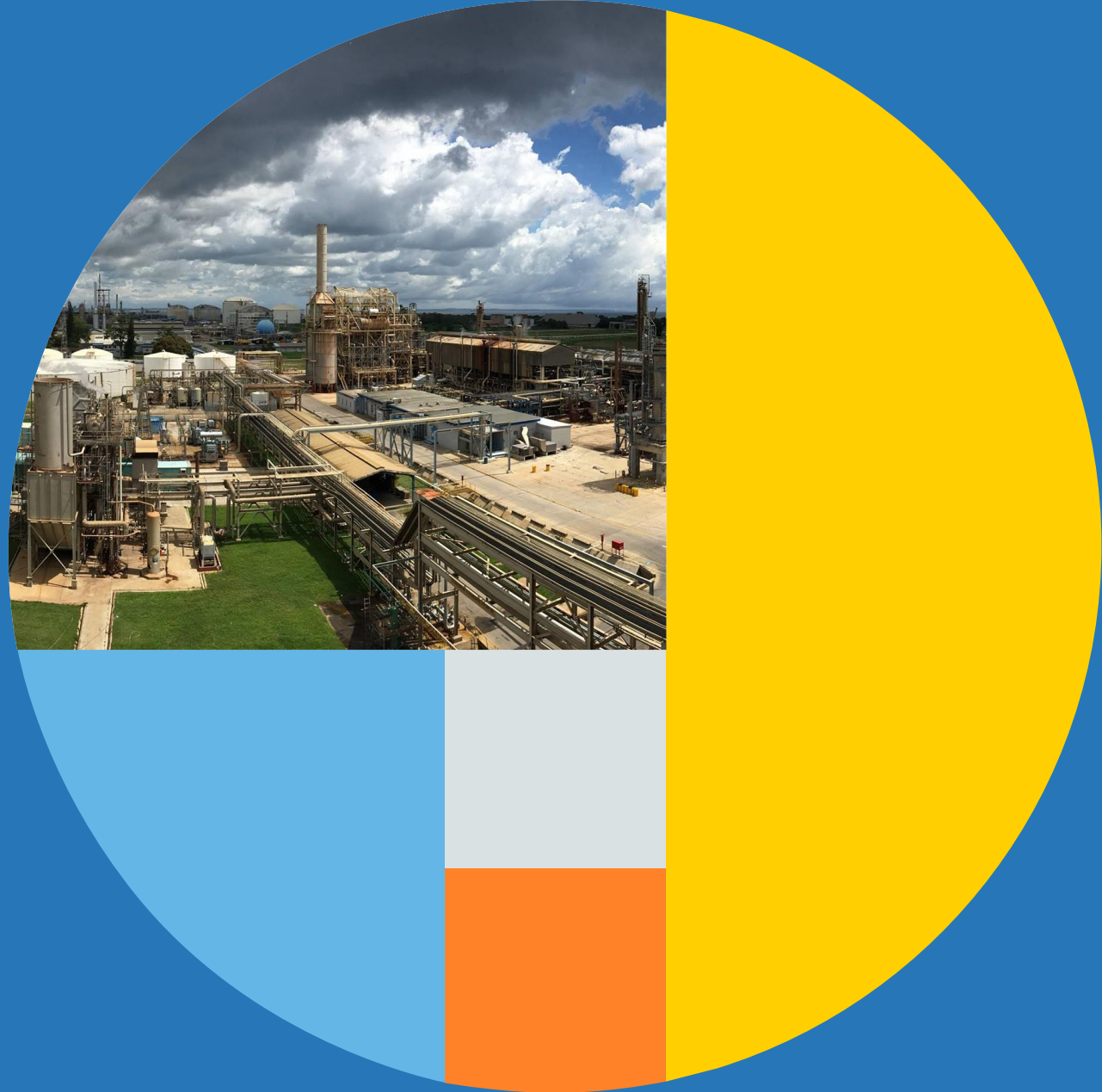




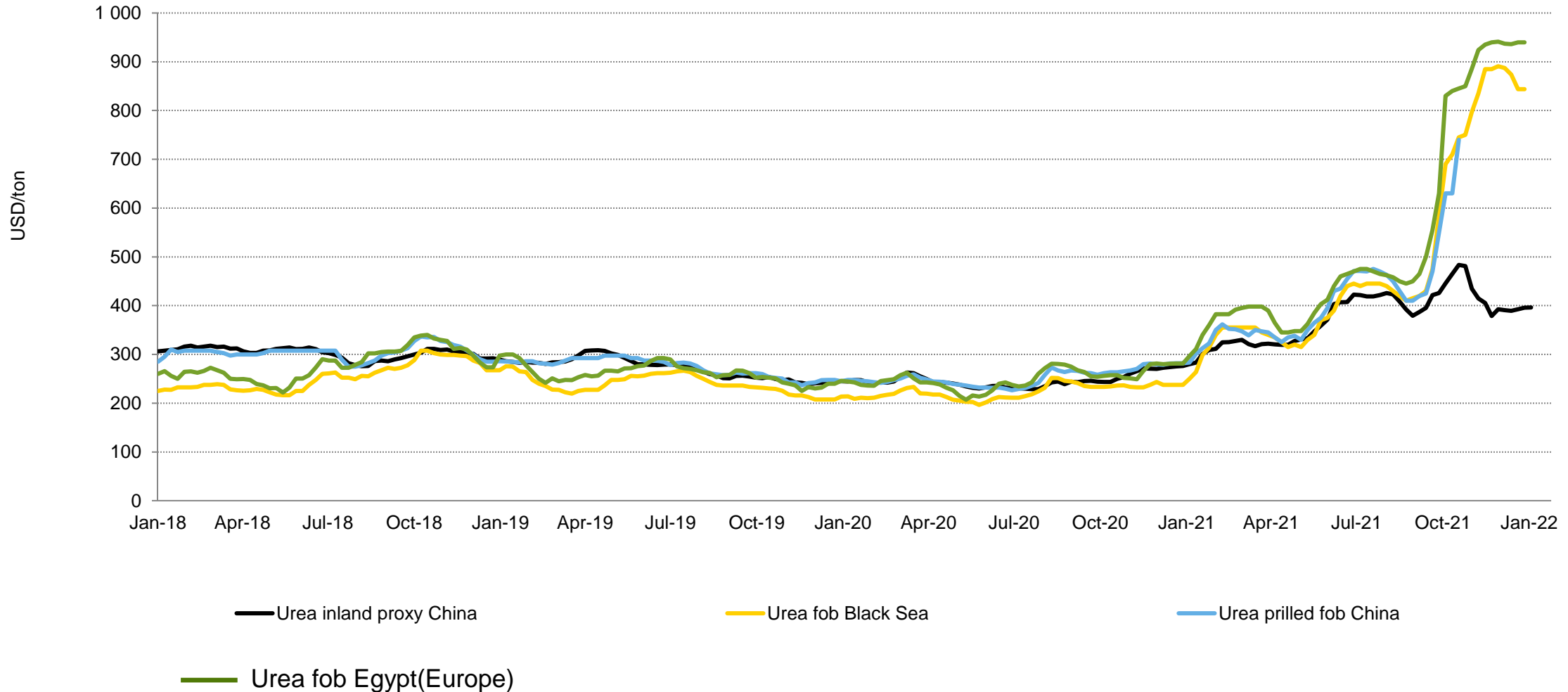
Knowledge grows

Market update

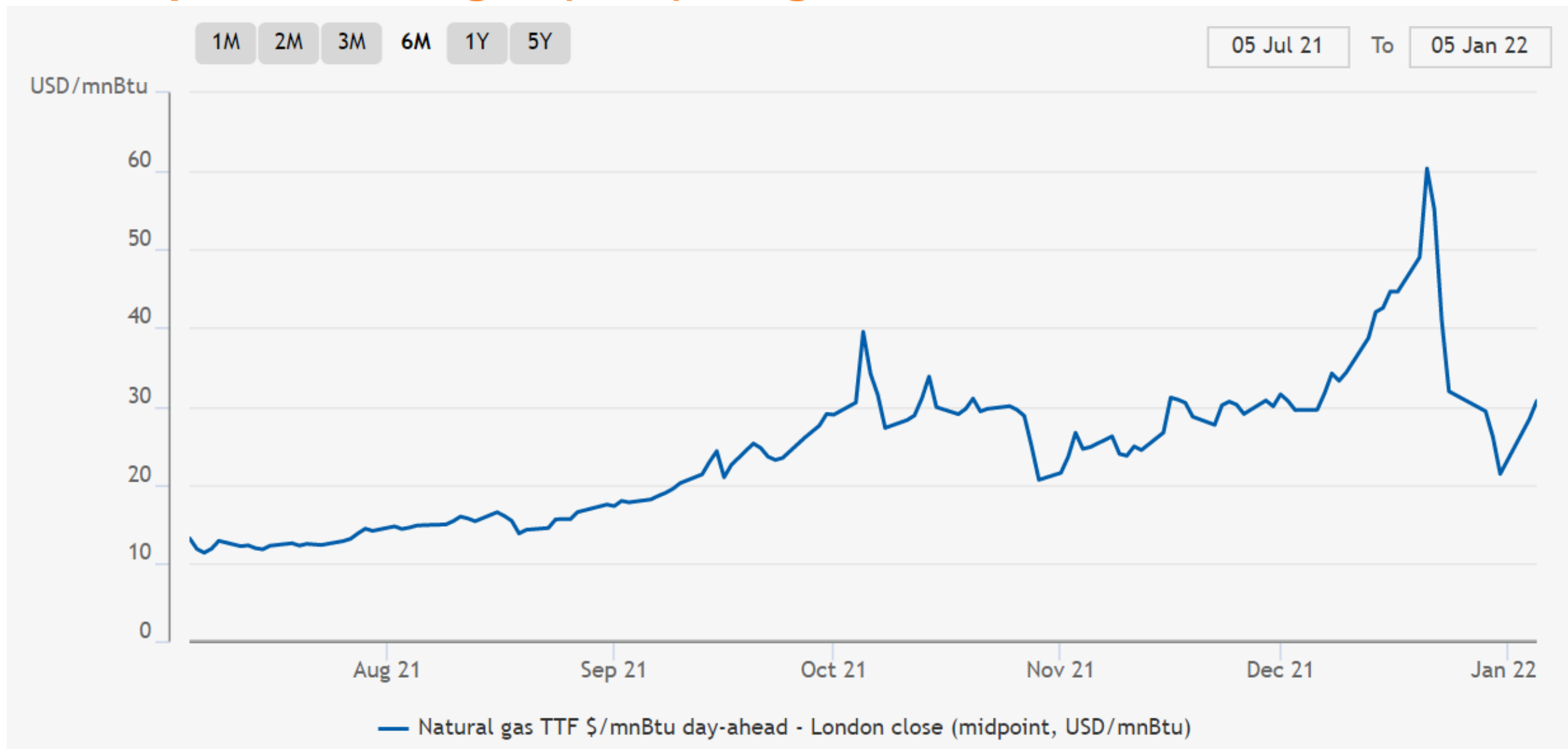
January 2022



