

Latin America Fertilizer Demand

GPCA

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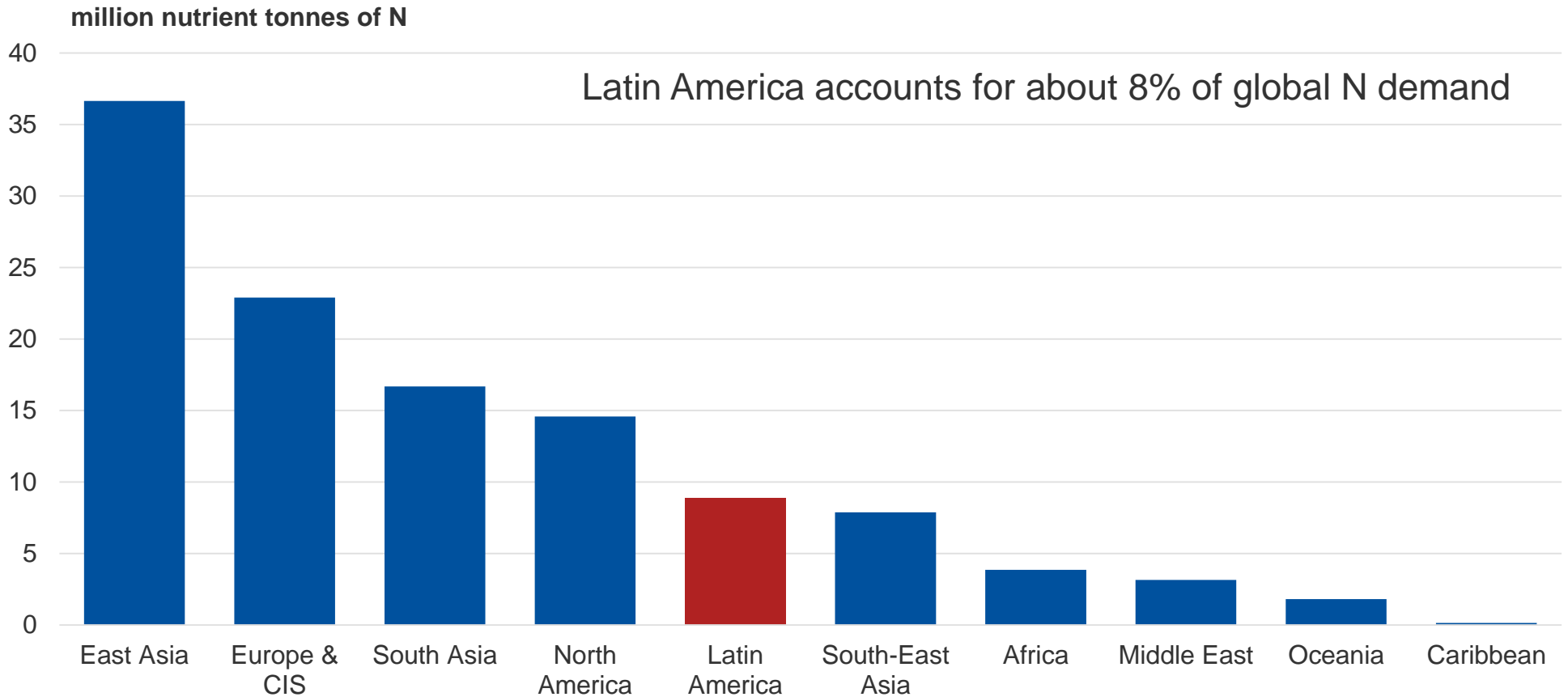
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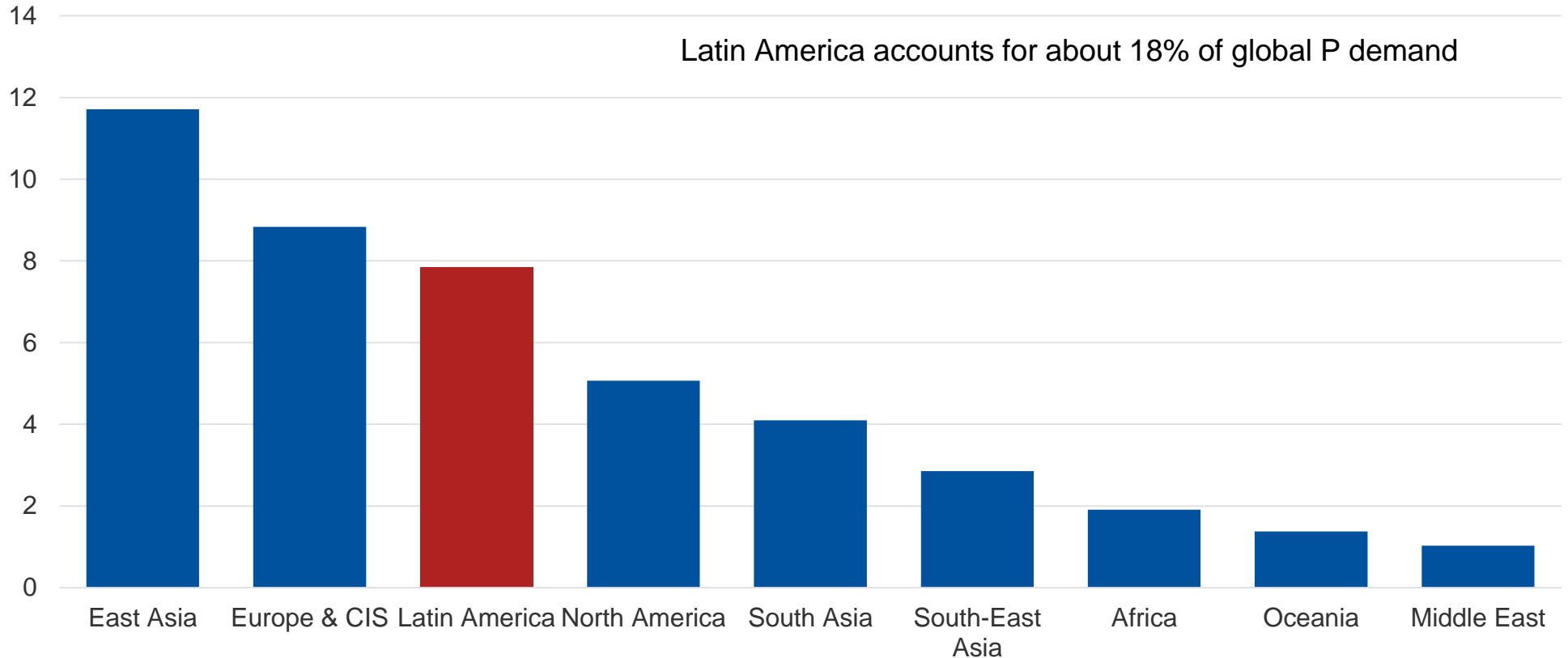
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Global nitrogen demand

