



FOIC

2015

Fertilizer Outlook &
Technology Conference

Tim Mizuno

Manager, Market Research
PotashCorp



Phosphate Outlook



The
Fertilizer Institute
Nourish, Replenish, Grow



Fertilizer Industry
Round Table

Phosphate

TFI Fertilizer Outlook

November 2015

Helping
nature
provide.

 PotashCorp

❖ Forward-looking Statements

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Executive Summary

1. Macroeconomic factors affecting agriculture and fertilizer markets
2. Global phosphate demand and trade remain at healthy levels
3. Expect a relatively balanced market over the medium term

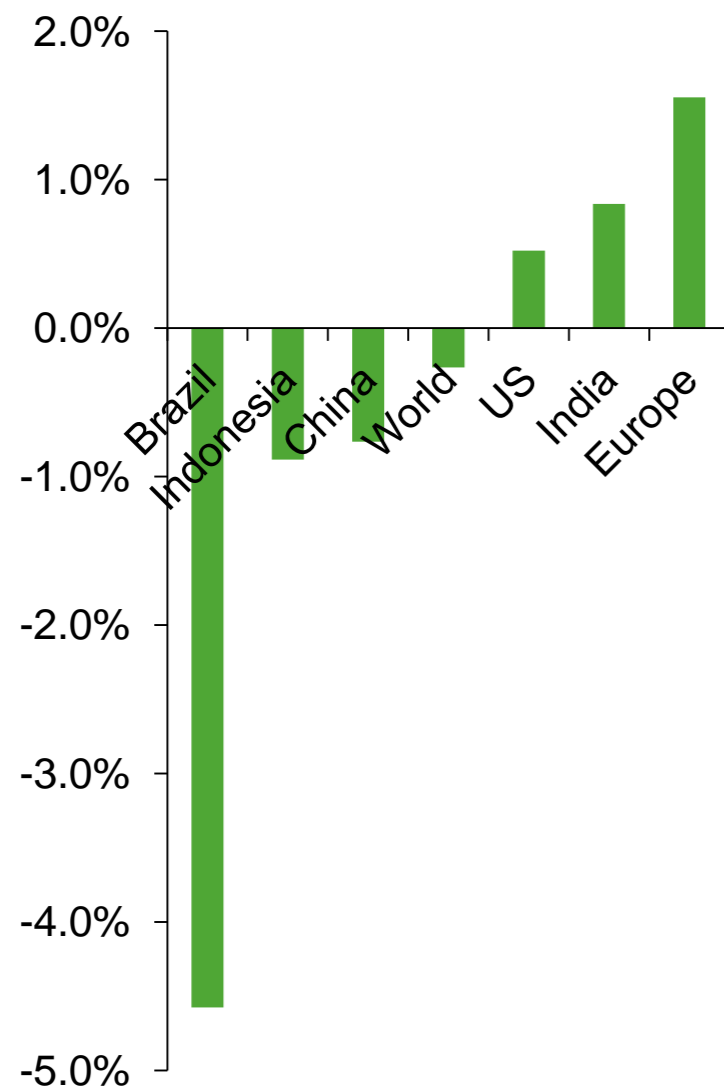


Economic Factors

Change in Economic Conditions Create Near-term Headwinds

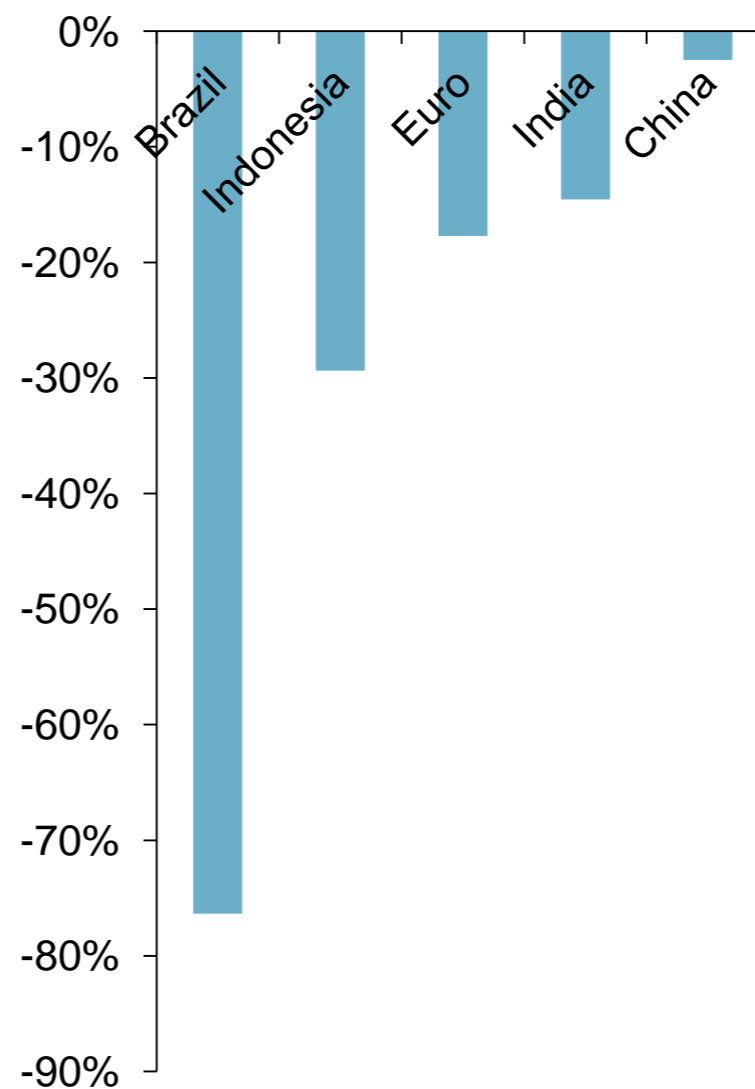
Regional GDP Growth Rate

2015F vs. 3-Yr Avg. (% Change)



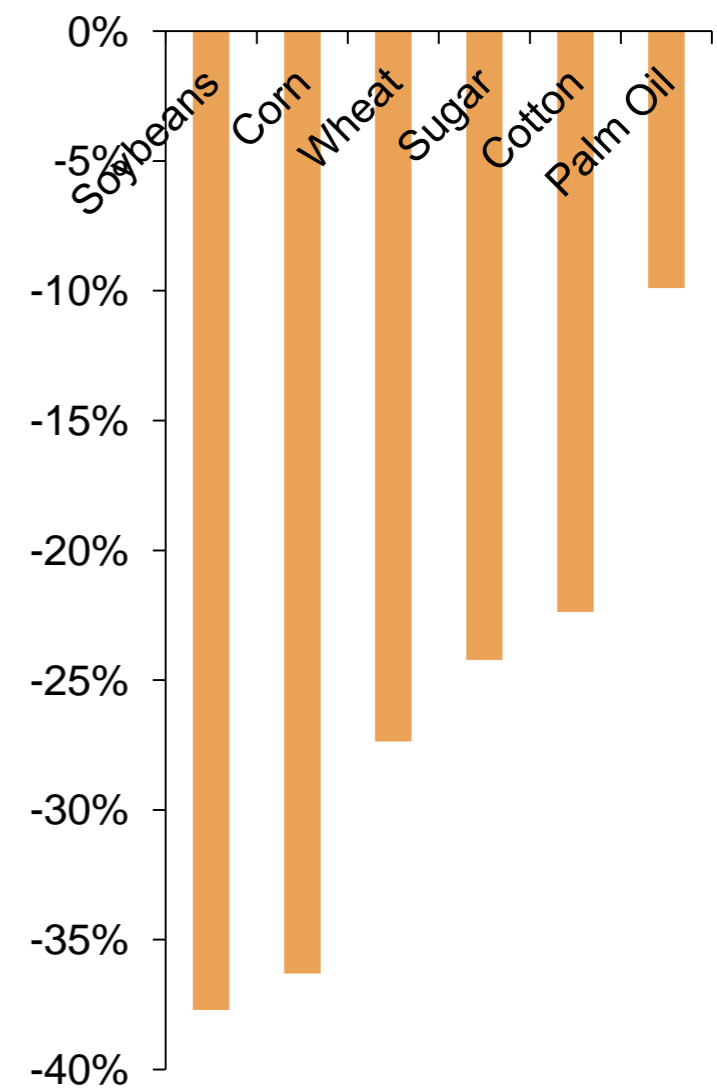
FX Change

2015 vs. 3-Yr Avg. (% Change)



