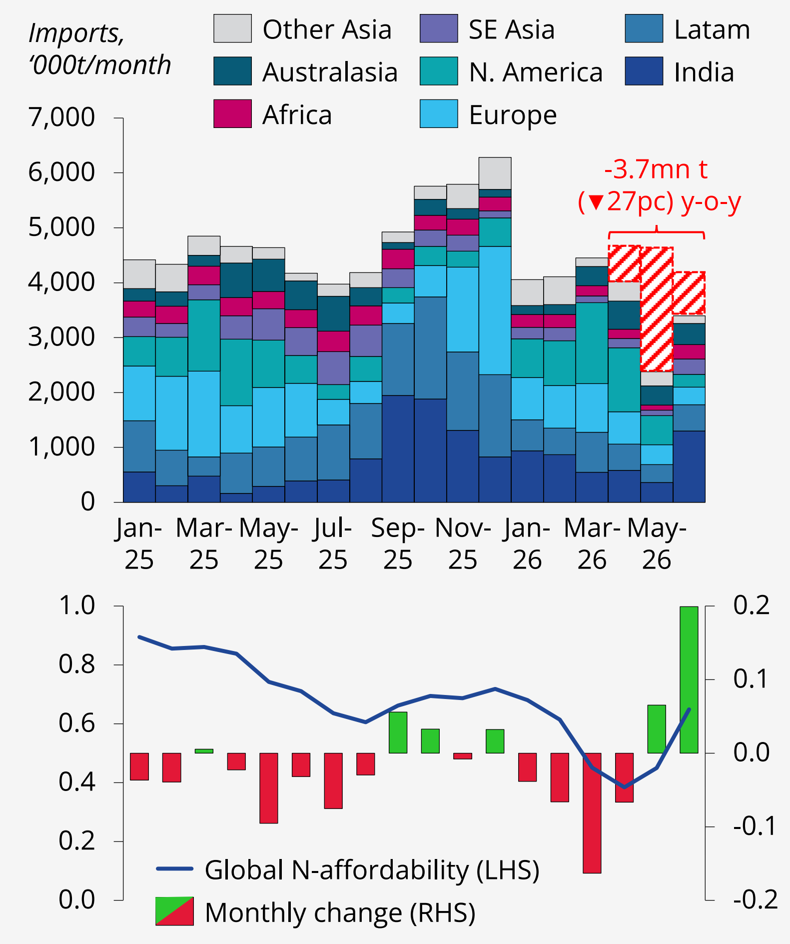
Source: Argus Urea Outlook, Argus Urea Analytics, Vortexa, FAI, Kpler

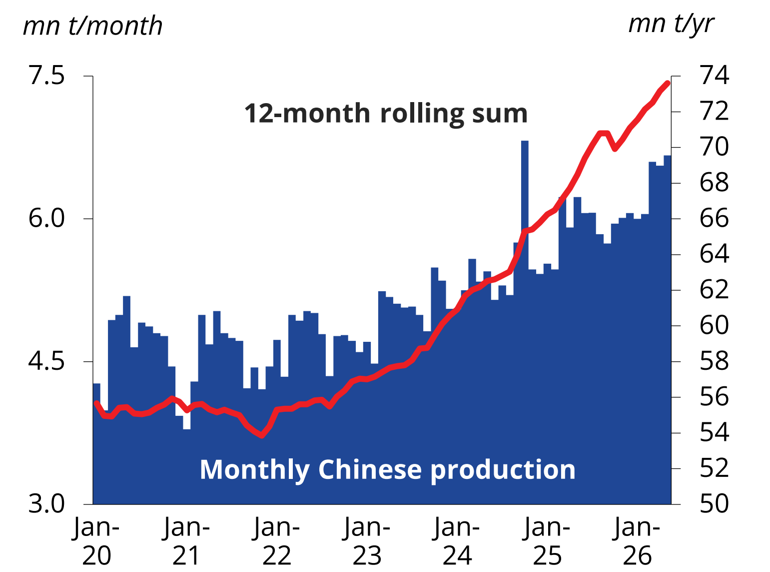
The uncertainties surrounding urea fundamentals are (were?) starting to clear

Near-term tightness eases as China returns to the export market and stranded urea begins to clear the strait of Hormuz.