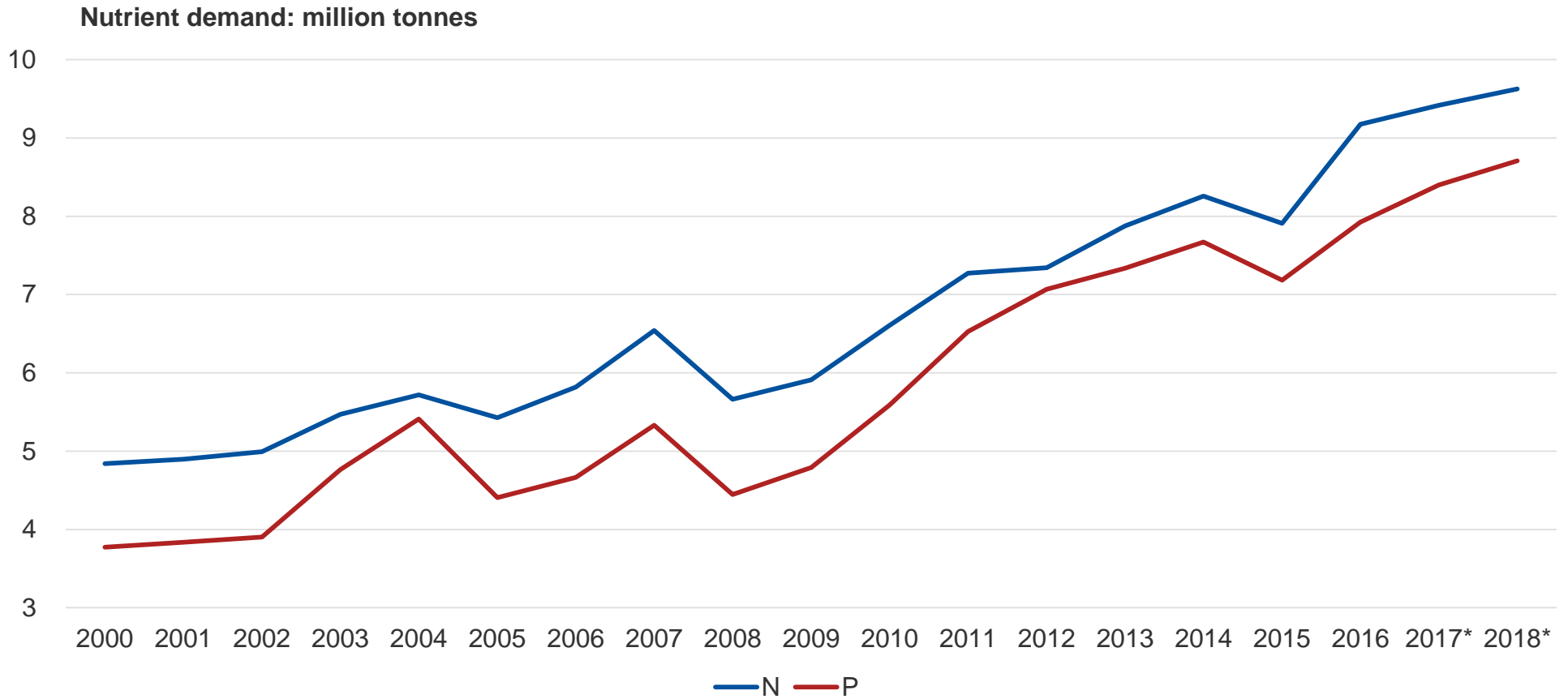


Global phosphate demand

million nutrient tonnes of P

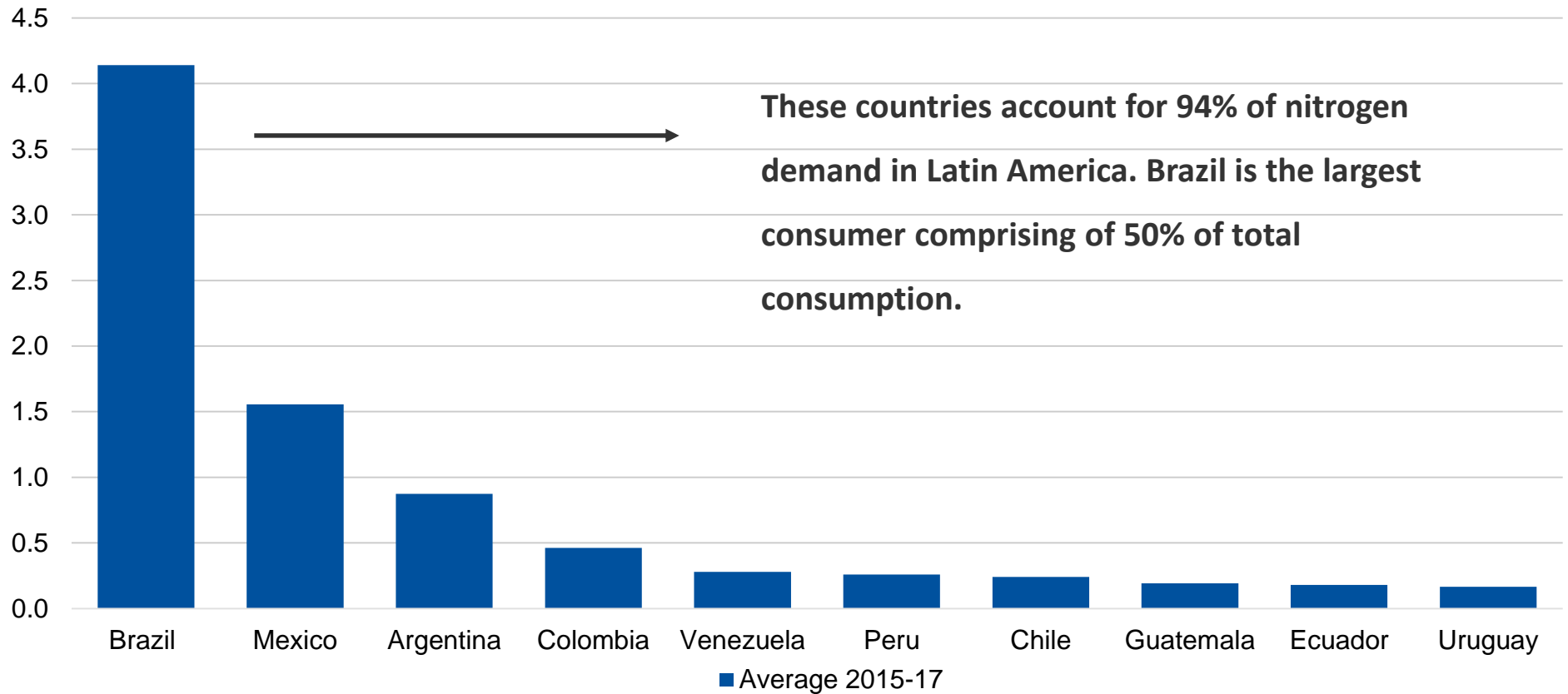


Latin American fertilizer demand

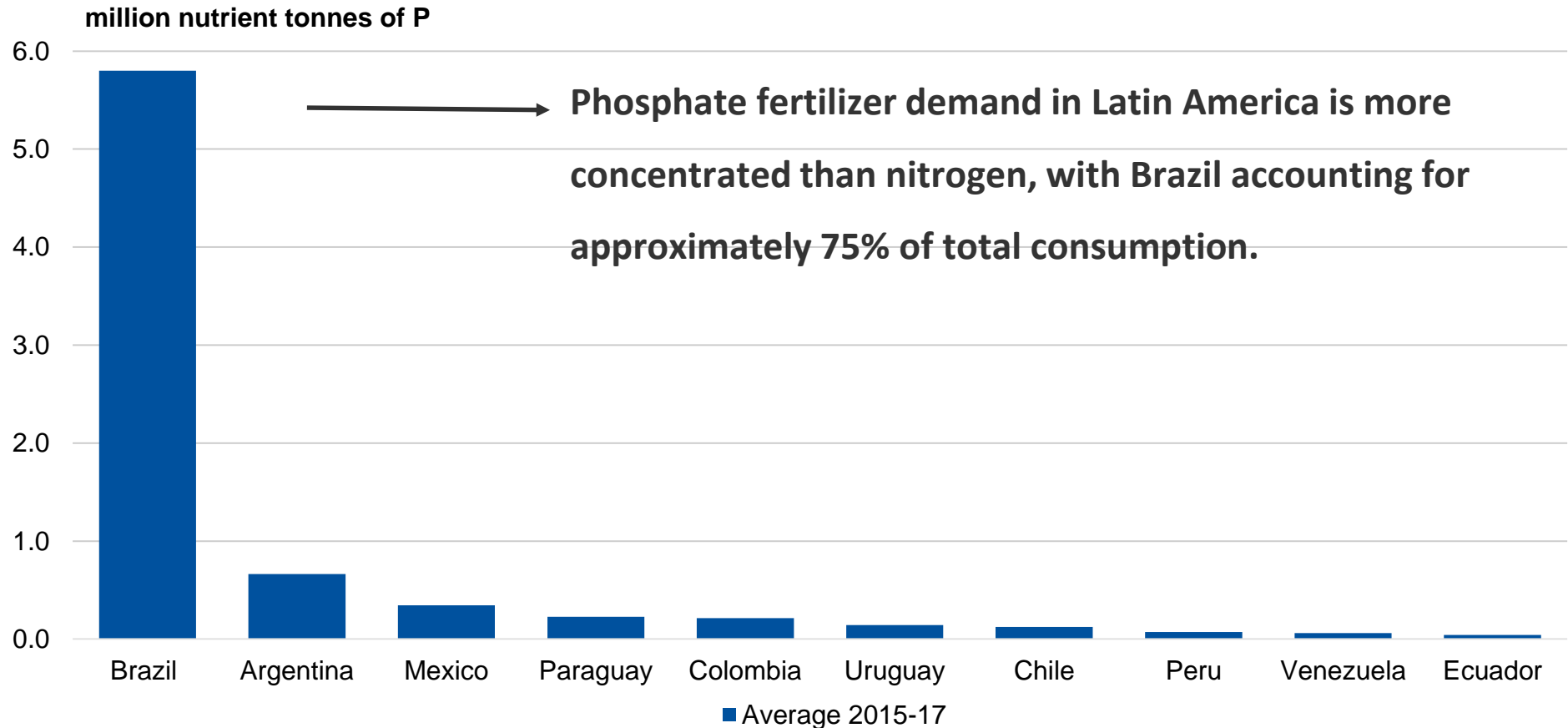


Key consumers of nitrogen in Latin America

million nutrient tonnes of N



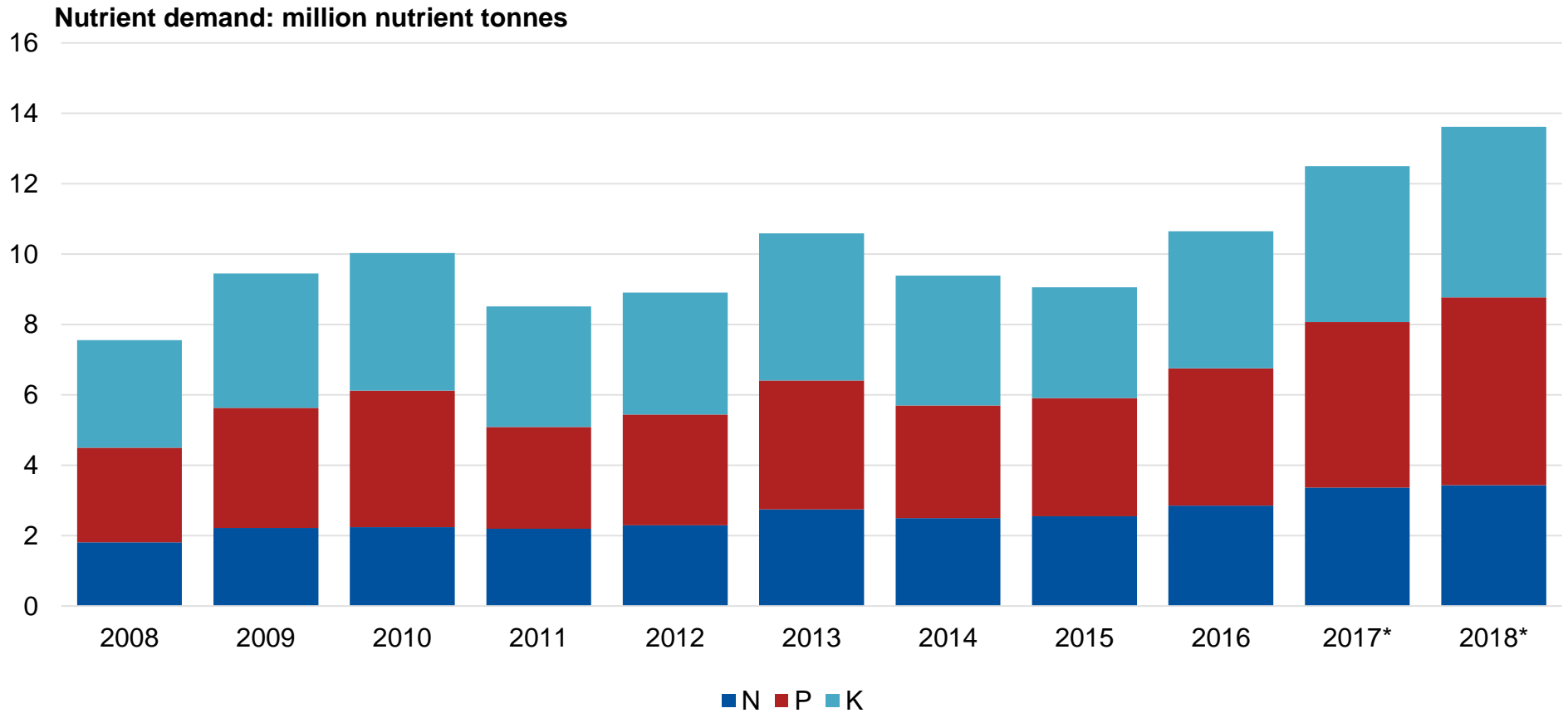
Key consumers of phosphates in Latin America