Crop Price Change

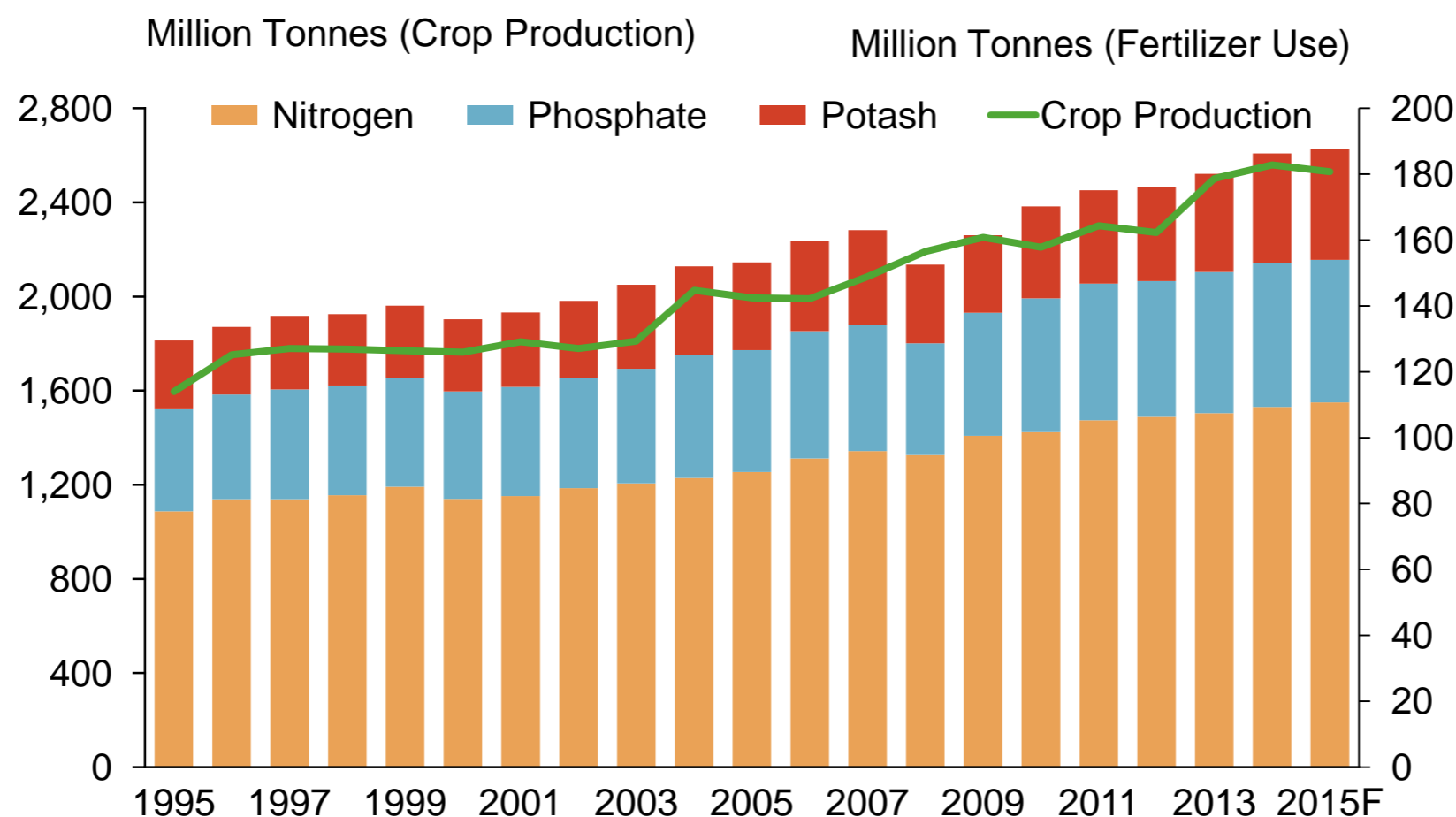
2015 vs. 3-Yr Avg. (% Change)



Source: IMF, Bloomberg

World Crop Production and Fertilizer Consumption

Steady Growth in Crop Production a Key Driver of Fertilizer Demand



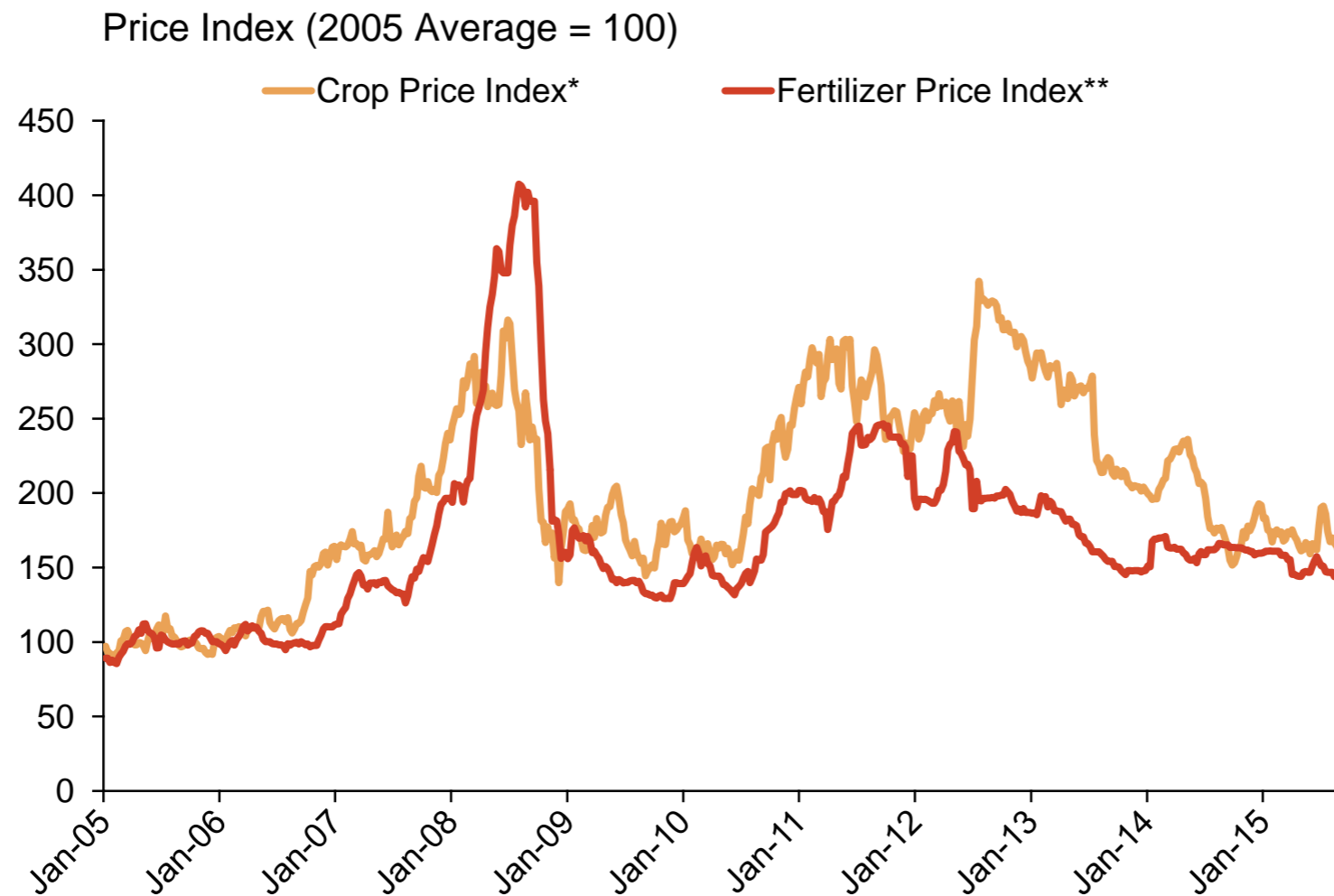
2015F refers to the 2015/16 crop year. Stacked bars represent fertilizer consumption by nutrient.
World fertilizer consumption CAGR of approximately 2.0%.



Source: USDA, CRU, Fertecon

Crop and Fertilizer Price Index

Fertilizer Remains Affordable Despite Lower Crop Prices



* Based on corn, soybean and wheat prices (weighted by global consumption).