Urea prices seeking a level where demand is matching the limited supply

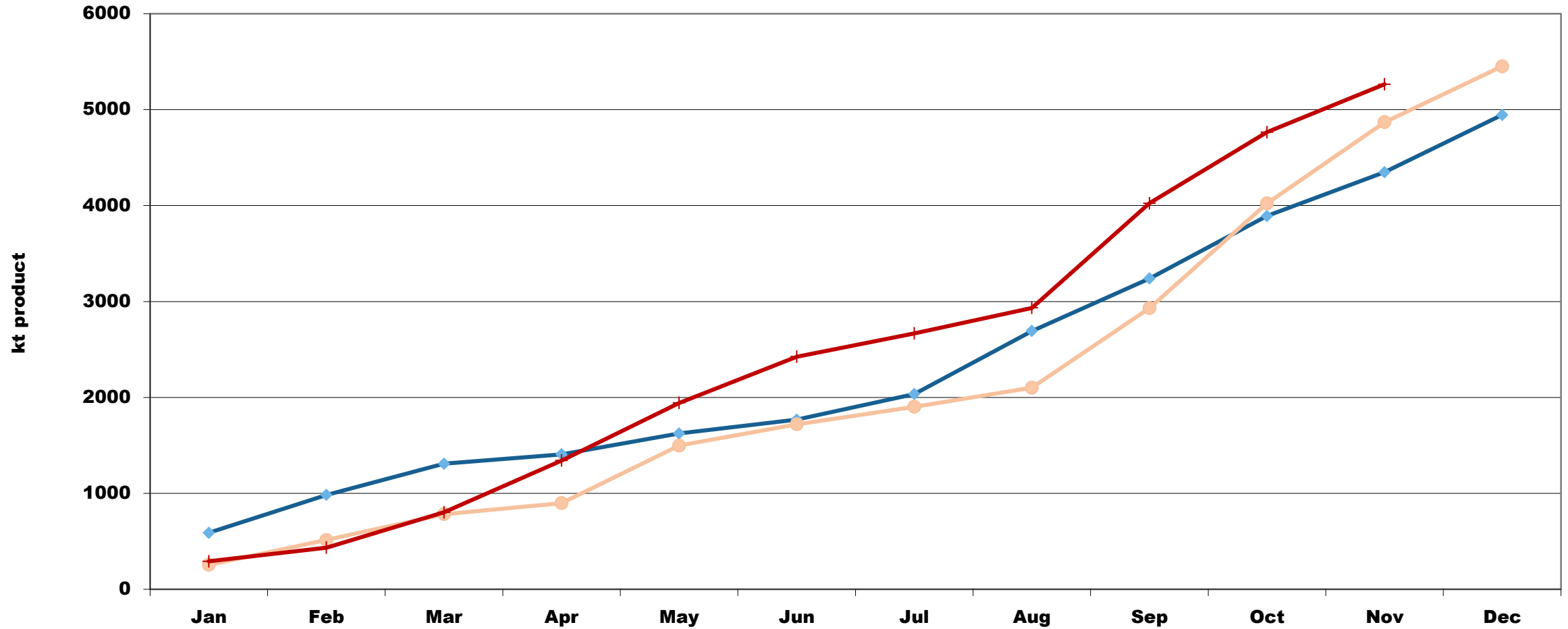


European natural gas (TTF) – high and volatile