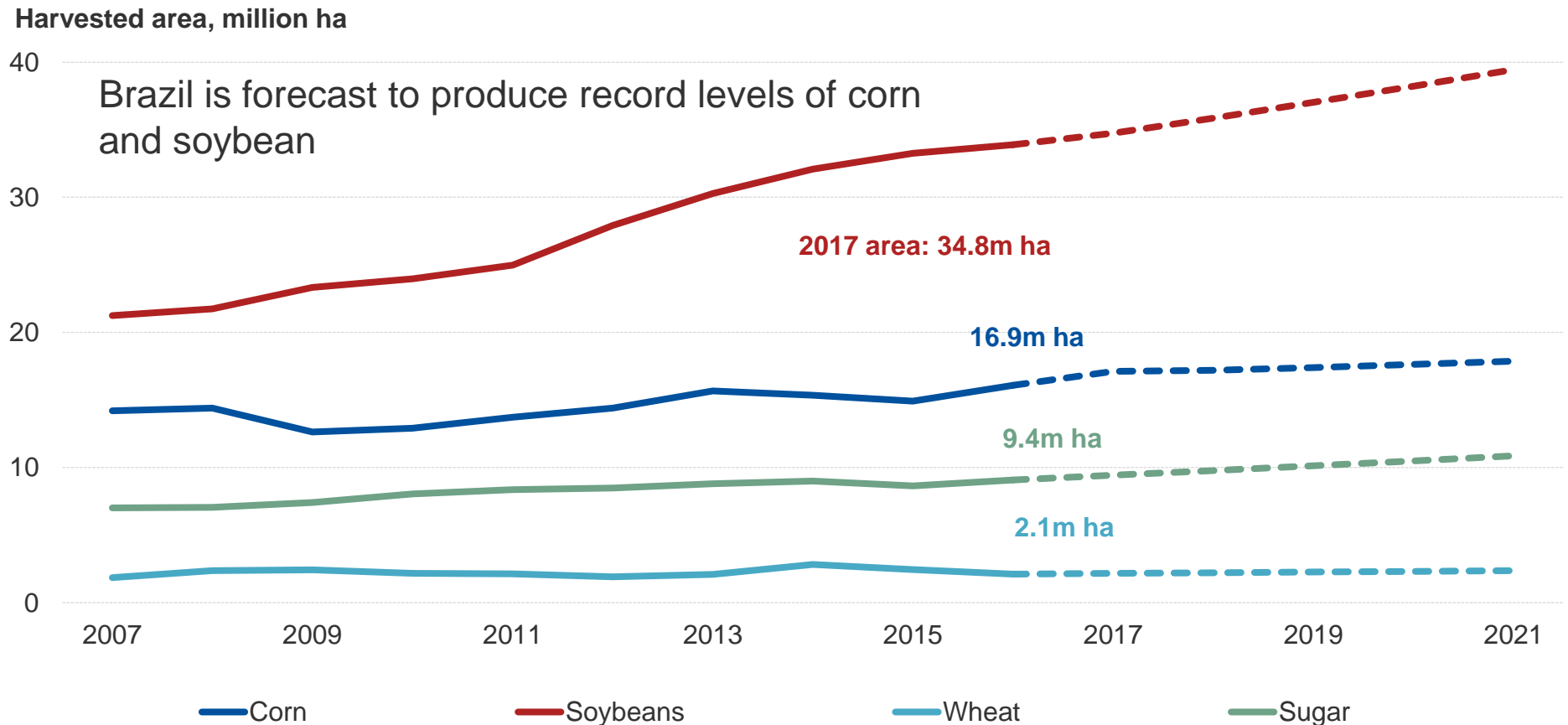
Brazil is an agricultural powerhouse

- Availability of arable land, regular rainfall and suitable climatic conditions.
- World's largest producer of sugar, the second biggest producer of soybeans.
- Total fertilizer demand (N, P and K) has grown at approximately 7.1% per annum between 2008-2017.
- A majority of the expansion has occurred in the Cerrado, a vast tropical savannah region in centre-west Brazil covering states such as Goias, Mato Grosso and Mato Grosso do Sul.
- Crop expansion has been driven by the conversion of pasture lands in the Cerrado from livestock to soybeans and corn.
- **Brazilian fertilizer demand is mainly met through imports**