Lack of demand triggered the initial price correction



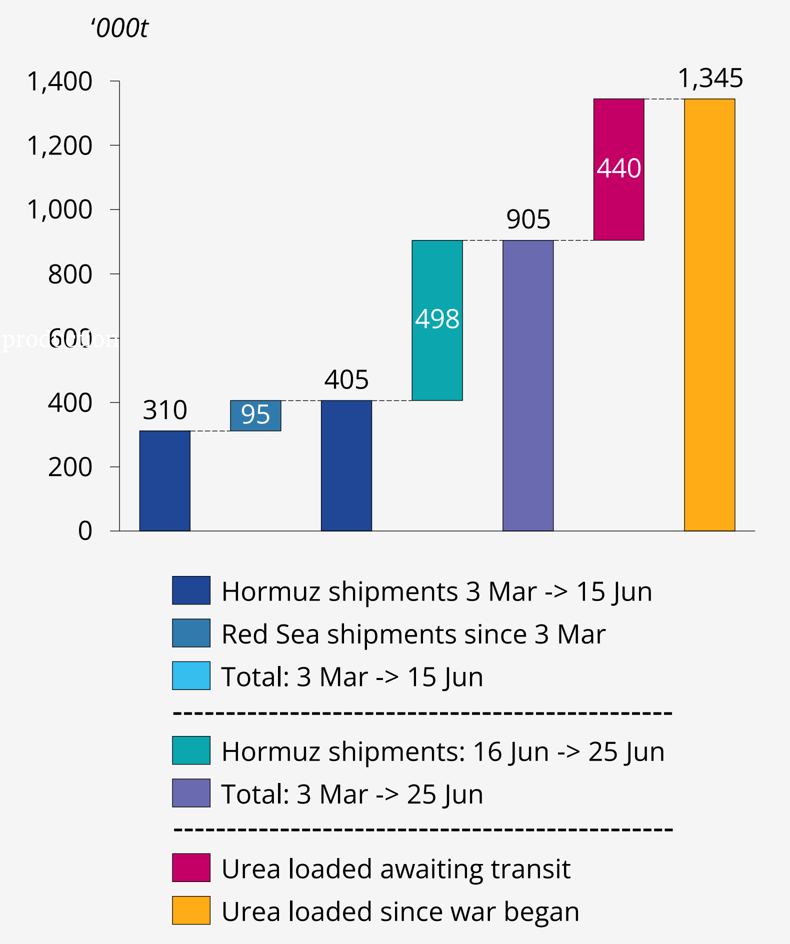
China's return in late May pushed levels lower



Chinese export quotas, 2025-26

Date of issuance	Quantity
May 2025	2.0 mn t
July 2025	1.3 mn t
August 2025	0.7 mn t
November 2025	0.6 mn t
Total 2025	**4.6 mn t**
June 2026	*3.0 mn t
Aug/Sep 2026 (f)	*2.0 mn t*
Oct/Nov 2026 (f)	*1.5 mn t*
Total 2026 (f)	***6.5mn t***