** Based on urea, DAP and KCl prices (weighted by global consumption).



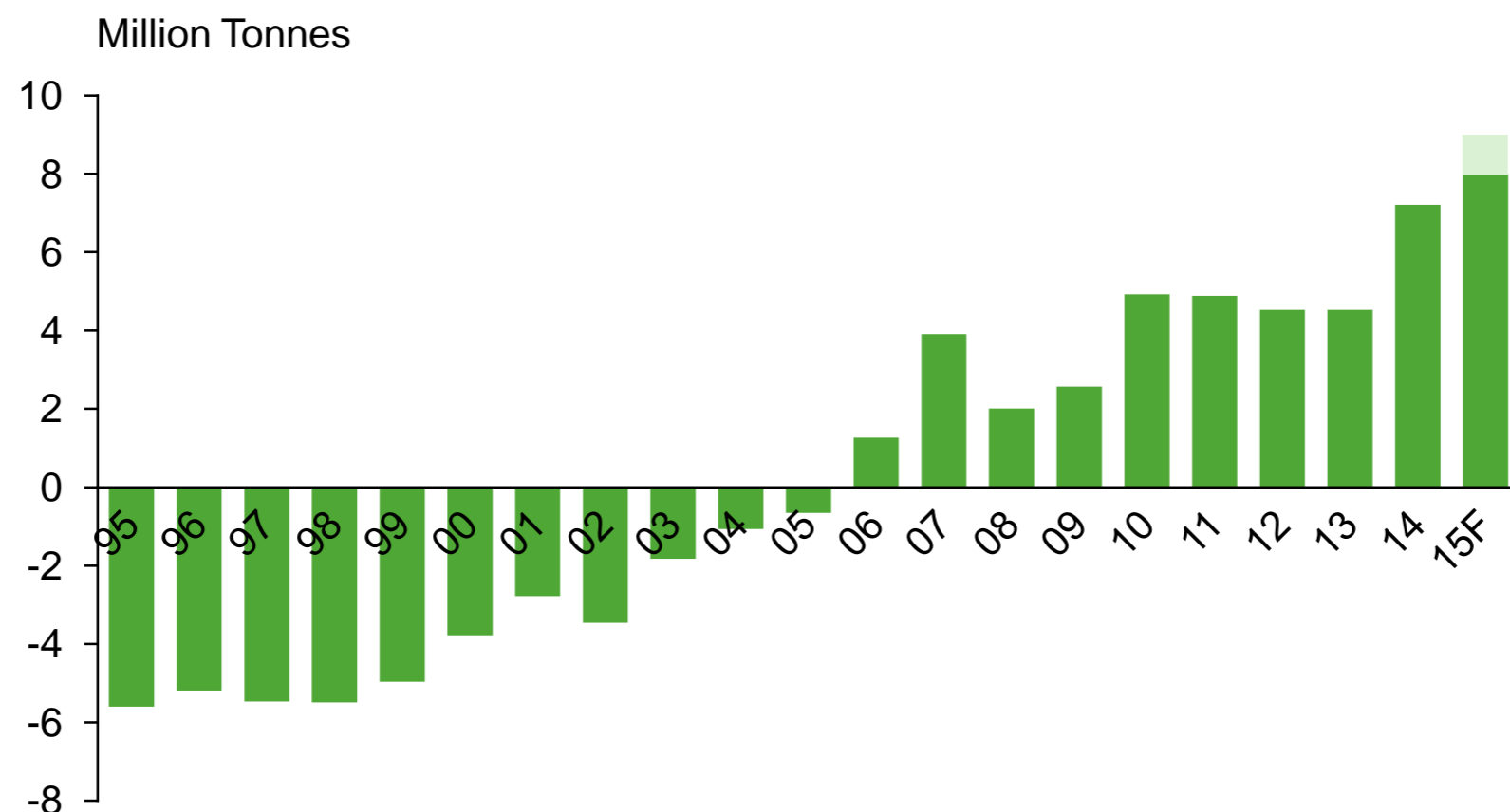
Source: Bloomberg

❖ Phosphate – Near-term Developments



China DAP/MAP Net Exports

Transition to Major Phosphate Exporter

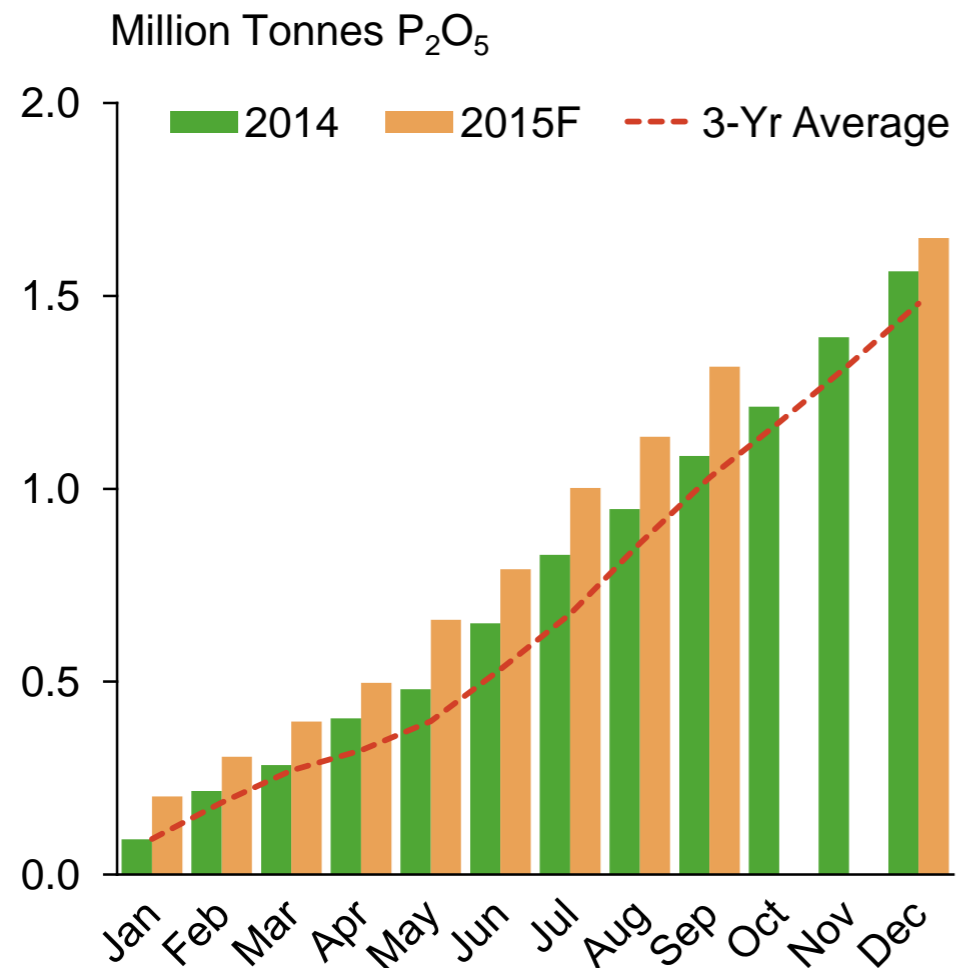


Source: CRU, PotashCorp

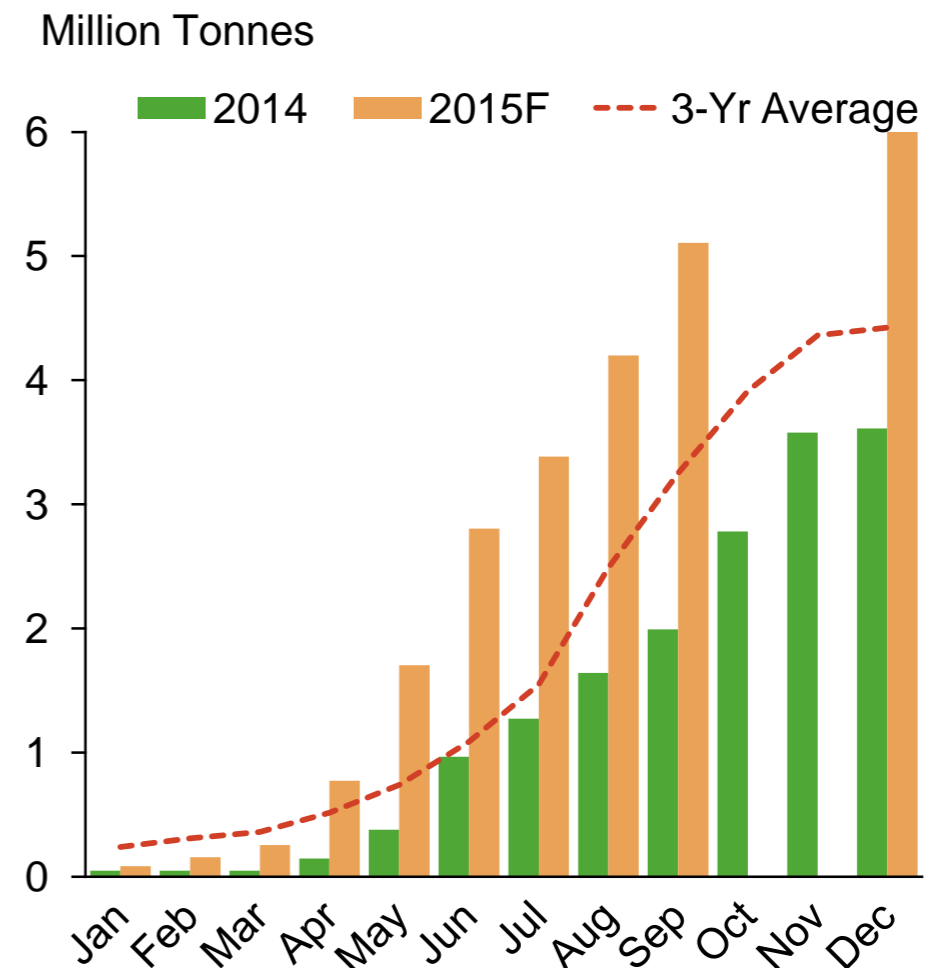