Brazil fertilizer demand dynamics

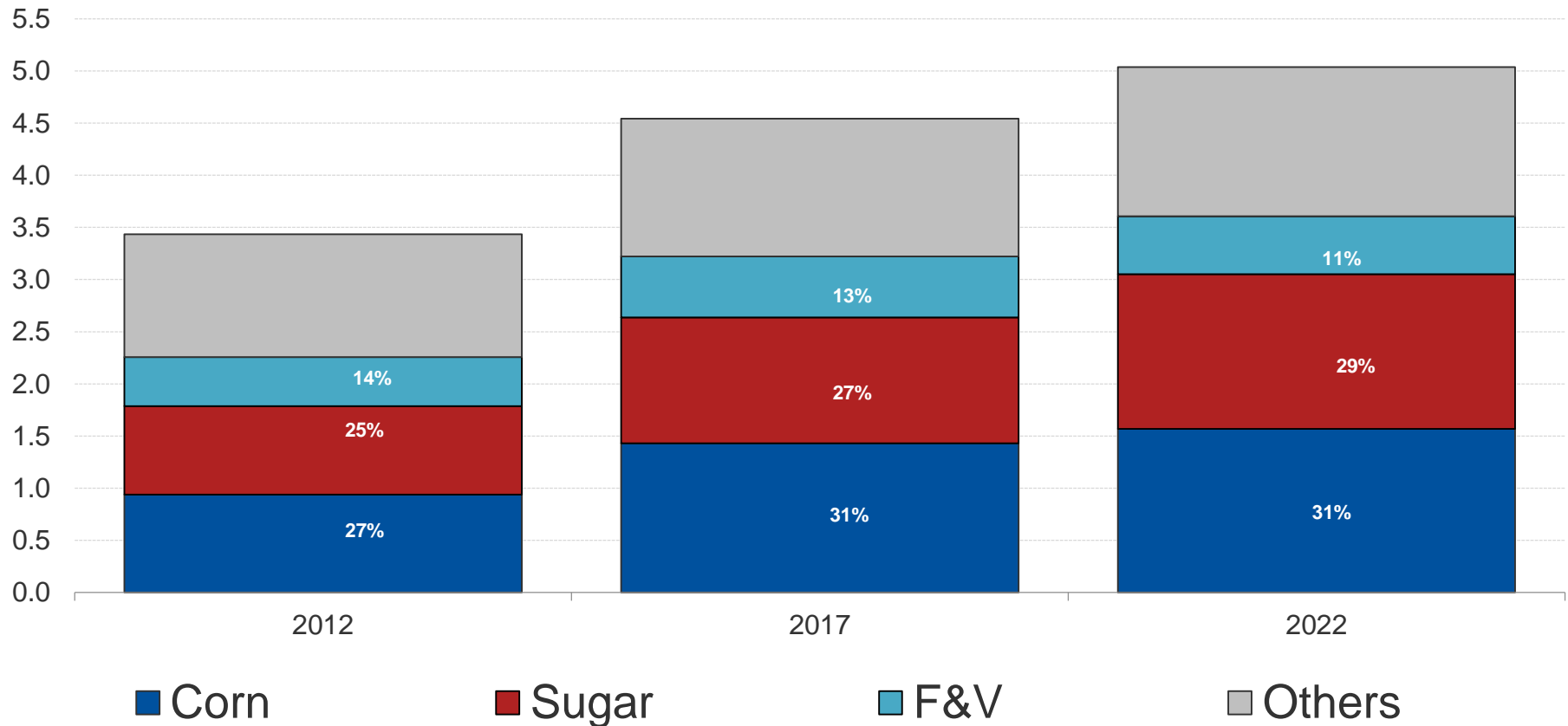


Brazil major crop area forecast

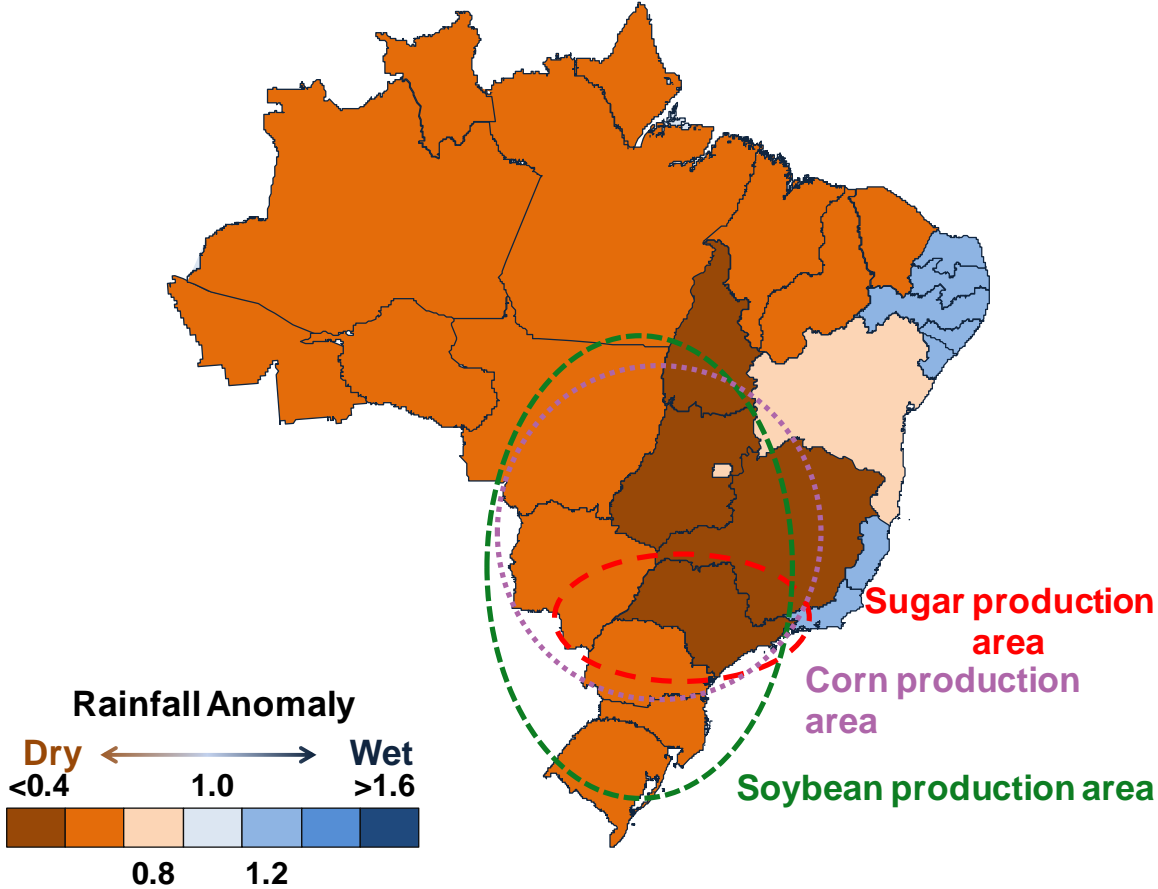


Brazil's nitrogen demand by crop

N consumption, million tonnes



Currently, Brazil is slightly dry which may delay soybean plantings

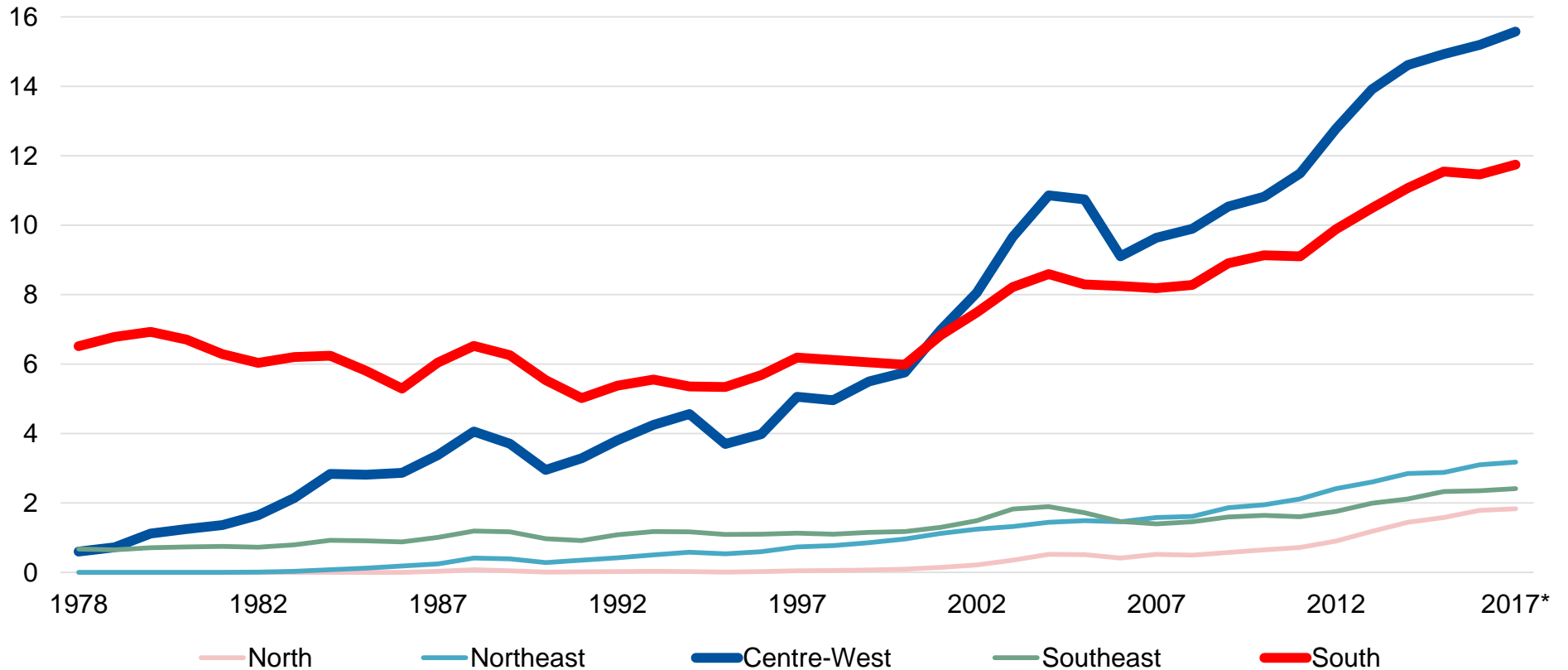


Brazil's Cerrado region is large scale agriculture