The release of stockpiled urea adds to the surplus*

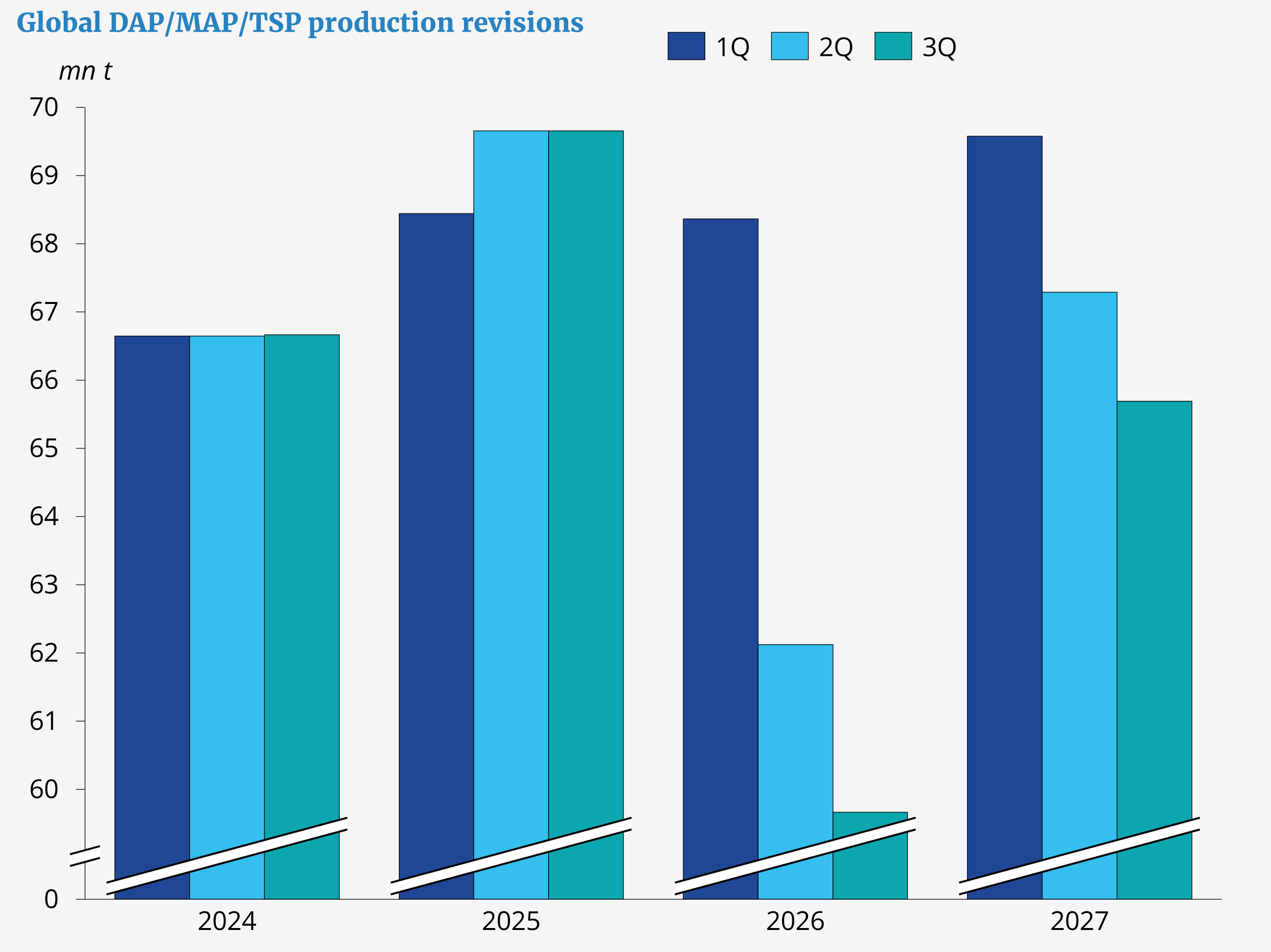


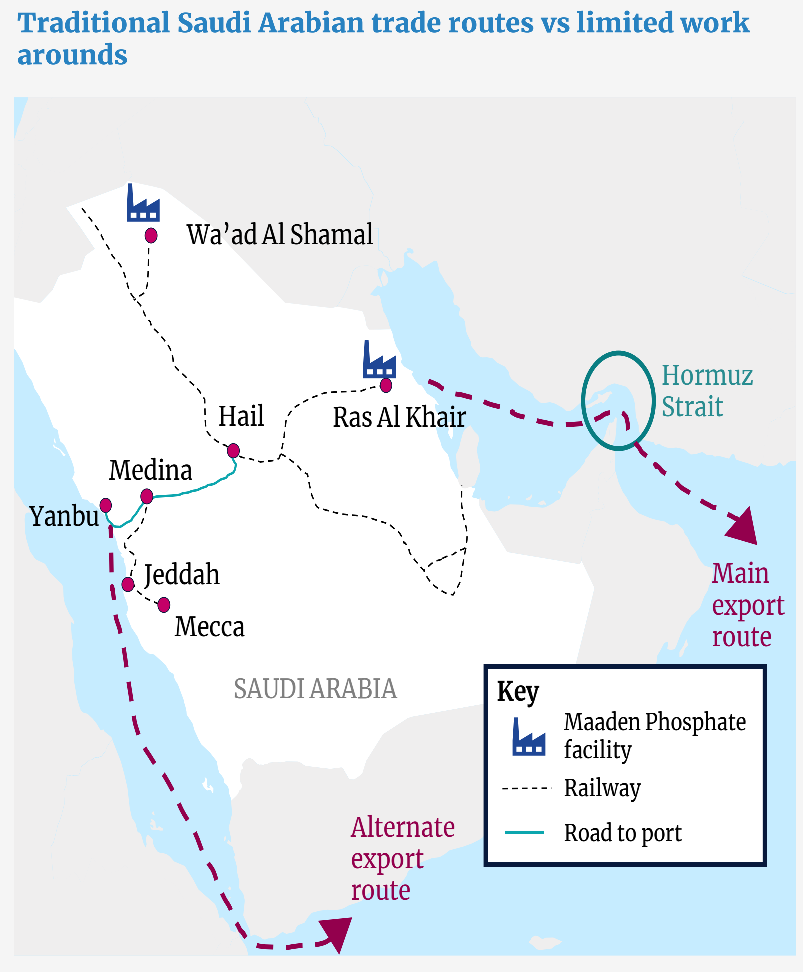
*As of 30 June

Source: Argus Urea Outlook, Argus Urea Analytics, Vortexa, FAI, Kpler