India's Phosphate Imports

Tight Inventory and Good Demand Drive Robust Imports

Cumulative Phosphoric Acid Imports

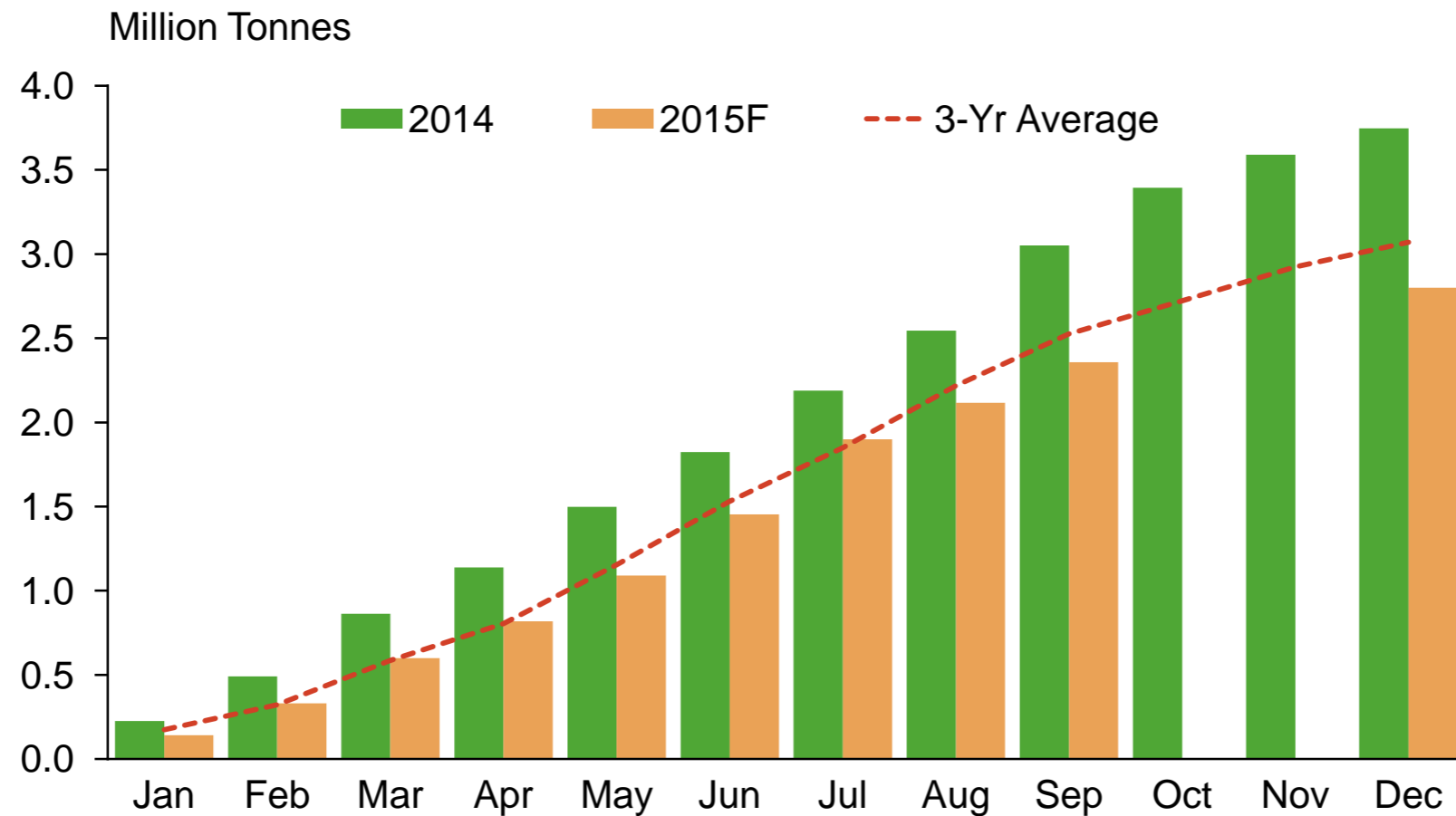


Cumulative DAP Imports



Brazil Cumulative DAP/MAP Imports

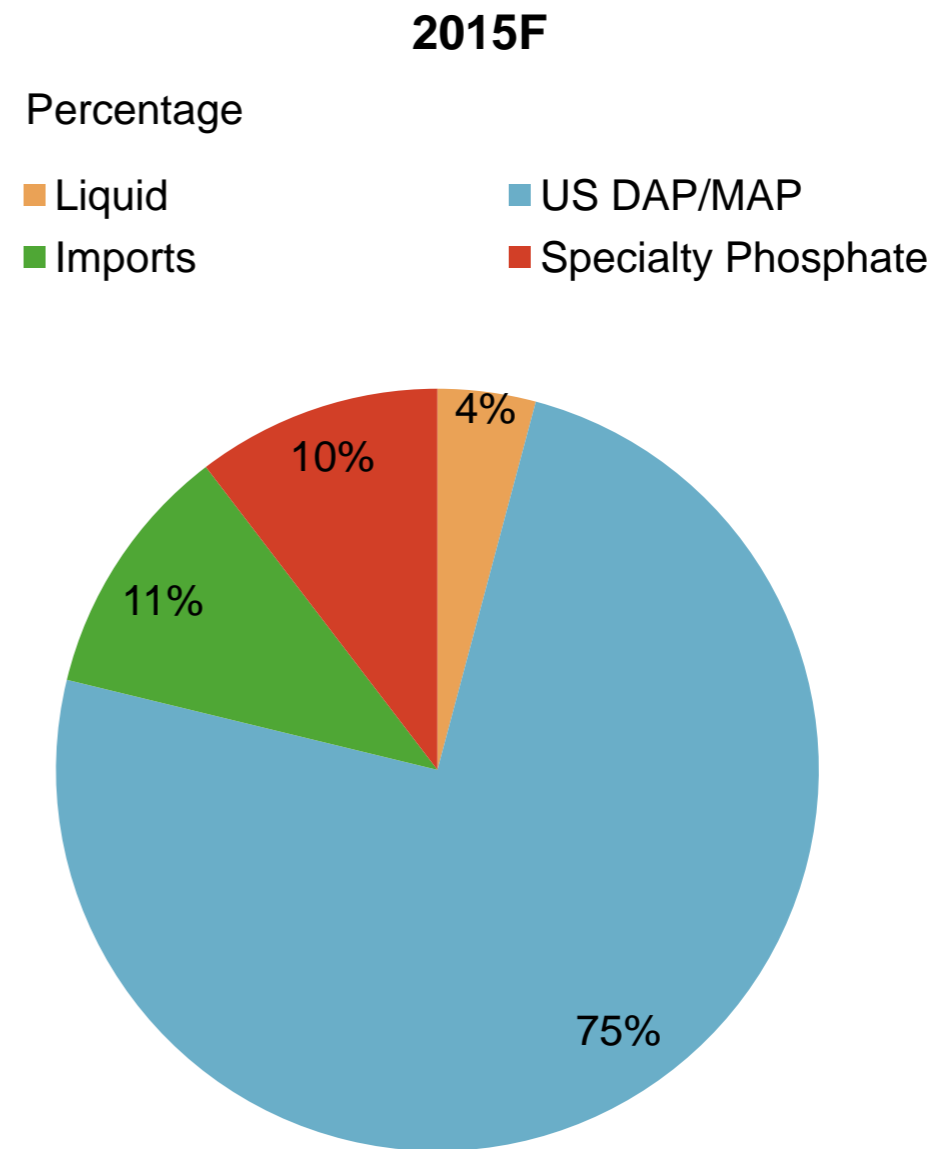
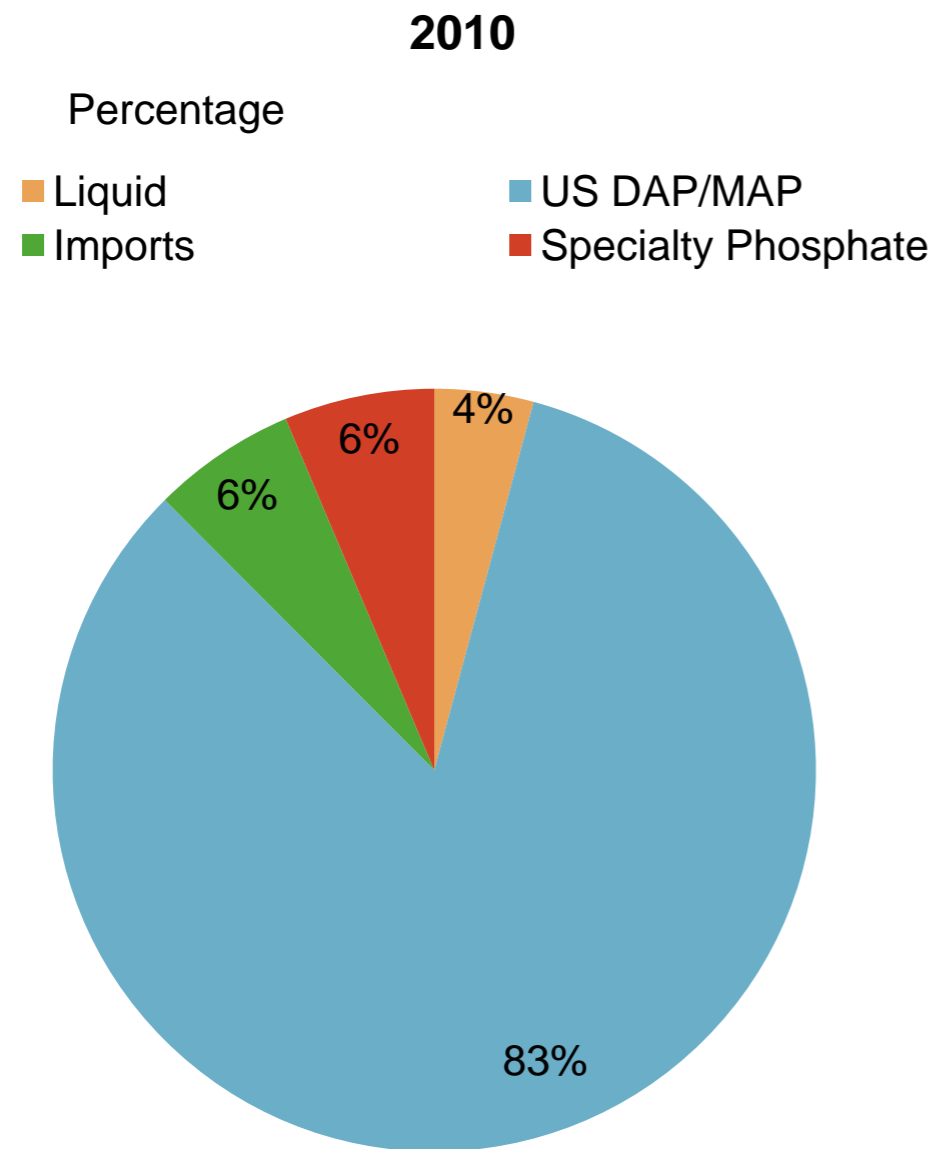
Imports Trail Previous Year Record, Inventories Tightening



