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# Pre-quarter information

3Q 2024



# Key market prices and outside-in model

## Market prices

		2023					2024				
		May	Jun	Jul	Aug	Avg 3Q23 <sup>1</sup>	May	Jun	Jul	Aug	Avg 3Q24 <sup>1</sup>
<b>Fertilizers</b> USD/ton, average of publications	Ammonia, FOB Arab Gulf	249	235	248	316	266	314	340	351	356	349
	Urea, FOB Arab Gulf (ex. US)	318	282	350	389	340	287	339	346	336	340
	CAN, CIF Germany	305	283	322	369	325	278	292	294	299	295
<b>Gas prices<sup>1</sup></b> USD/MMBtu	TTF	10.1	10.0	9.5	10.7	9.9	10.0	10.8	10.2	12.0	10.3
	Henry Hub	2.1	2.1	2.5	2.6	2.3	1.6	2.5	2.1	2.0	2.0

### Natural gas<sup>4</sup>: impact of spot price change (using 2 month lag)

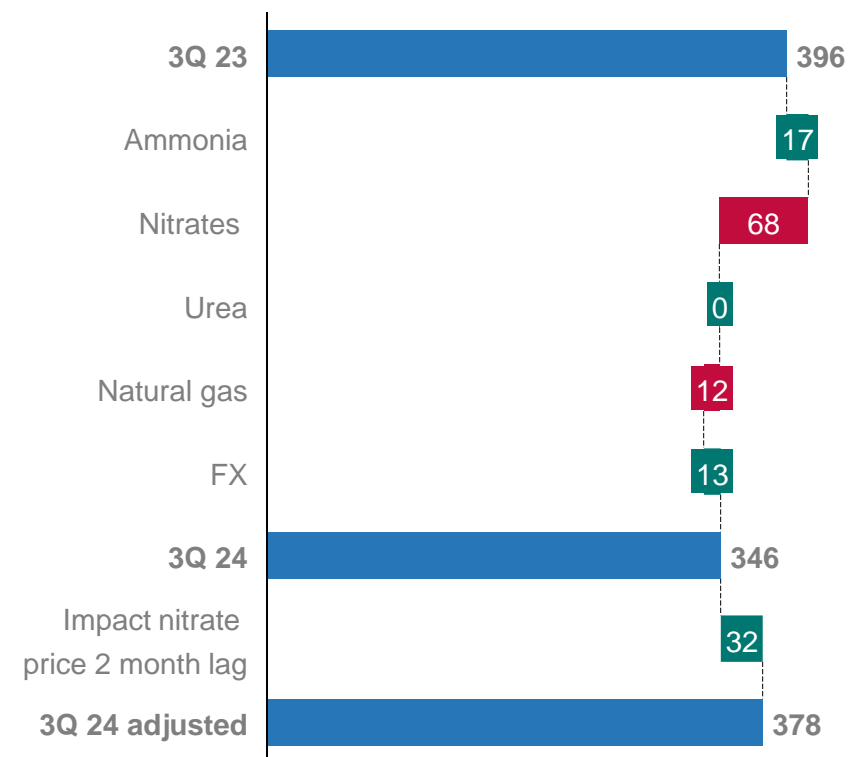
Gas cost guiding from 2Q24 based on forward curves: -15 MUSD (cost)  
 Estimated impact of spot prices compared with forward curves: + 3 MUSD (saving)  
**Updated gas cost guiding: -12 MUSD (cost)**

		3Q23	3Q24	Change
<b>Currencies</b> No lag, Updated Sept 11th	USD per EUR	1.09	1.09	0.01
	USD per NOK	0.10	0.09	0.00
	USD per BRL	0.20	0.18	-0.02



## Outside-in estimate, volume neutral

MUSD, based on sensitivities<sup>1,2</sup>



1) Average prices for the quarter lagged one month, gas prices lagged 2 months  
 2) From Yara.com: <https://www.yara.com/investor-relations/analyst-information/sensitivities/>  
 3) Including nitrogen sensitivity in NPK. Phosphate and Potash not recommended to model on a quarter by quarter basis  
 4) As part of the 2Q24 presentation, details for 3Q24 gas guiding was given on slide 26.