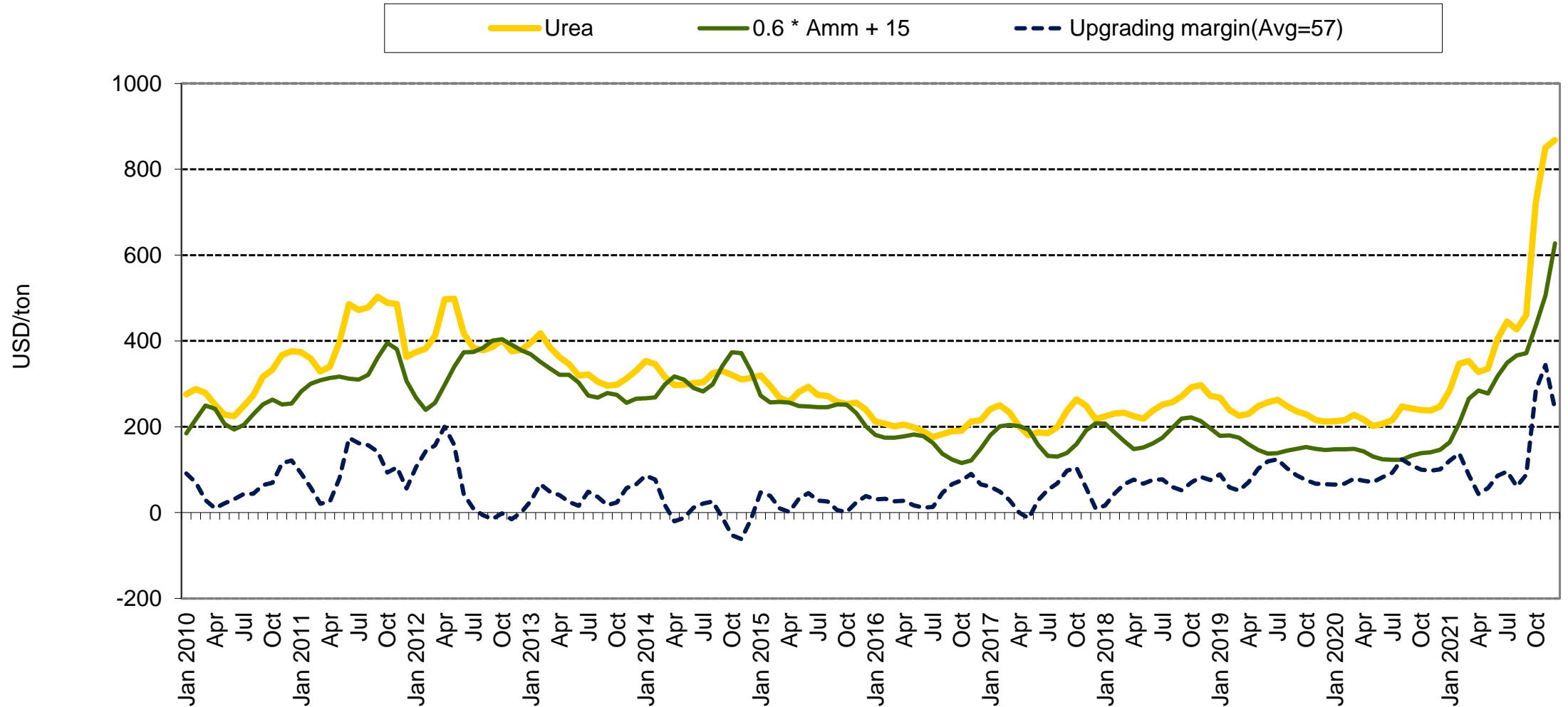


Urea export from China – not much going forward

◆ 2019 ● 2020 + 2021



Upgrading margins from ammonia to urea –high, although dropping recently



Source: Average of international publications



Grain inventories outside China, now seen stable in absolute terms this agricultural year (July-June)