Source: ANDA, CRU

US Phosphate Fertilizer Consumption

Imports and Specialty Phosphates Have Gained Greater Share of Market



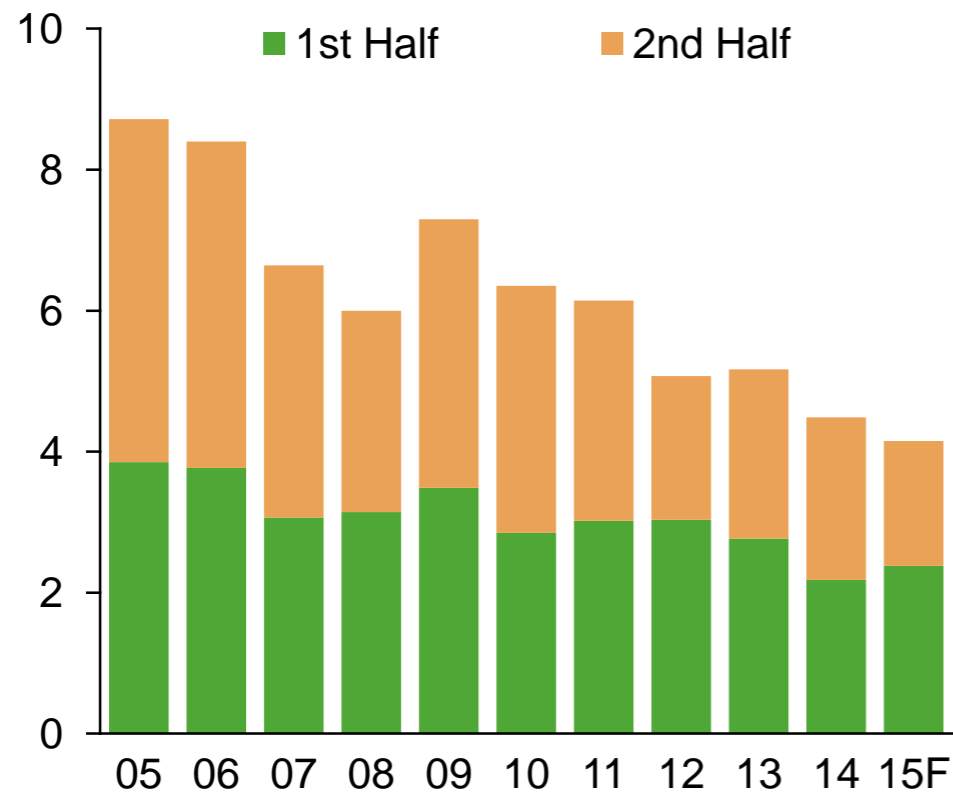
Source: TFI, CRU, PotashCorp

US DAP/MAP Trade

Reduction in Exports; Strong Seasonal Imports

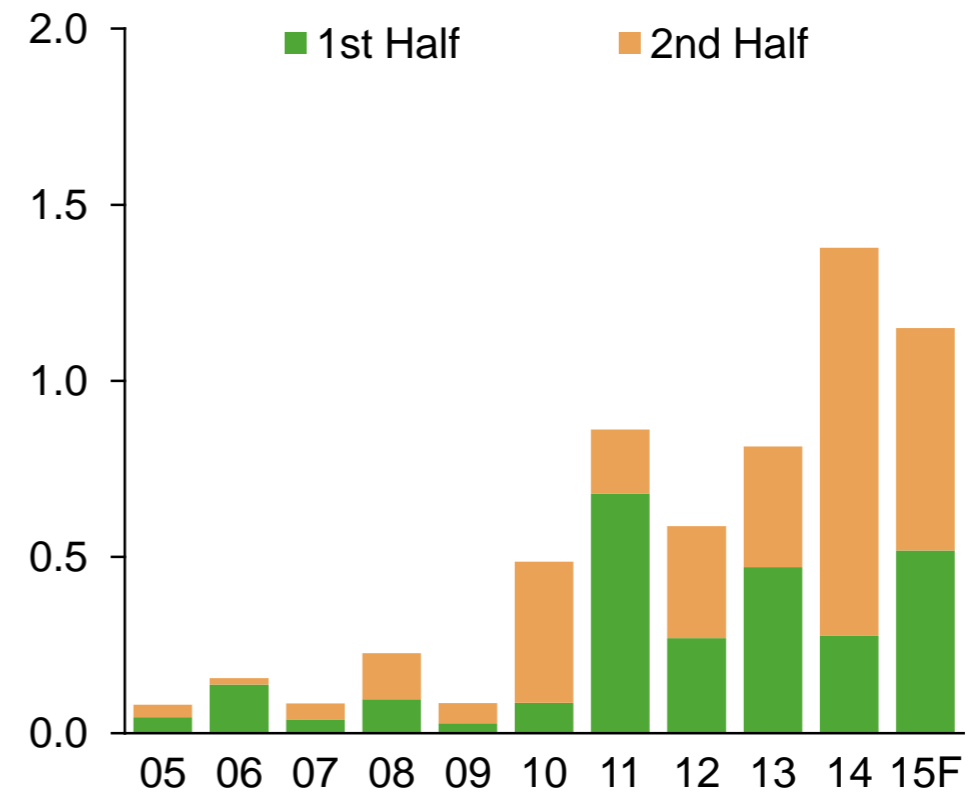
US DAP/MAP Exports

Million Tonnes



US DAP/MAP Imports

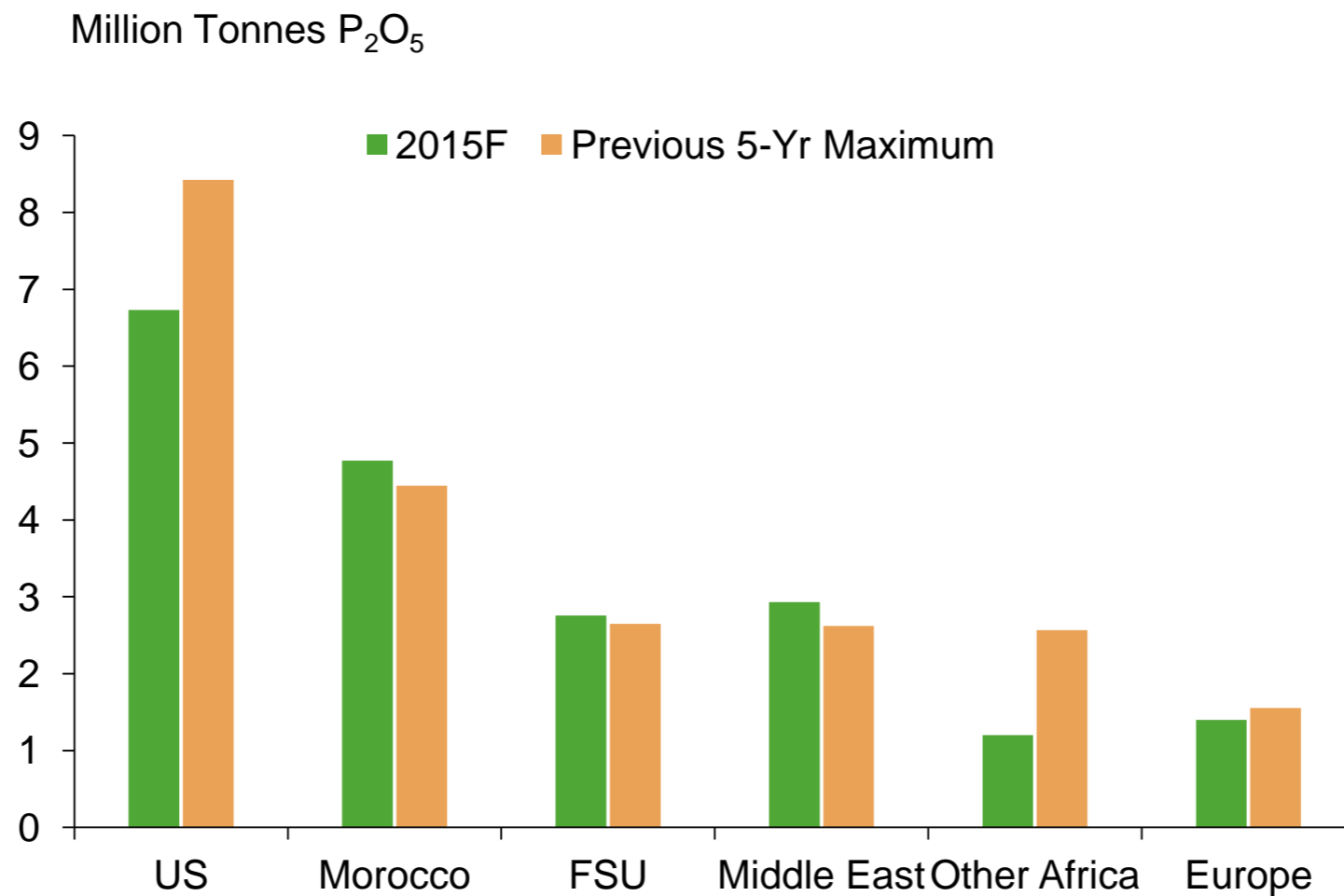
Million Tonnes



Source: CRU, TFI, PotashCorp

Phosphoric Acid Production Profile*

Plant Closures and Operational Issues Have Balanced Market



* Accounts for 47% of global phosphoric acid production (excludes China)