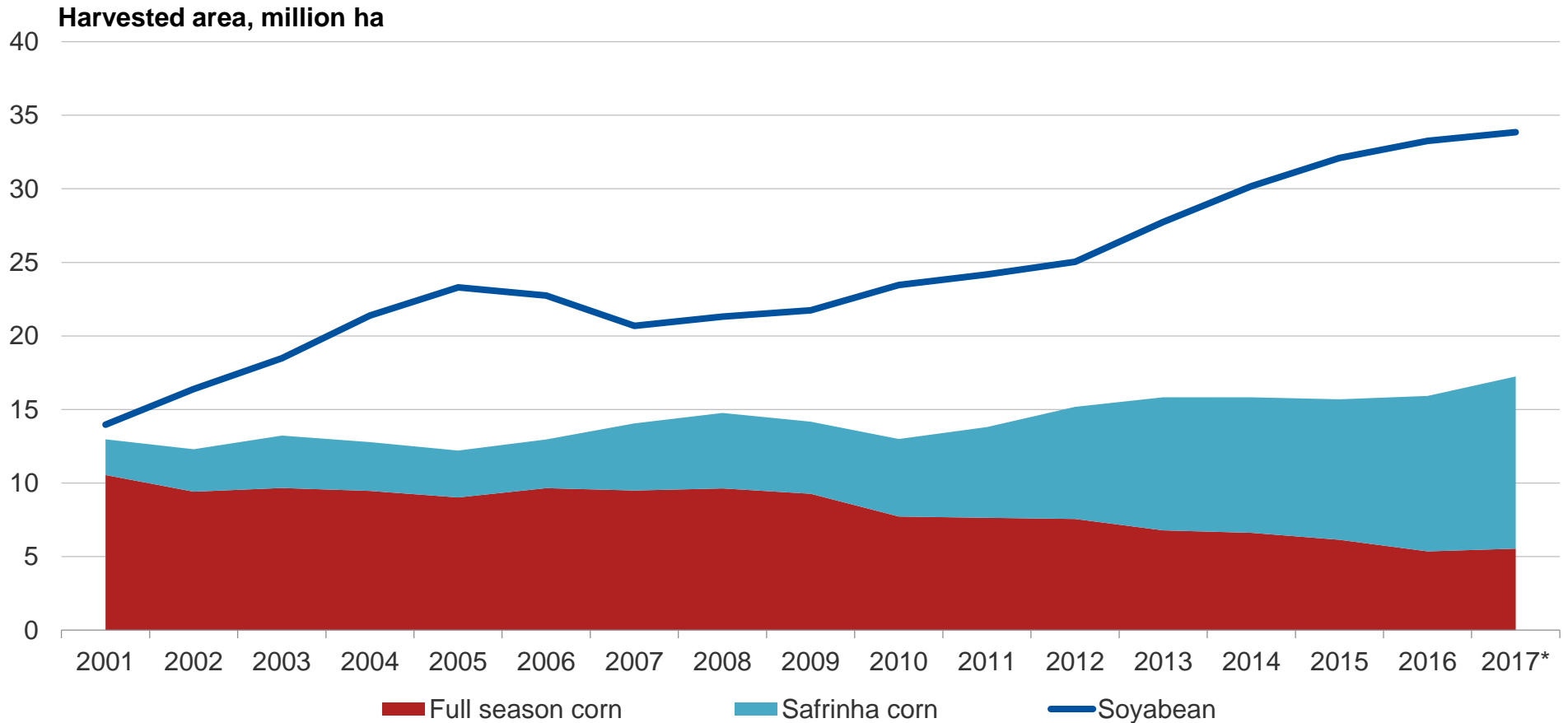


Brazil soybean area by region

Harvested area, million ha

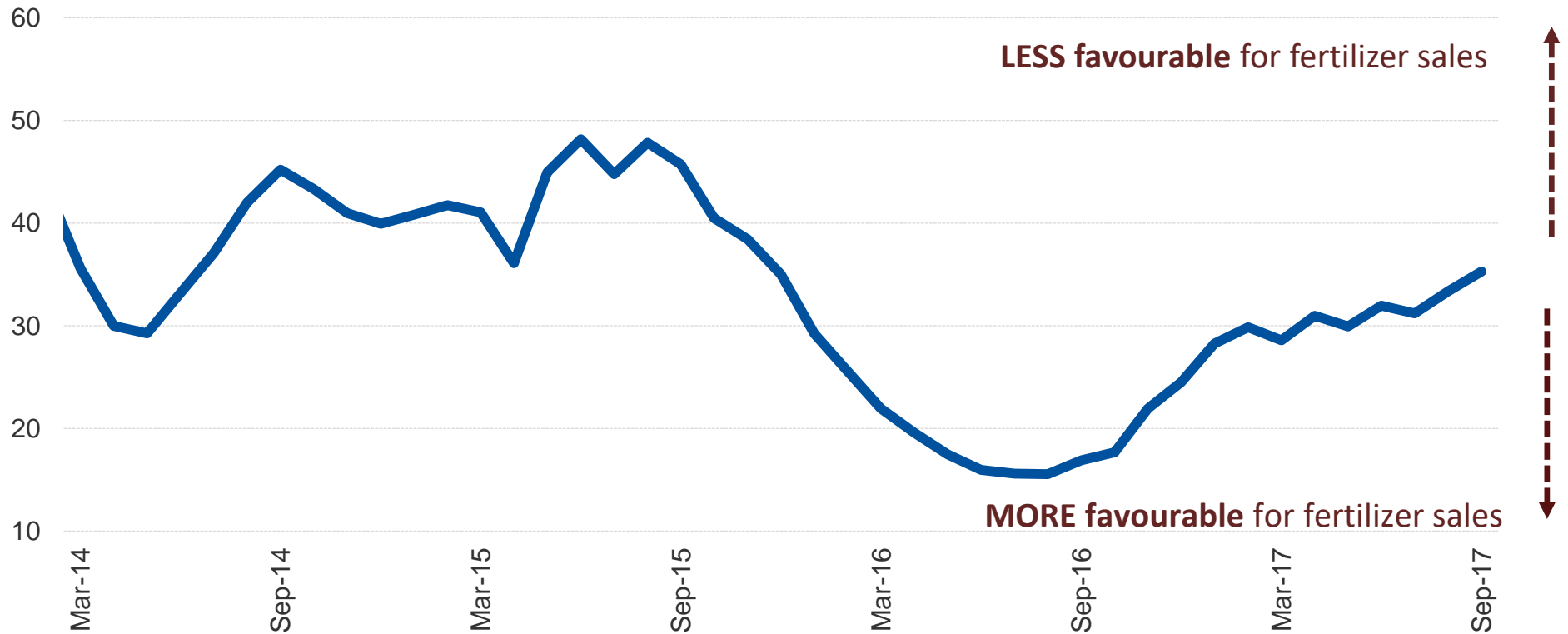


Brazil soybean and corn area dynamics



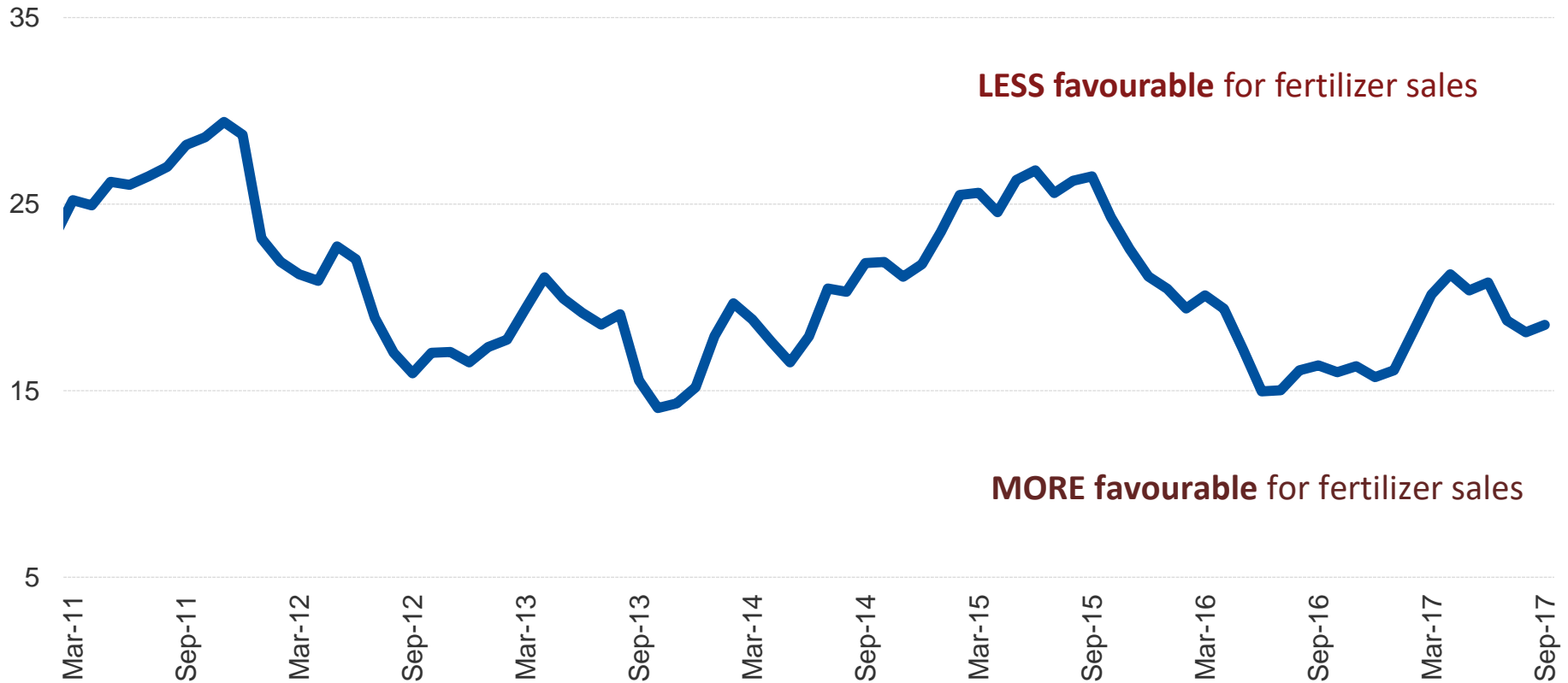
Urea Barter Ratio

Number 60kg corn bags/1 tonne urea



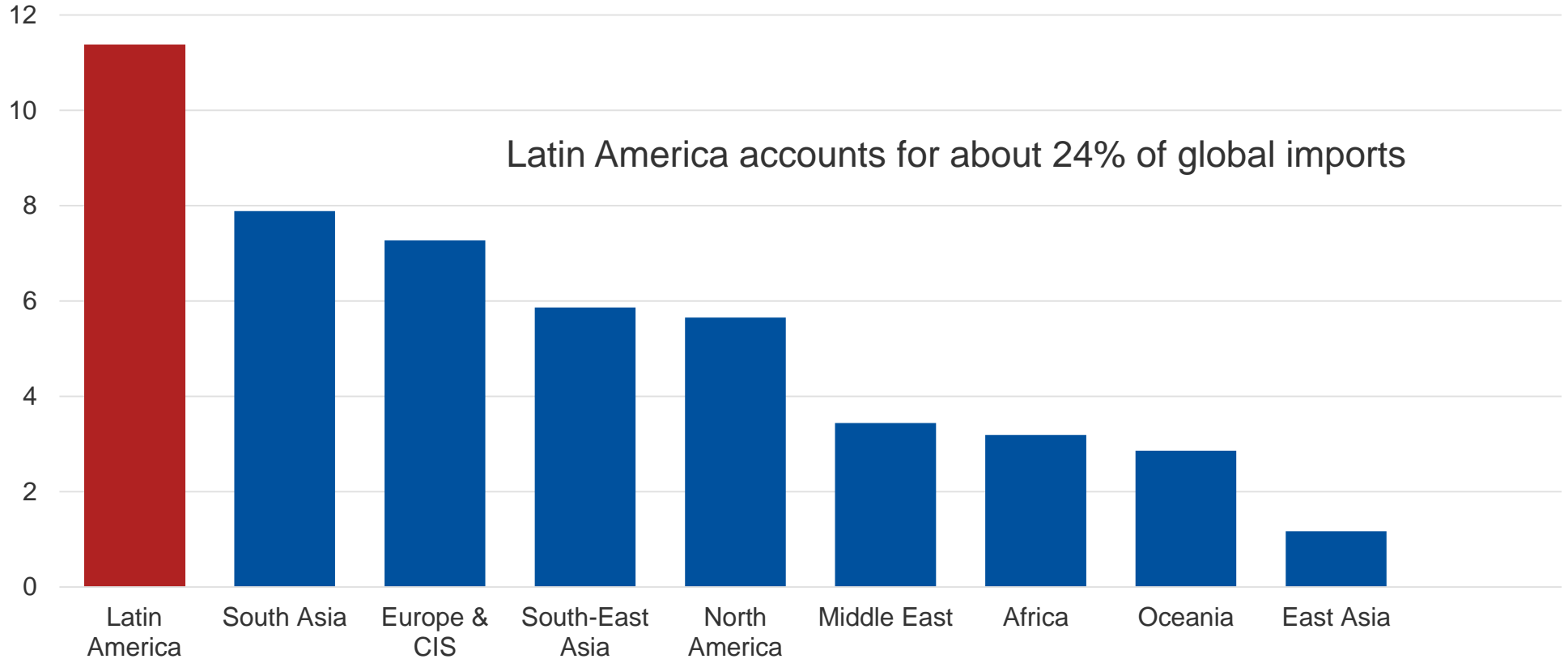
MAP Barter Ratio

Number 60kg soybean bags/1 tonne MAP



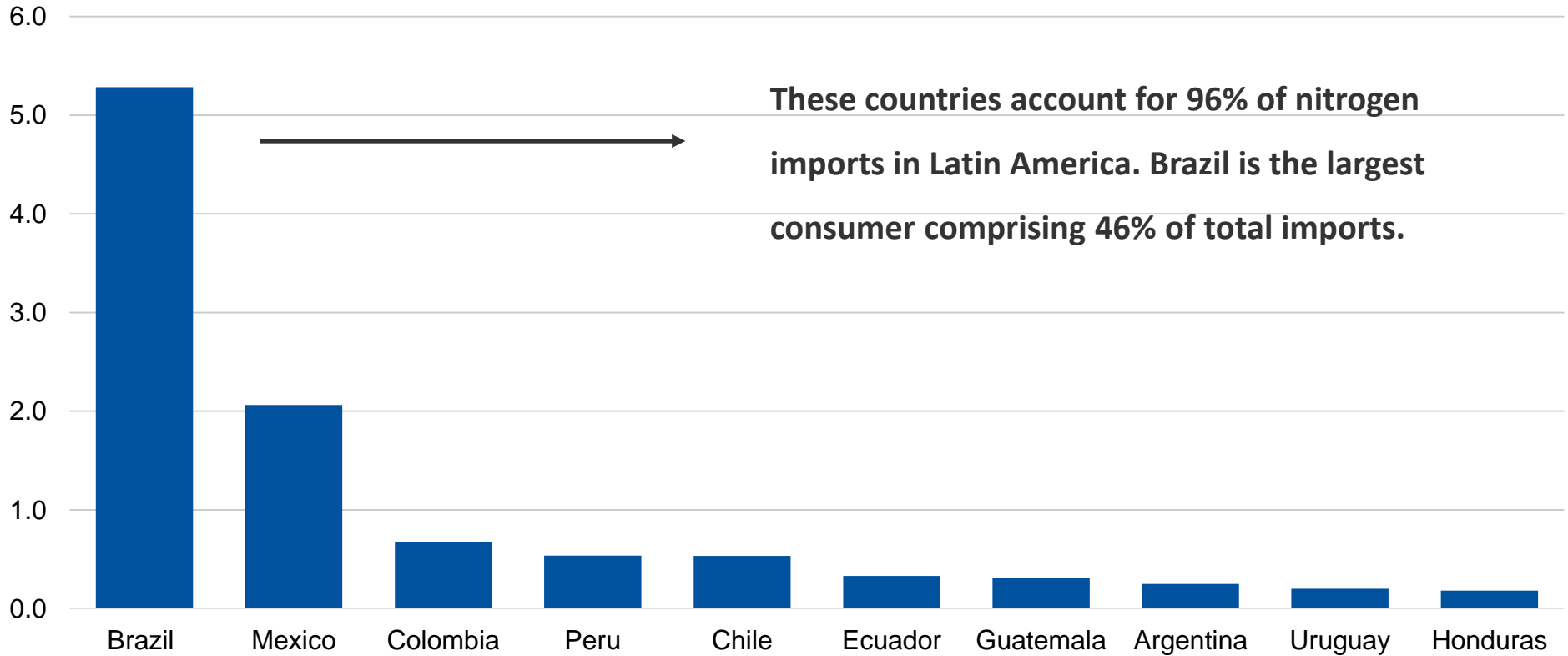