Grain stocks – excluding China

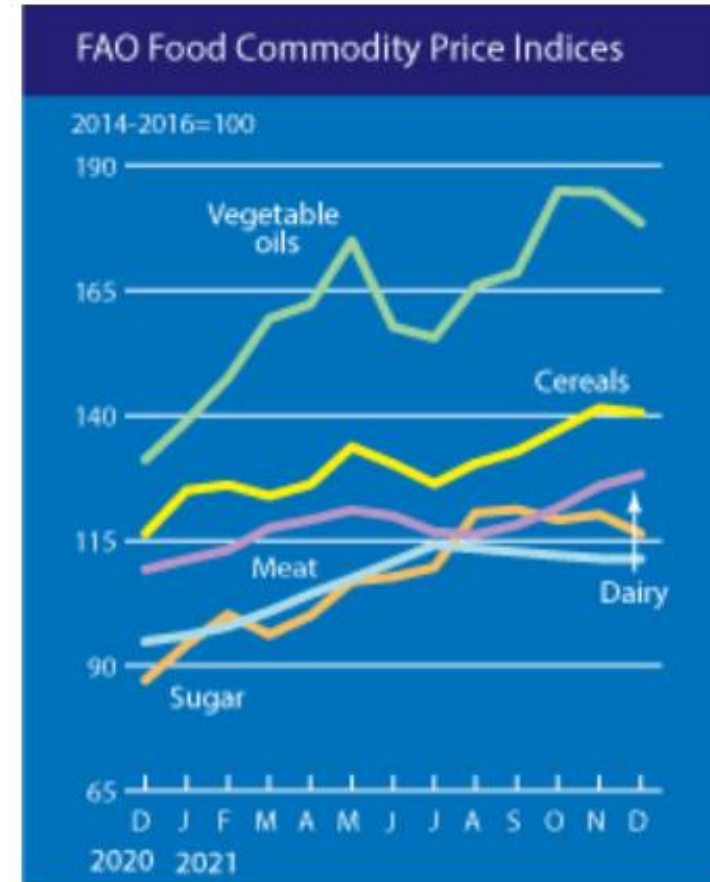
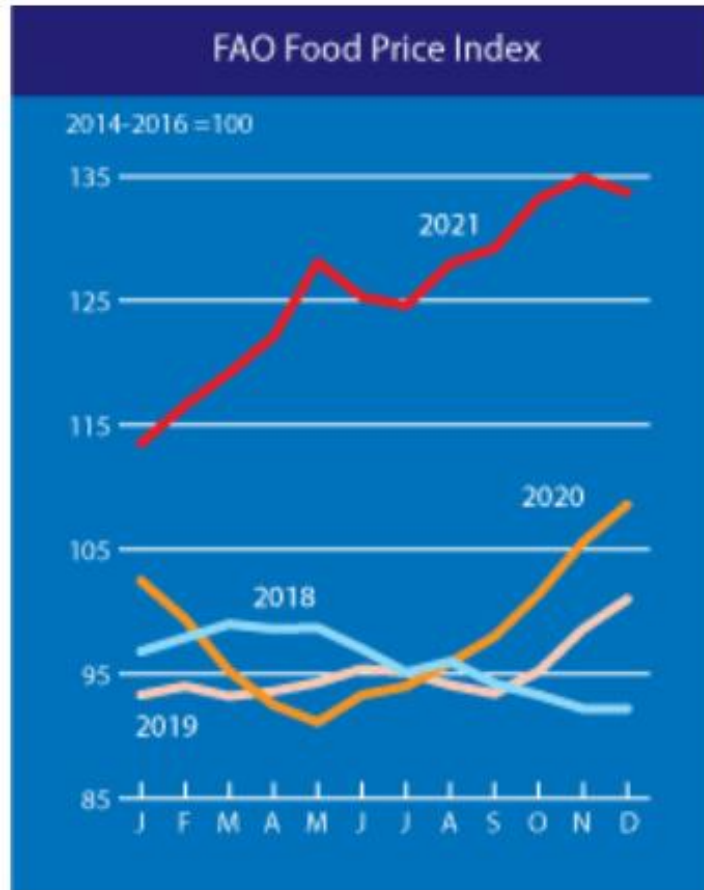