Production revisions and war's direct impact on supply

Production cuts have been led by demand destruction but also raw material supply shortages

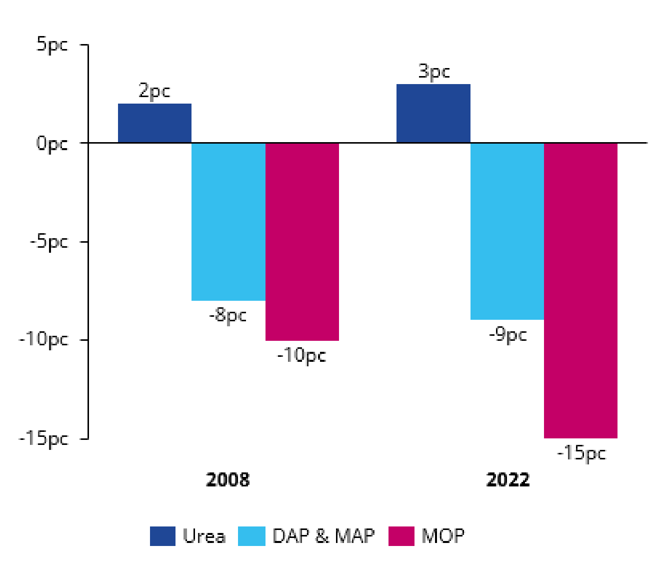




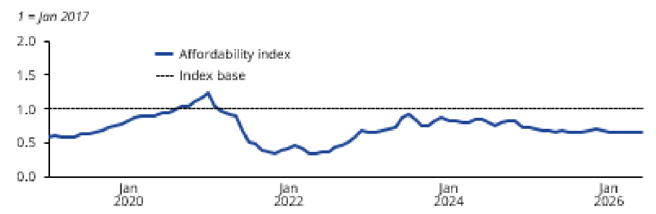
Source: Argus Processed Phosphates Analytics

