

# NITROGEN MARKET UPDATE



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# AGENDA

01 THE FERTILIZER MARKET

02 LONG-TERM OUTLOOK

03 UREA

04 AMMONIA

05 KEY TAKEAWAYS

# SOURCES



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**STAMICARBON**  
15<sup>TH</sup> SYMPOSIUM 2026

*Data on supply, demand, capacity and pricing are obtained from*

*Fertecon Urea Outlook January 2026 by S&P Global*

*Low-Carbon Ammonia monthly by S&P Global*

*Argus Urea Analytics March 2026*

*Argus Ammonia Analytics March 2026*

*and have been interpreted by Stamicarbon*

01



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# THE FERTILIZER MARKET

# THE FERTILIZER MARKET IS IN UNCERTAINTY



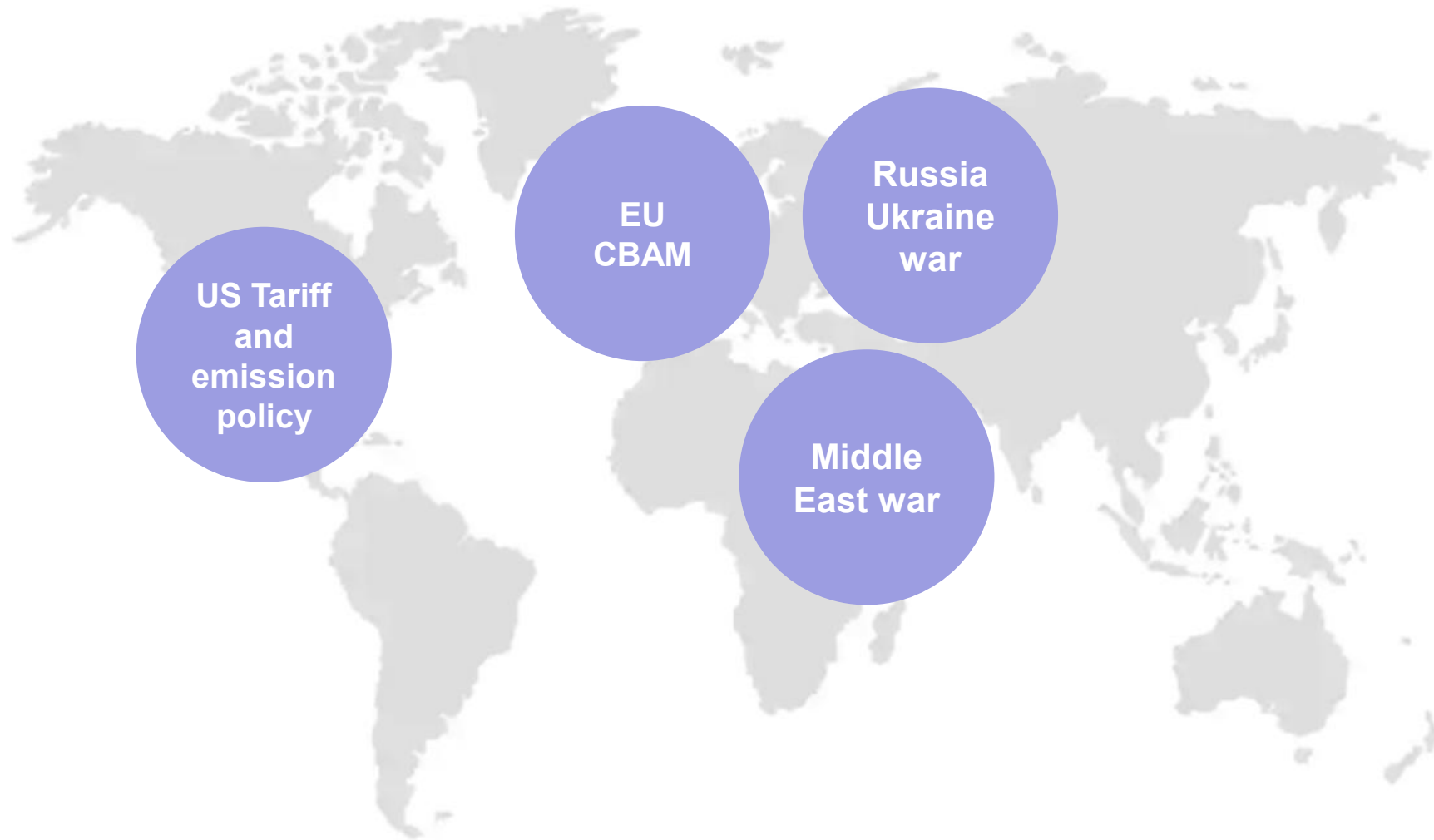
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Inflation  
Emission reduction  
China export      Tariff threats  
Carbon costs      Independence  
Middle East      Economic growth  
Russia-Ukraine  
Food security  
Cost of green  
Drill baby drill  
Sanctions  
CBAM  
  