Days of consumption in stock

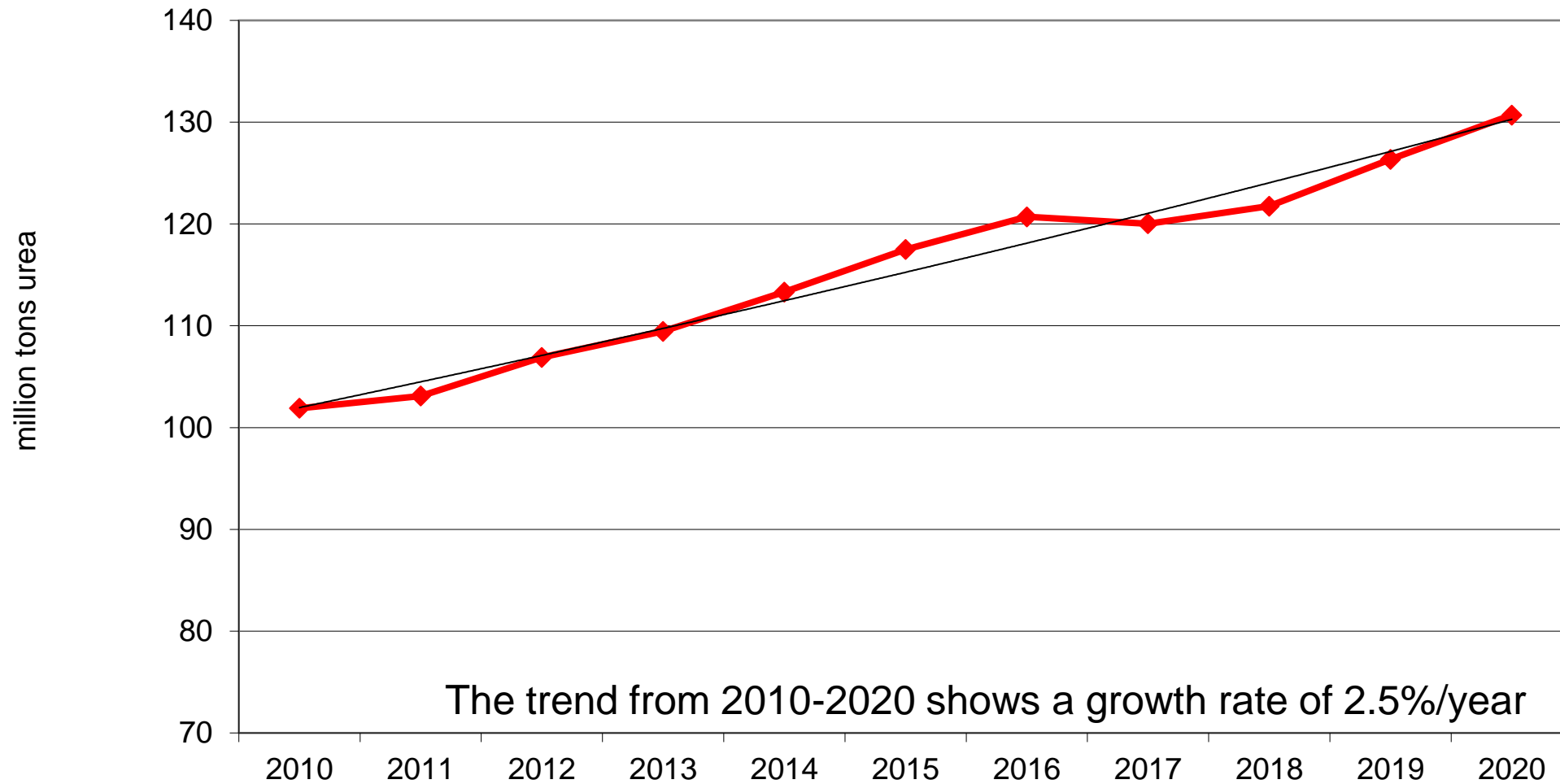


Source: USDA December 2021

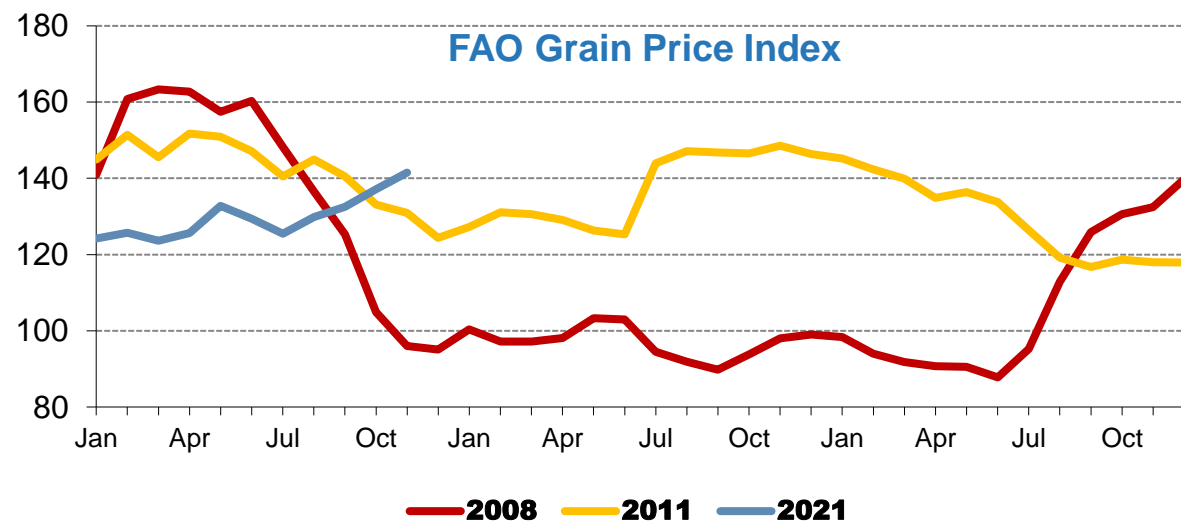
Food prices on the increase since mid-2020