The potash market is largely unscathed from the Hormuz conflict

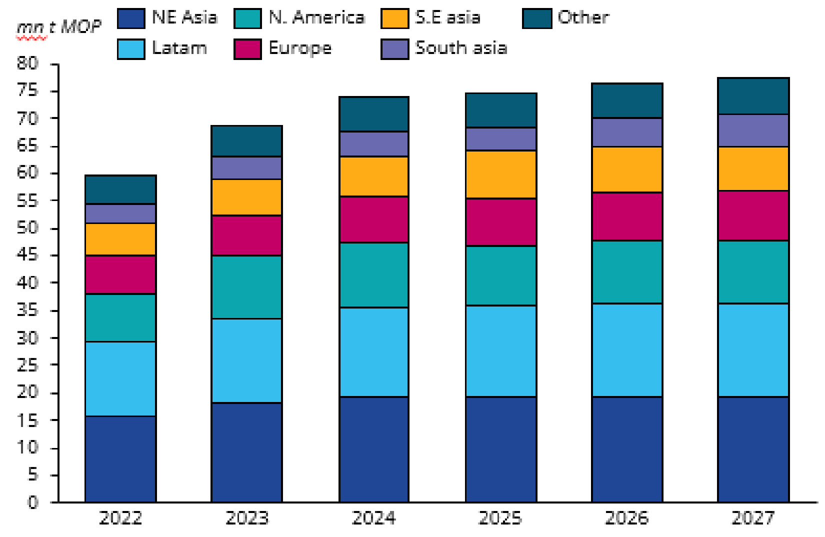
Price shock nutrient demand destruction



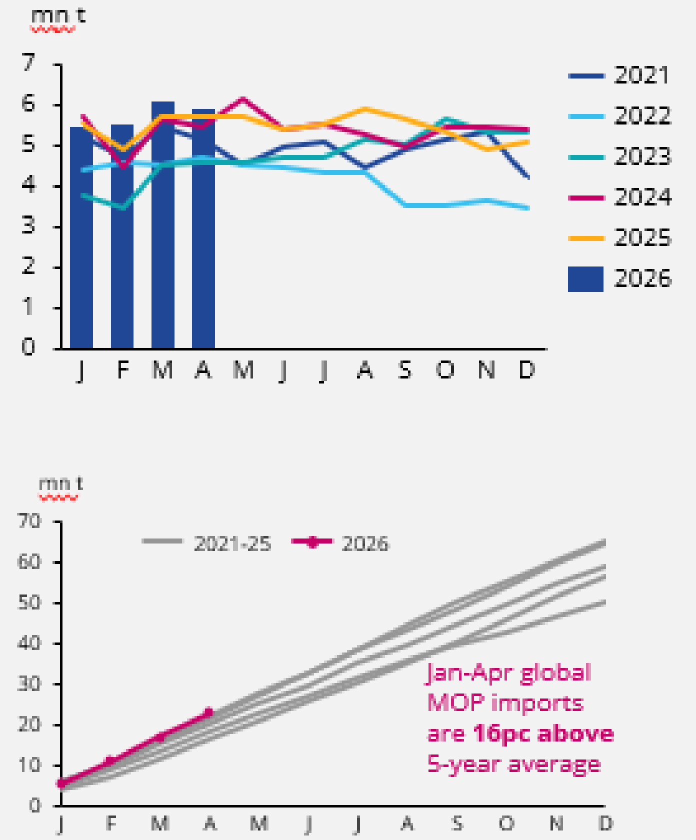
Brazil MOP Affordability Index