Source: CRU, PotashCorp

Phosphate – The Outlook

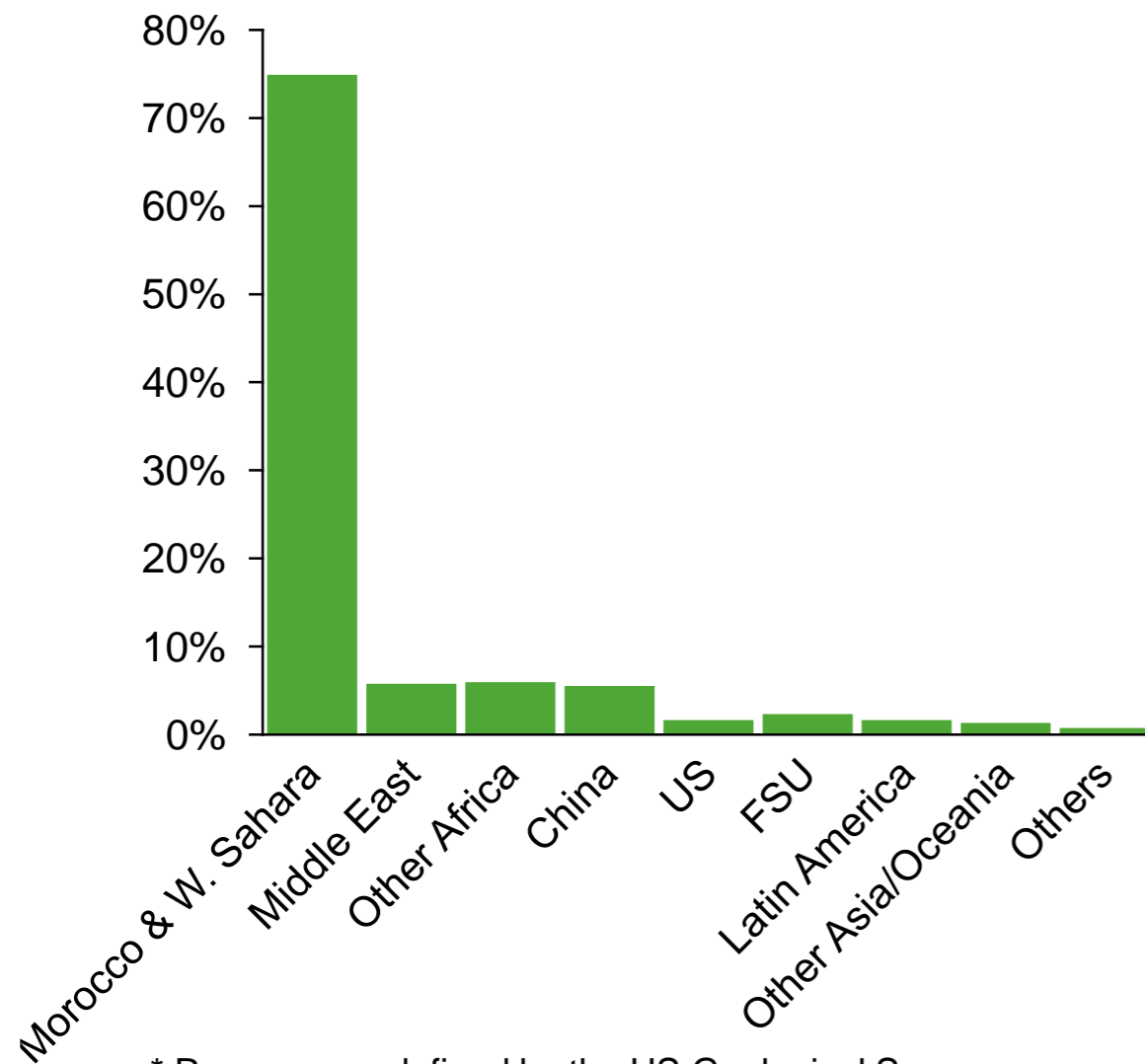


World Phosphate Rock Profile

Morocco Has the Largest Rock Reserves

Phosphate Rock Reserve

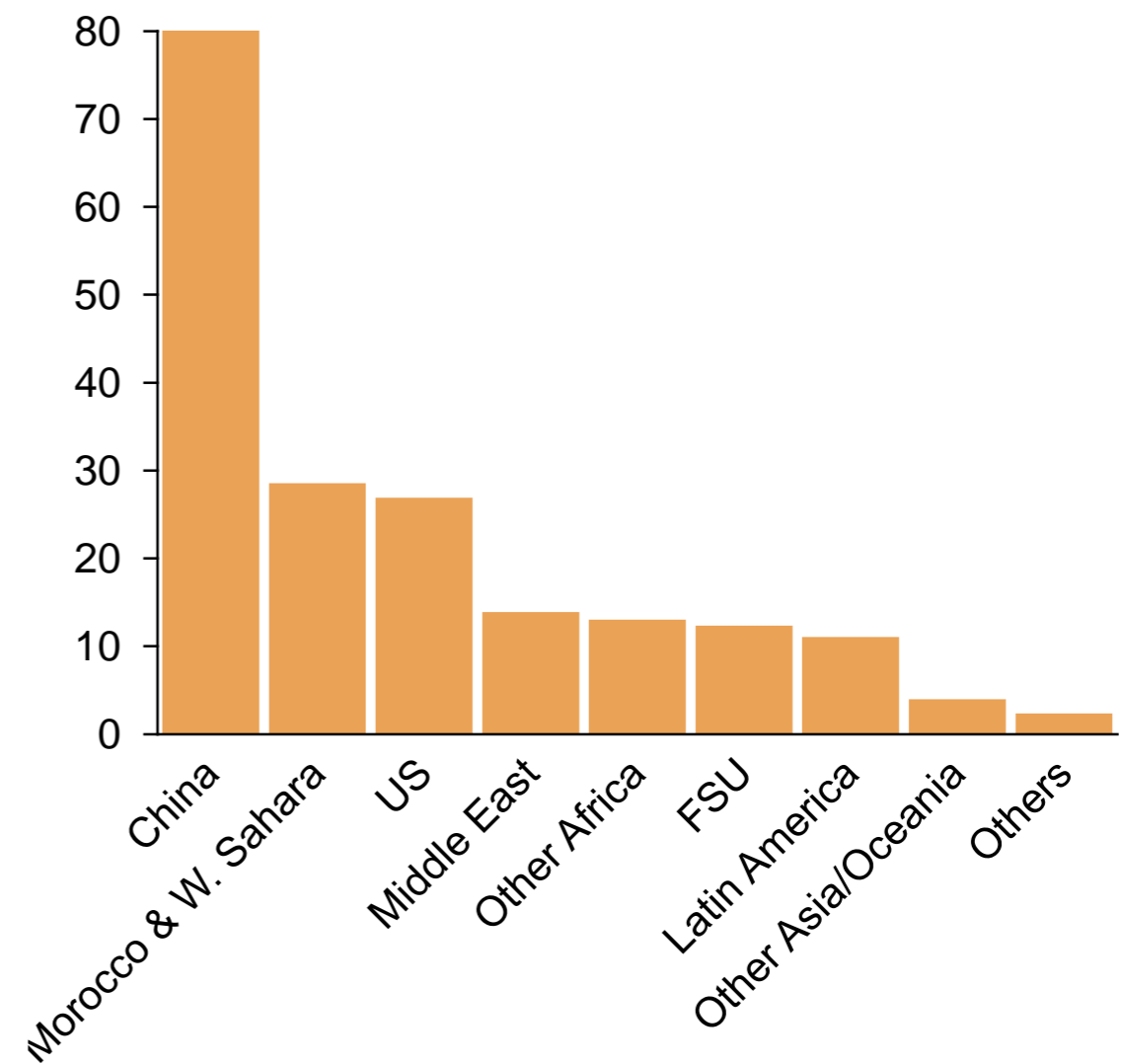
Percentage of Total World Reserves*



* Reserves as defined by the US Geological Survey.