# Key considerations

## 3Q23

- Strong order book going into the quarter
- Increasing European nitrate prices through the quarter, but order taking slowed mid-quarter when urea prices rose and later fell back.
- This impacted realized nitrate prices, with longer time lag from order to delivery for the quarter overall (closer to 2 months vs. normal 1 month)
- Fixed cost impacted by inflationary pressure and ramp-up of new business areas
- Ammonia deliveries impacted by planned maintenance and reliability issues – also in overseas assets with beneficial energy position - lost volume in Pilbara and Freeport appx 120kt
- Weak phosphate economics
- Weak commercial margins in Latin America

## 3Q24

- Strong order book going into the quarter
- Successful launch of new season nitrate prices, at strong premiums and followed by several price increases
- Favorable phosphate economics compared to 3Q23
- Immediate cost measures continued from 2Q, while work on longer lead-time structural actions continues

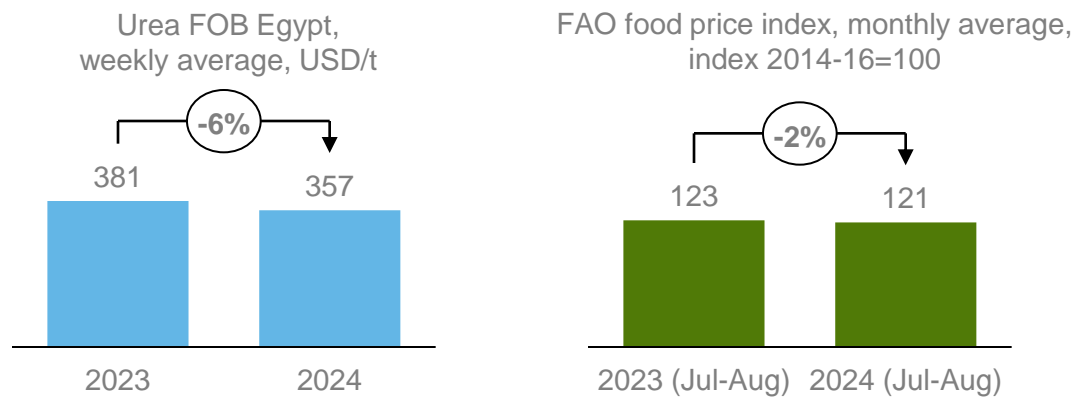


# Market developments

## Urea price developments 3Q 24

- The absence of Chinese exports and supply issues elsewhere supported urea prices in 3Q, although the supply situation ex. China (including Egypt) eased towards the end of the quarter
- India secured offers for 1.13 mt in their recent tender with shipment window until end October
- Demand-driven prices with positive margins for all key producers
- Crop prices (incl corn and wheat) have declined significantly so far in 2024 and are now back at 2020-21 levels

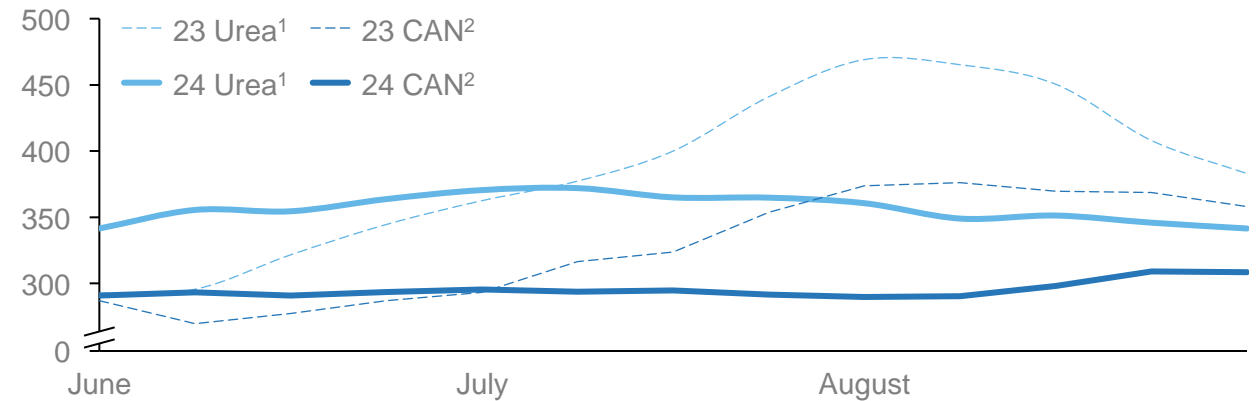
## Urea affordability, average Jun-Aug



## Regional developments

- Northern hemisphere (Europe and US) is outside main season. Poor weather conditions have led to downward revisions of expected crop production in EU
- Markets in Latin America are approaching peak demand season. Imports to Brazil were ahead of last year per August (up 12% year on year)
- In India a strong monsoon is reported to have supported demand
- In Southeast Asia most markets are out of season, with limited import activity as a result. Thailand has seen severe flooding, which has delayed planting and is expected to dampen import demand given significant stocks from imports earlier this year.

## Price development, USD/t, weekly average



1. Urea FOB Egypt, weekly average, 46% N  
 2. CAN CIF Germany, weekly average, 27% N





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