Apparent urea consumption ex. China – up 3.4% (4.3 million tons) in 2020, to 130.7 million tons

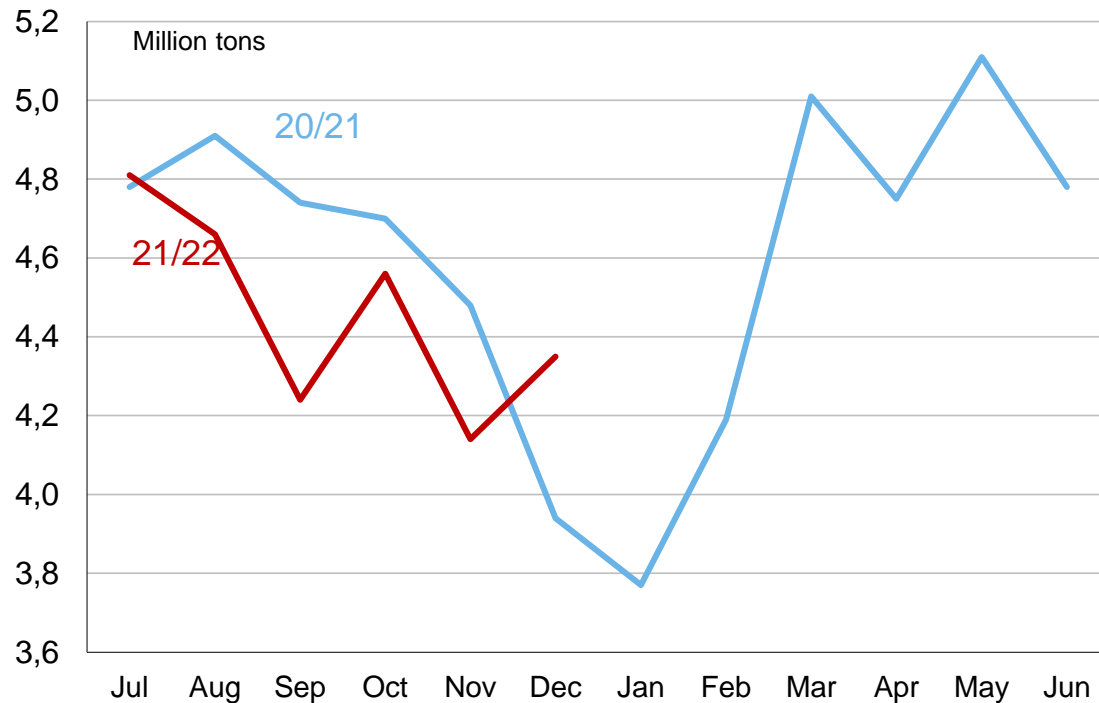


Grain and food prices key to demand developments going forward

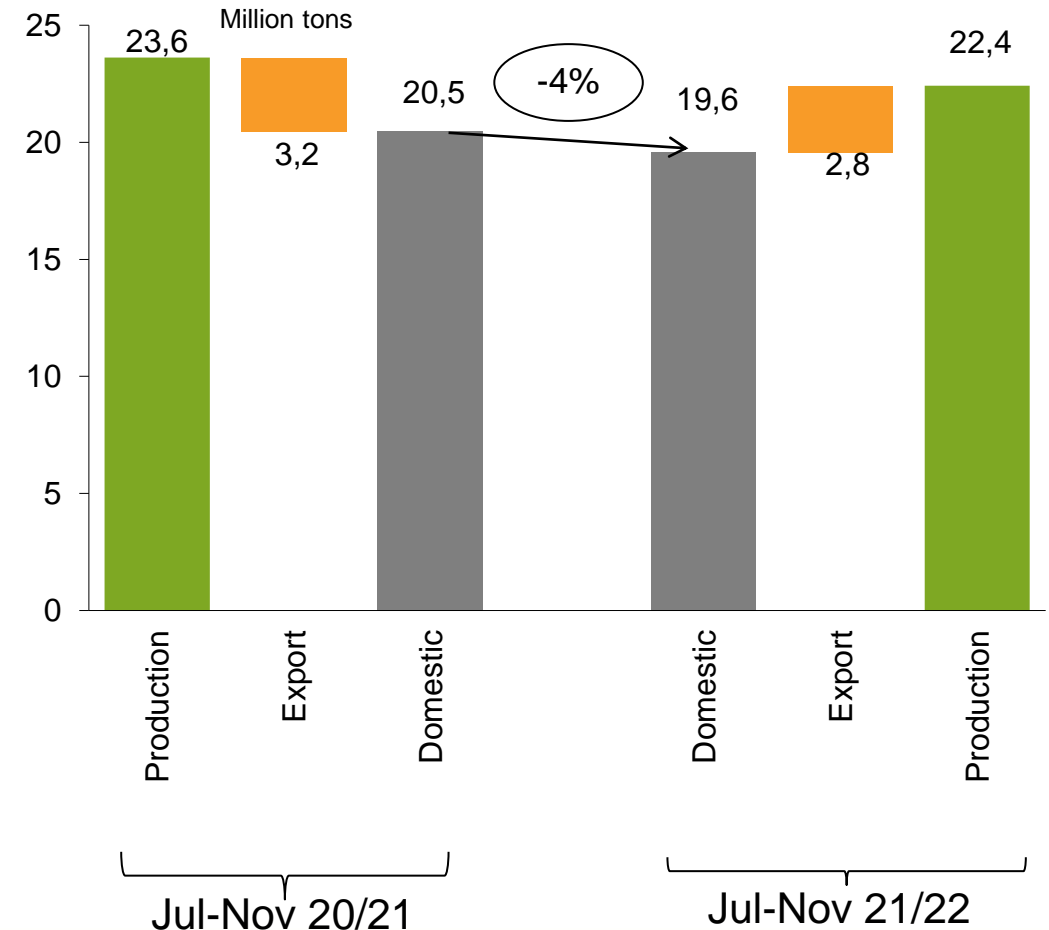


Chinese urea production lower than last year, domestic supply lagging by 4% at end November