Phosphate Rock Production

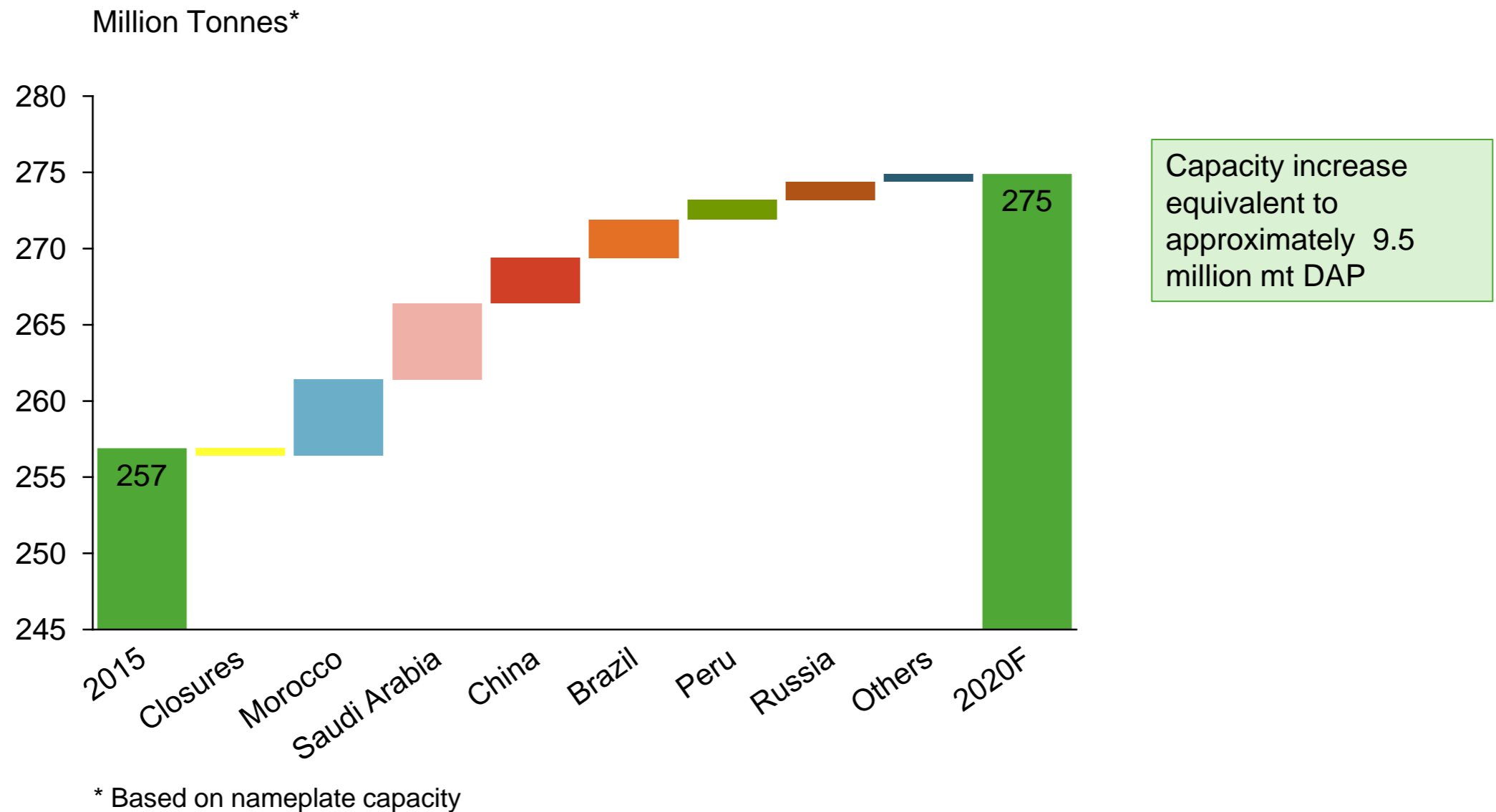
Million Tonnes



Source: US Geological Survey, CRU

New Global Phosphate Rock Capacity

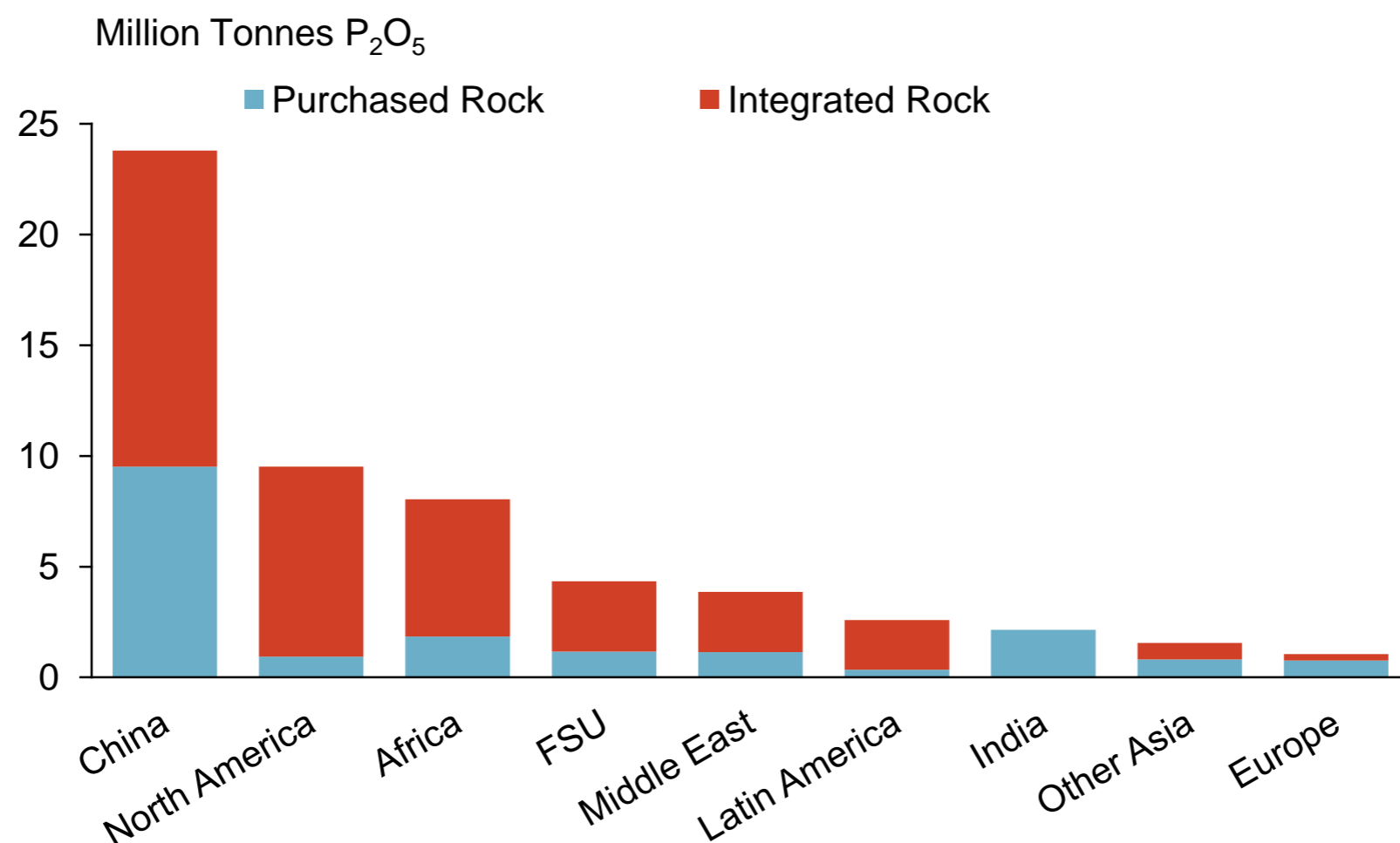
Majority of Expected Capacity Developed in Morocco, Saudi Arabia and South America



Source: CRU, Fertecon, PotashCorp

World Phosphoric Acid Capacity Profile

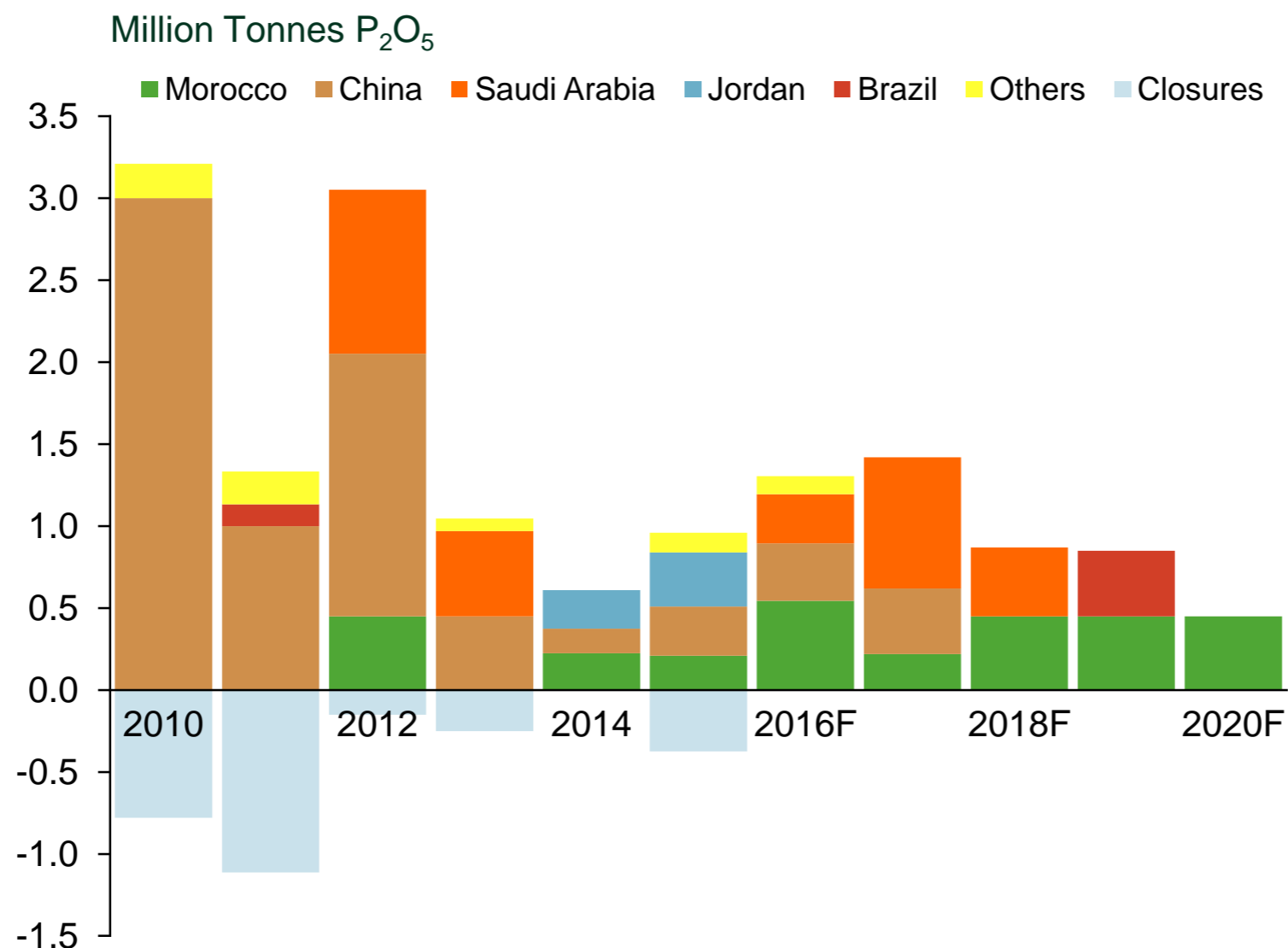
Share of Global Producers Are Non-Integrated Regionally Significant



Source: CRU, PotashCorp, Industry Filings

World Phosphoric Acid Capacity Additions

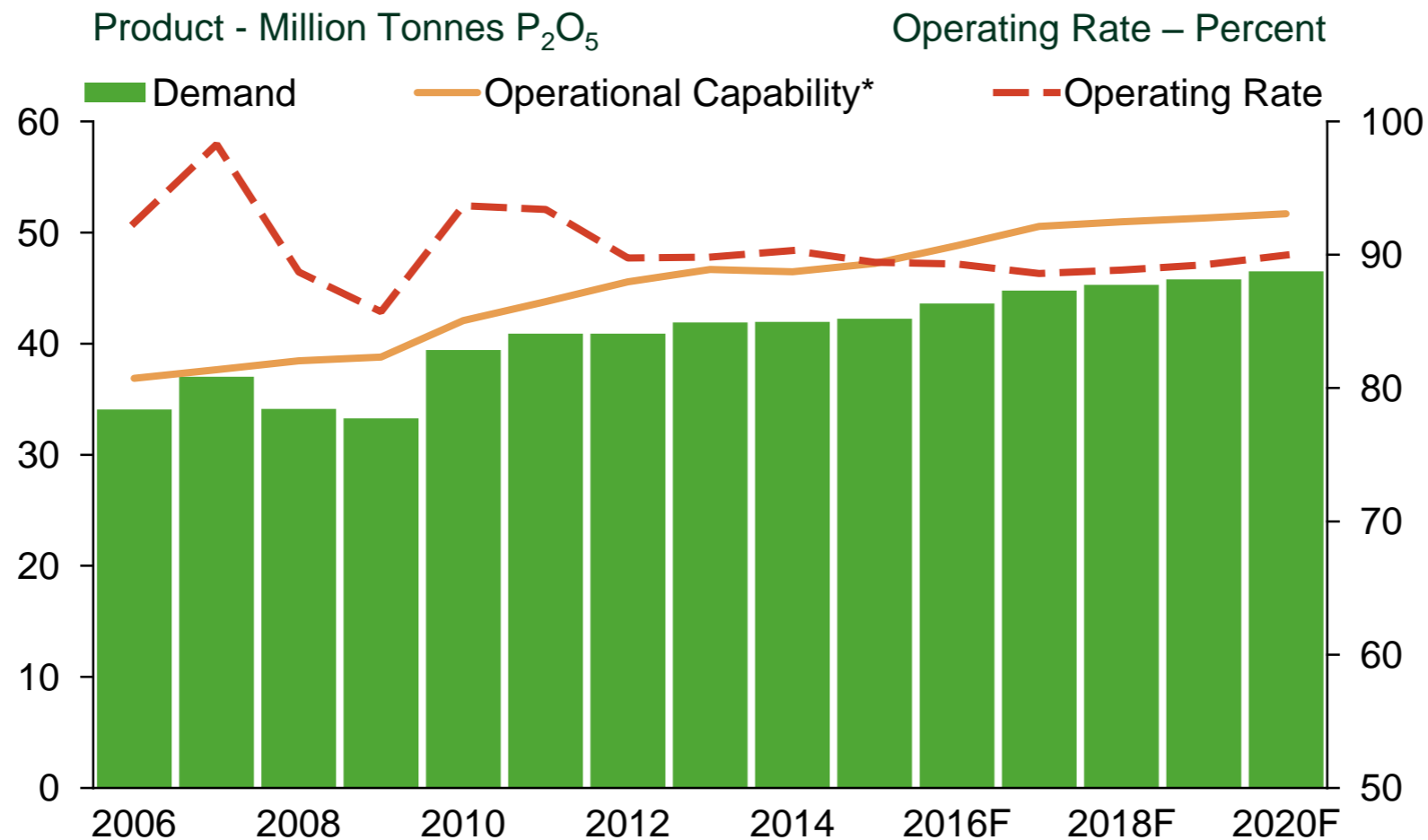
Majority of Expected Capacity Developed in Morocco, Saudi Arabia and South America



