US Phosphate Prices

- Post CVD the US had the highest average phosphate price in the world with ~19% higher than Brazil and DAP ~5% higher than India
- US demand collapsed in 2022 by ~30% driven by lower affordability, macro inflation, and the war in the Ukraine
- War driven supply fears caused a spike in pricing in other global markets
- The collapse in US demand covered the potential supply impact of the CVD and lower Mosaic production
- In 2023 a recovery in US demand has shown the shortage impact of the CVD with US prices the highest in the world (~11% vs. Brazil and ~8% vs. India)

A recovery in US demand has directly caused US prices to return to premium over other global benchmarks in 2023

Source: Green Markets, Bloomberg, Industry estimates

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Key: Saudi Arabia continues to dominate import flow in 2023, making up ~66% of DAP imports and just over 25% of MAP imports.

Increase in Russian Tariff: Loss of Russian MAP (and Lithuanian Shutdown) imports into 2H2023 / 2024 means sourcing ~200k/mt for domestic Supply (impacting MAP premiums).

Australia, Jordan, Tunisia continue to be sources of additional material but Supply from these sources is small.

One-off shipments from Egypt, South Korea, Israel (non-TSP), Mexico and small tariffed Chinese volumes were also seen in both 2022/23. Additional countries that could send off flow to the US in 2024 include Bulgaria, Senegal, Lebanon (TSP).

These Trade Partners / Patterns likely to continue into 2024 (ex-change of Moroccan CVD status).

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**US Inland Prices Now Structurally Higher / To Attract Imports**

- Post the CVD filing the average spread cornbelt MAP to NOLA has increase by ~$15 /st
- Impact: The CVD filing has caused a structural increase in cost to the growers
- Lower Demand in 2022 caused Demand as a % of Imports to decline to ~30% but imports are projected to be ~40% of the US market in 2024 (With only Saudi Arabia a major producing source)

**US is heavily reliant on Imports when demand is strong**

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<tr>
<td>Imports</td>
<td>2.29</td>
<td>3.41</td>
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<td>2.46</td>
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<td>Demand</td>
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<td>8.21</td>
<td>6.48</td>
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<td>5.74</td>
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<td>7.90</td>
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Imports % of Demand | 27.8% | 41.3% | 41.7% | 38.0% | 39.5% | 29.8% | 36.6% | 39.7% |

Source: Green Markets, Bloomberg

Inland Pricing has Increased vs. NOLA post CVD

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Recipients:

USDA Under Secretary for Farm Production and Conservation Robert Bonnie and Tim Gannon, Chief of Staff