Chinese urea production



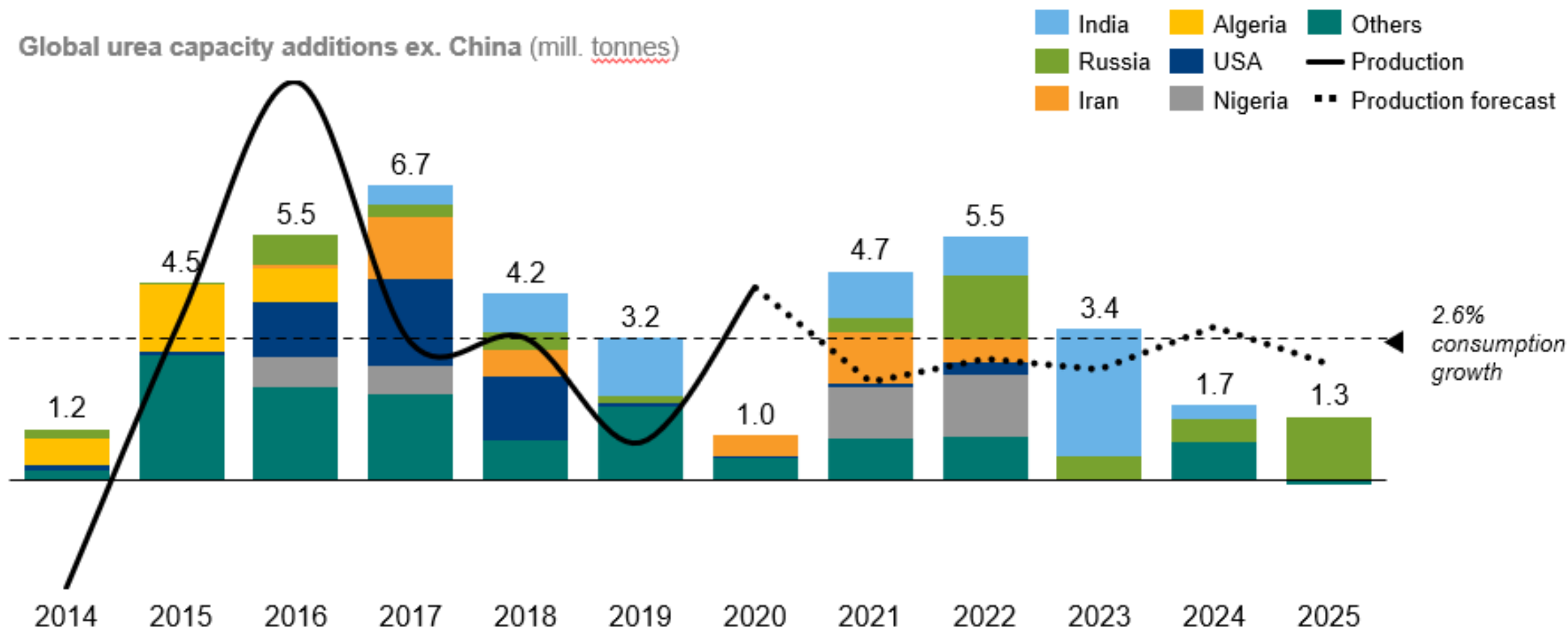
Domestic urea balance



Source: CFMW, covering almost 100% of production

CRU expect lower growth in production than gross capacity additions in the next years

Global urea capacity additions ex. China (mill. tonnes)



Source: CRU Sep 2021