Source: CRU, IFA, PotashCorp

World Phosphoric Acid Supply and Demand

Expect Relatively Balanced Supply/Demand in the Medium Term



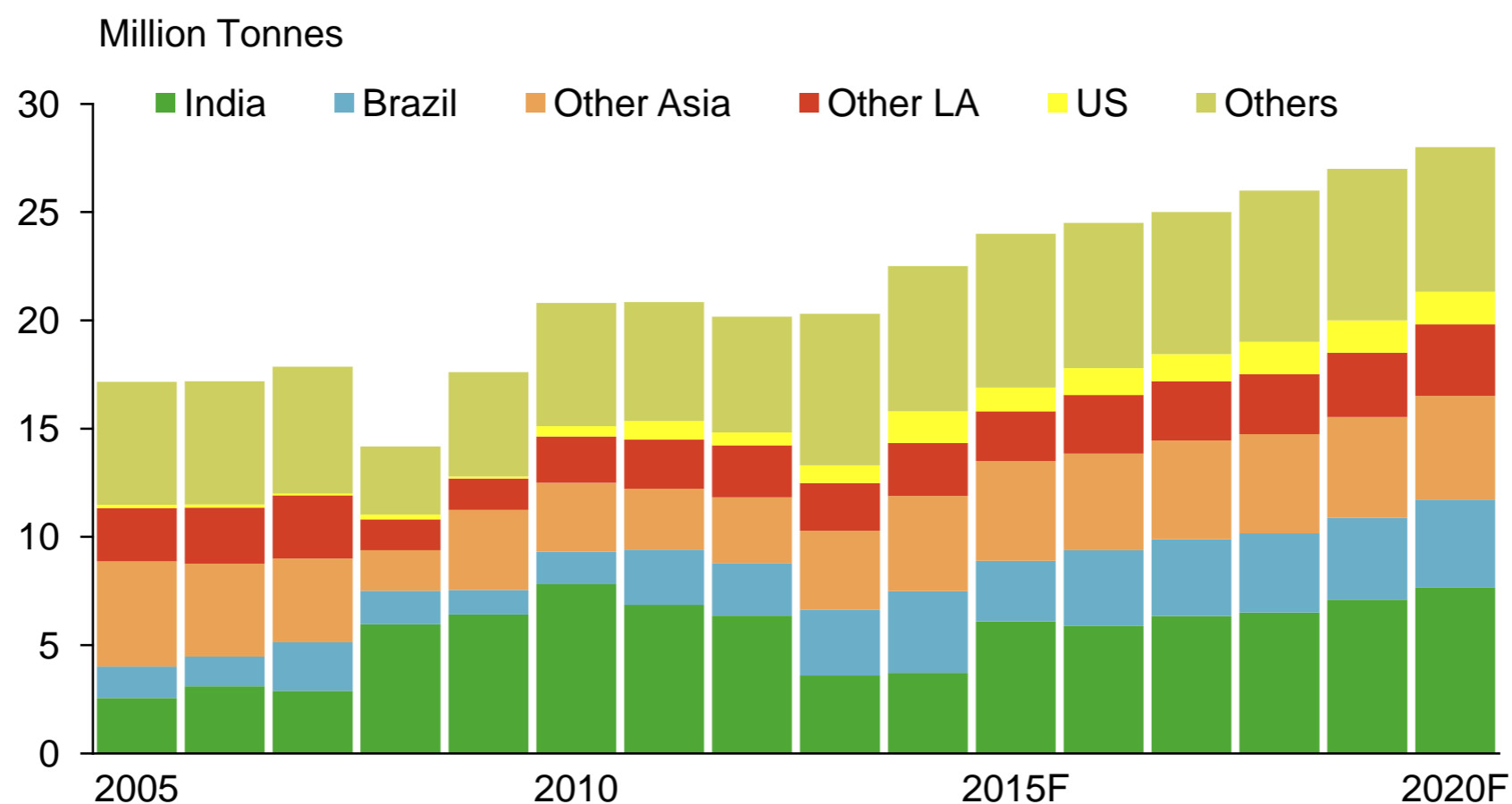
*Estimated annual achievable production level from existing operations and projected new capacity.



Source: CRU, IFA, PotashCorp

World DAP/MAP Imports

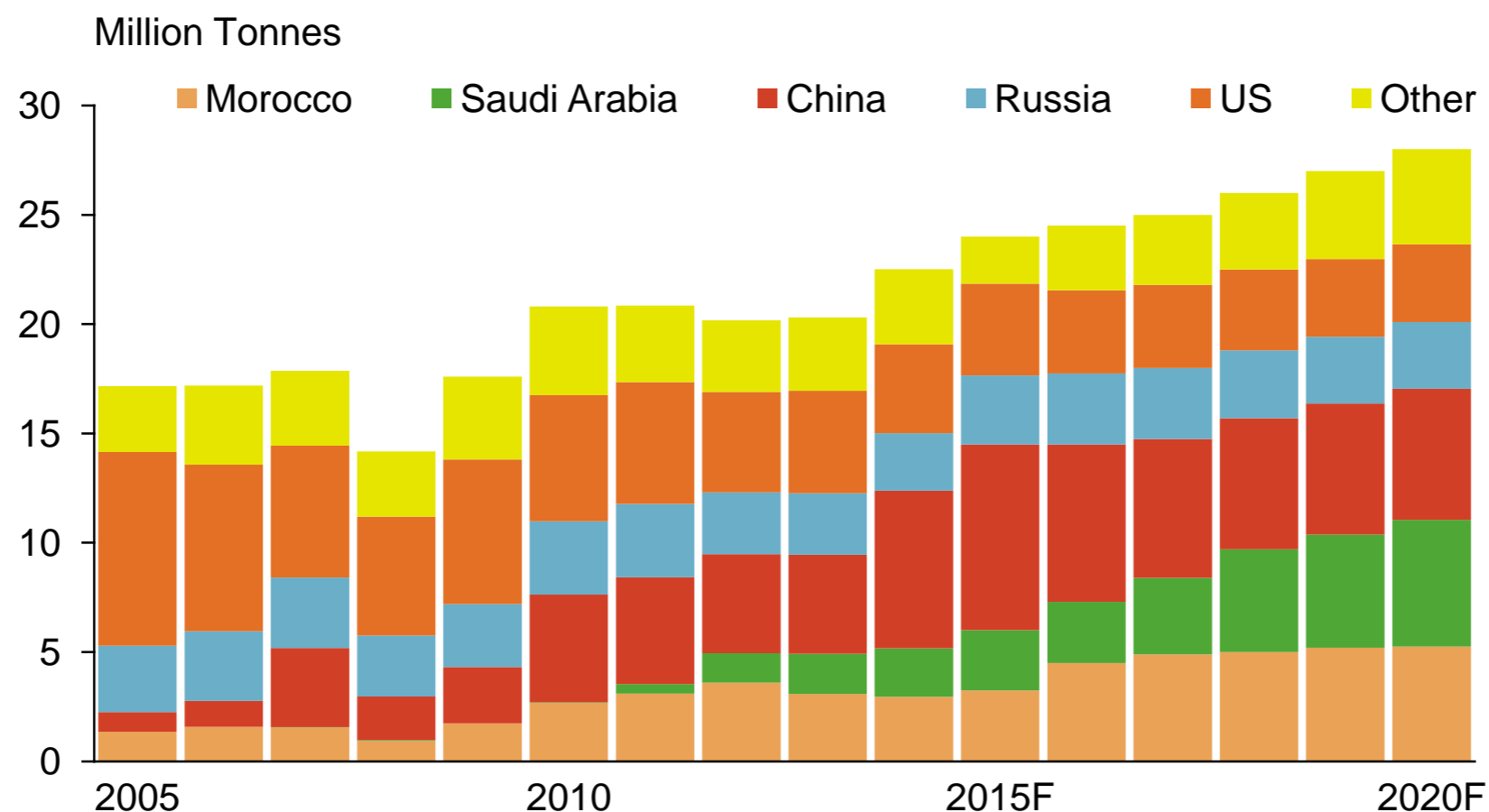
Expect Growth in Global Trade; India Key Market to Watch



Source: CRU, PotashCorp

World DAP/MAP Exports

Expect Majority of Export Growth From Morocco and Saudi Arabia



Source: CRU, PotashCorp

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nature
provide.



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