Global MOP consumption forecast



Global MOP imports



Source: Argus Consulting

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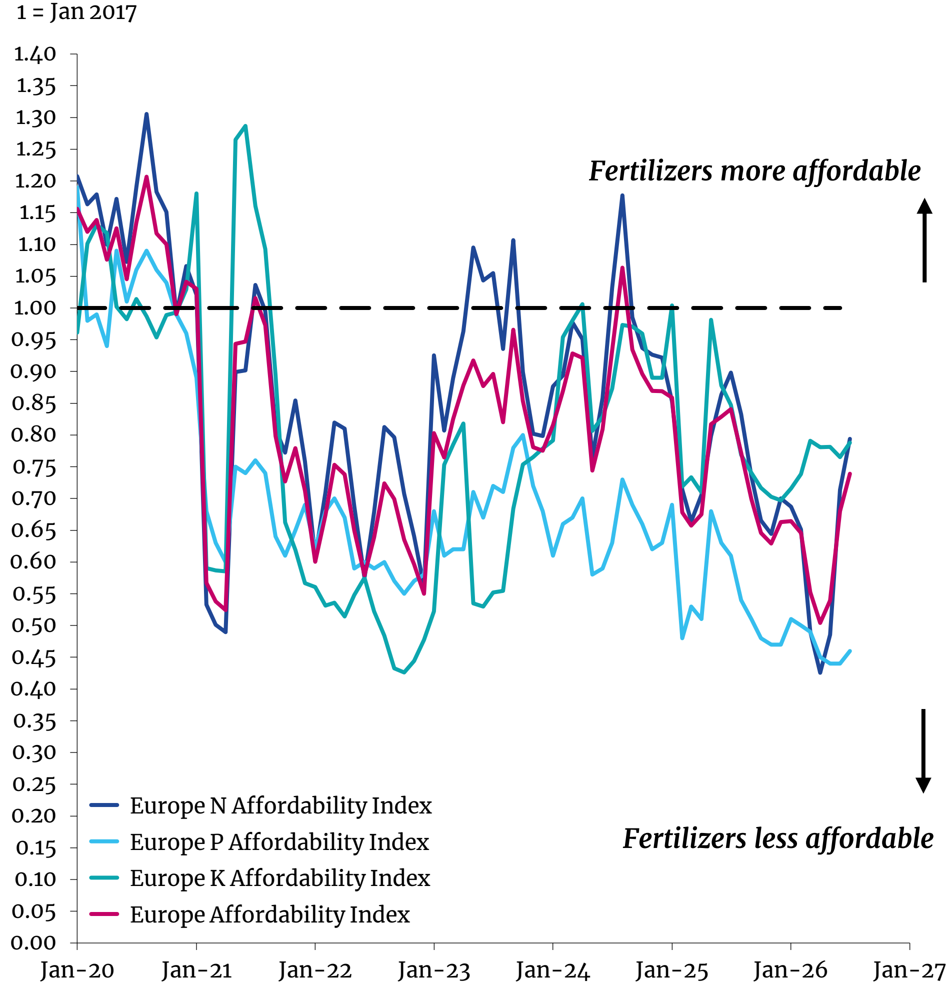
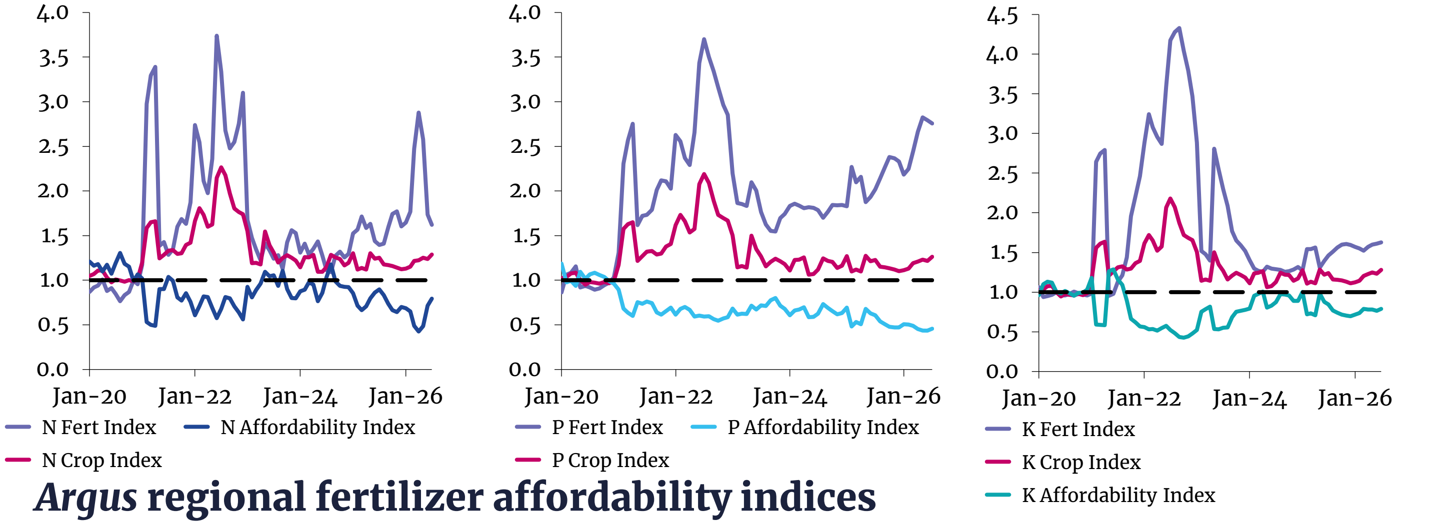
European fertilizer affordability

