



Market Update

March 24th, 2021

The Fertilizer market has taken a radical shift over the past few months. The volatility of the Raw material market has been exposed due to many contributing factors.

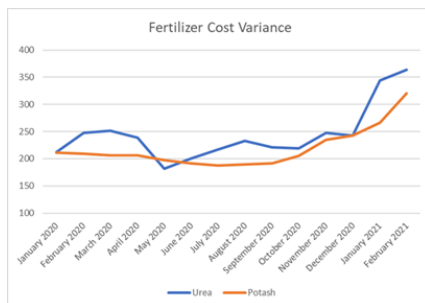
Urea, Phosphorus, and Potash have been on a steady increase in price per ton since October of 2020. January 2021 saw an unprojected spike due to Covid delays and colder temperatures around the world. This spike has been consistently increasing over the past 2 months, and we do not expect relief until late May or Early June.

Because of these delays, the Supply/Demand level has dramatically shifted, causing shortages and increased costs of materials. Transportation costs have also risen due to fuel prices and a shortage of trucks. The world wide shortages on Raw materials will not only affect pricing, but also production time.

Aside from raw material shortages, the Controlled Release Nitrogen Technologies have also been affected. The cold weather and ice storms that hit Texas last month have delayed the production of an important resin used in Polymer Coated Urea around the globe. This shortage is making the availability of PCU & PCSCU products delayed. The Stabilizers used in production of Stabilized Nitrogen products such as UMAXX, UFLEXX, & Defend, have also been delayed in transportation to the US. We expect to see the CRN shortages affect our production mid to late April.

In conclusion:

All Raw materials, Technologies, and Transportation have increased nationwide within the past 2-3 months and we do not expect to see relief until middle to late 2Q. Finished goods pricing has increased and will continue to increase daily until we find relief. Price changes will be made accordingly and delivered to distribution accordingly. Production times have increased due to delays of raw materials.



***Green Markets, end of month, FOB NOLA

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