Global Urea Imports

million tonnes



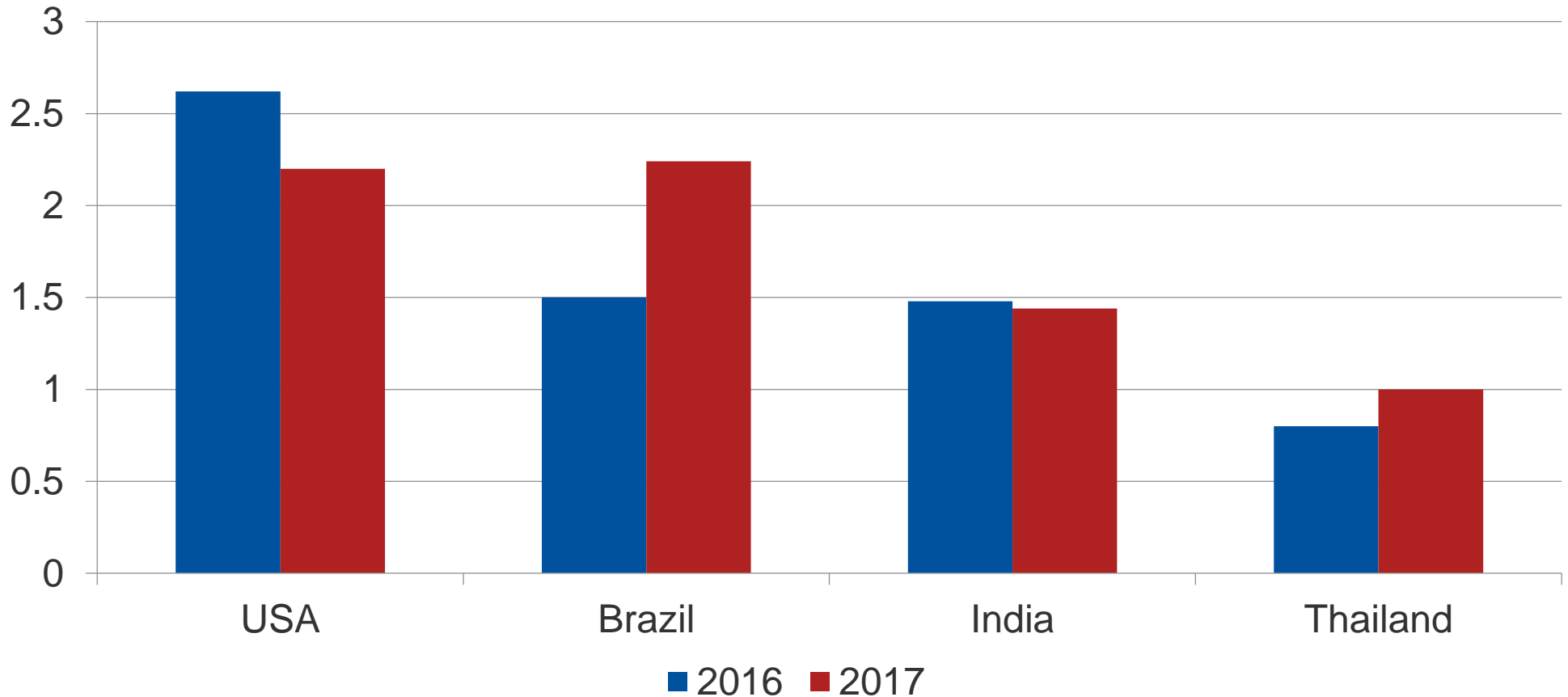
Key importers of urea in Latin America

million tonnes



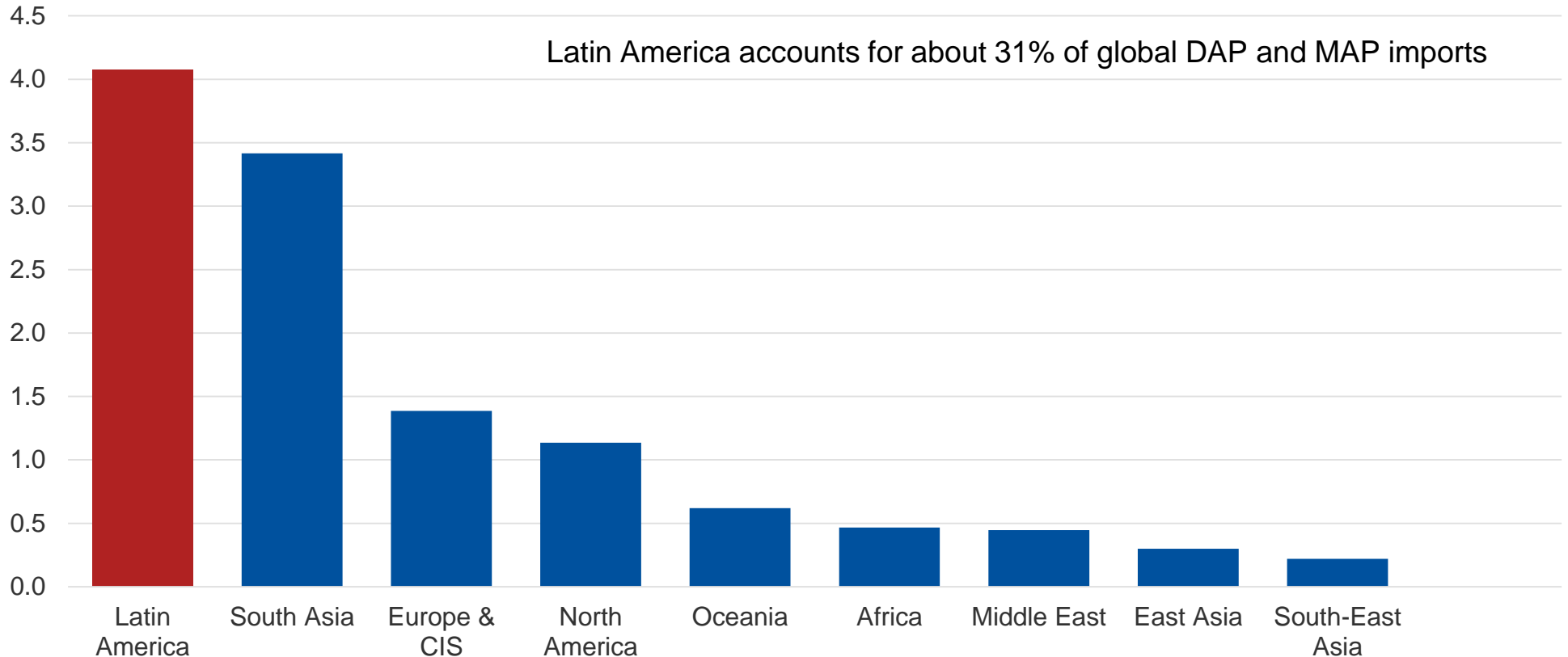
These countries account for 96% of nitrogen imports in Latin America. Brazil is the largest consumer comprising 46% of total imports.

Middle East Urea exports year-to-date, Brazil largest destination in 2017