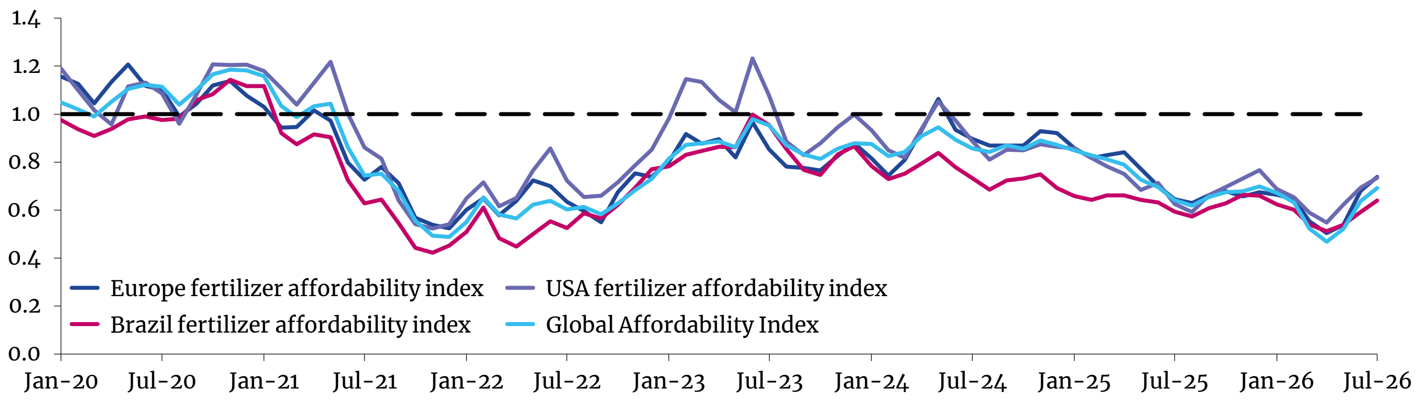
Argus Europe fertilizer affordability index by nutrient



Argus European fertilizer affordability index component indices by nutrient



Argus regional fertilizer affordability indices



Nitrogen outlook

Hormuz conflict assumptions

- Conflict resolution by Sept, and gradual normalisation, but slower recovery for sulphur/phosphate

Jul-Aug	Sep-Oct	Nov-Dec	1Q27
Chinese exports continue Hormuz stocks come to market Buying resumes, but affordability and destruction continues where catch up is not possible Several Russian urea plants are still impacted by unplanned outages**.**	Chinese exports continue Indian tenders Buyers in Latin America will need to re-enter the market. European buying is expected to increase in October	Commercial-scale exports from Indorama III in Nigeria and Eurochem's Kingisepp project in Russia Supply situation in the Middle East continues to improve Final Chinese export quota in Q4. India will need to build inventories ahead of the rabi application season.	Russian and Nigerian volumes continue to impact We assume exports out of the Middle East Gulf have returned to pre-war levels. Europe and the US enter their peak season for demand. China steps back from the international market as the domestic season gets underway.

Source: Argus Consulting

Phosphate and potash outlook

Phosphates

The sulphur shortage will persist, prices will remain significantly elevated, even with a peace agreement in Hormuz

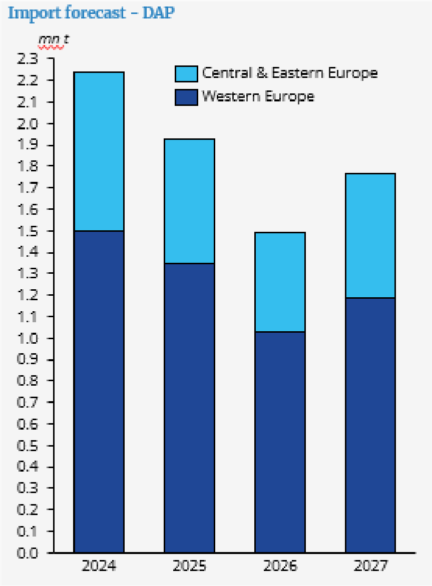
Phosphate will remain unaffordable and demand destruction is inevitable. Prices will ration scarce availability

China will remain largely out of the export market

European imports will be down in 2026

We assume some recovery in sulphur availability in 2027, but full recovery unlikely before 2029

Ma’den new capacity in 2027 helps



Potash

The potash market will remain relatively stable with ‘business as usual’

Affordability is low historically speaking, but K will be much more affordable than P!

Global supply volumes will rise with BHP Jansen in 2H 2027

Source: Argus Consulting