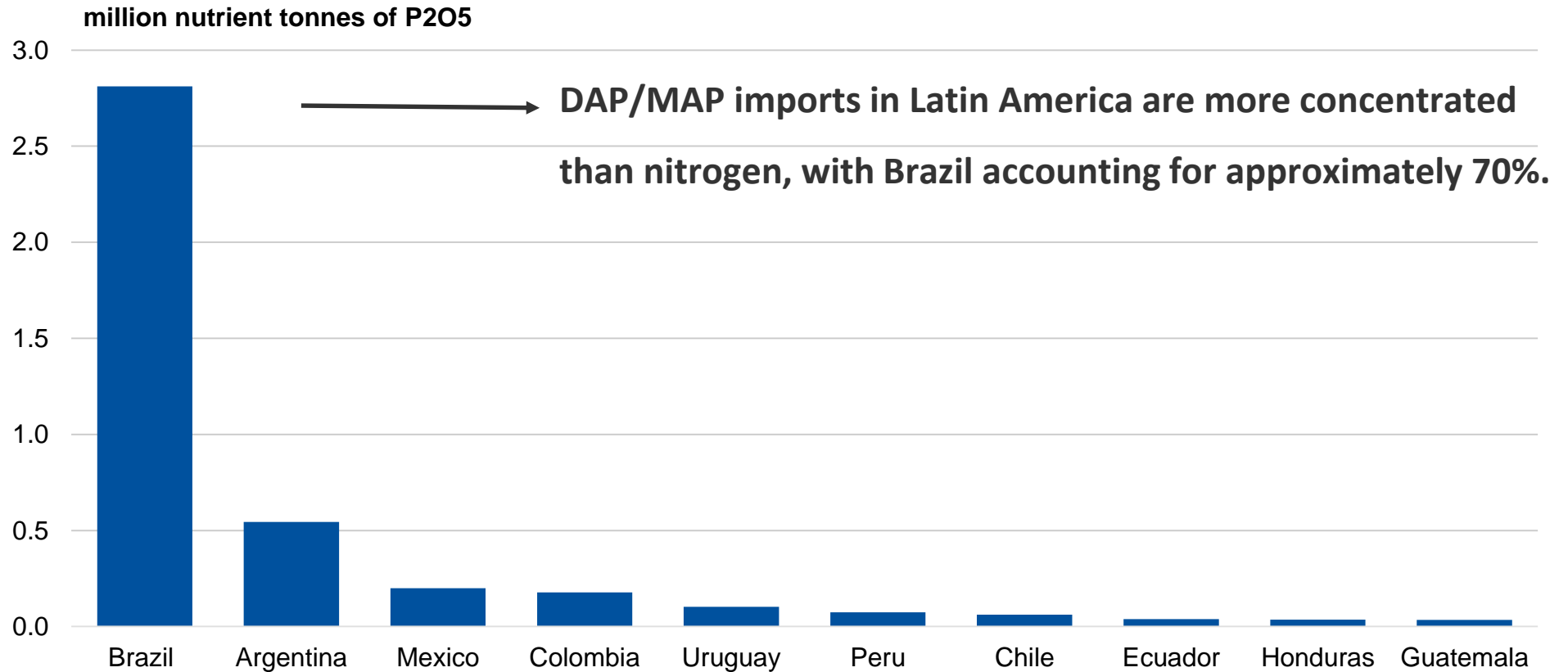


Global DAP and MAP imports

million nutrient tonnes of P2O5



Key importers of phosphates in Latin America



Conclusions

- Latin America accounts for 8% of global nitrogen demand and 18% of phosphates demand.
- Brazil, Argentina, Mexico, Colombia are the largest consumers in the region; Brazil alone accounts for 50% of the region's nitrogen demand and 75% of phosphates.
- Brazil is a large market with high growth rates as soybeans and corn plantings continue to increase.
- Most of this region's demand is met by imports and Latin America accounts for 24% of global nitrogen imports and 31% of phosphates imports.
- The Middle East has shifted some urea exports from the US to Brazil over the last year.

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