ETS  
IRA

# FERTILIZERS ARE IMPACTED BY MANY EVENTS



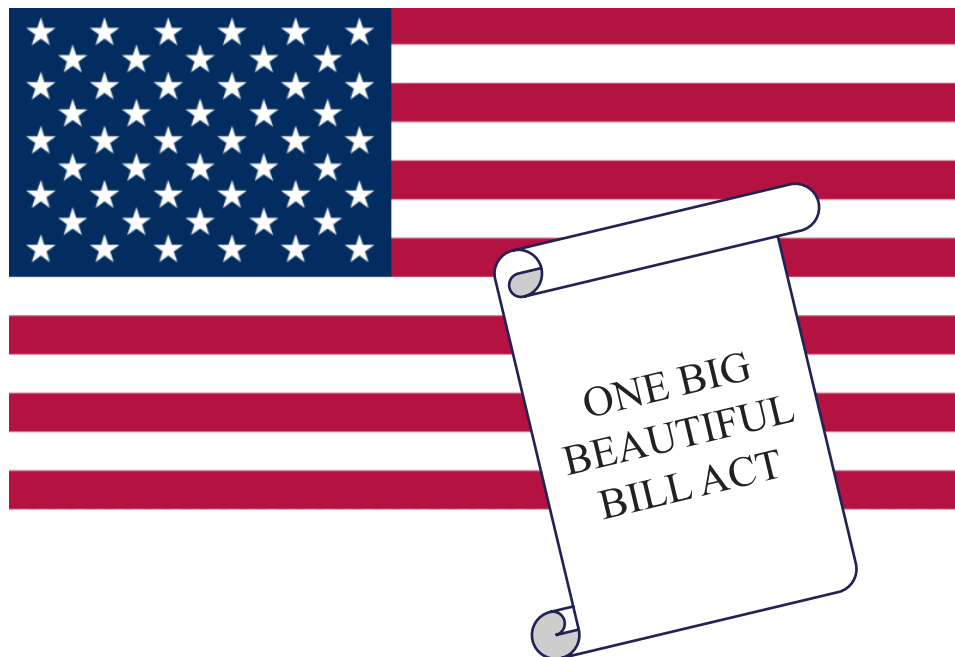
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# US EMBRACE FOSSIL FUELS BUT ROOM FOR BLUE



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- Re-focus on fossil fuels - leaving Paris agreement
- Changes to Inflation Reduction Act reduce credits for green, while keeping incentives for blue
- Fertilizer import tariffs announced, changed, abandoned



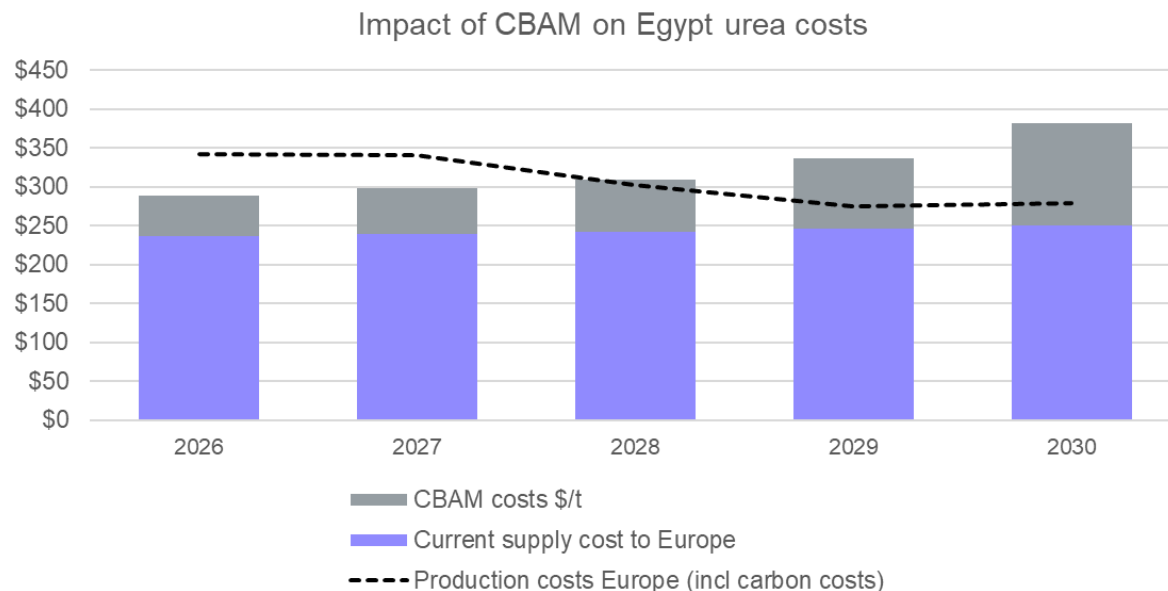
*Price increases and insecurity*

*US blue NH<sub>3</sub> projects favoured over green*

# EMISSIONS ARE COSTLY WITH CBAM IN FORCE



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- Financial obligation started Jan 2026
- CBAM on top of high prices
- Discussion: renewable path (CBAM) versus affordability (CBAM relaxation??)



*Incentive for low-carbon, producers are reacting  
But discussion adds uncertainty*

*Latest status: CBAM to remain strictly in place*

*EU production competitive to imports by 2028?  
(depending on gas costs)*

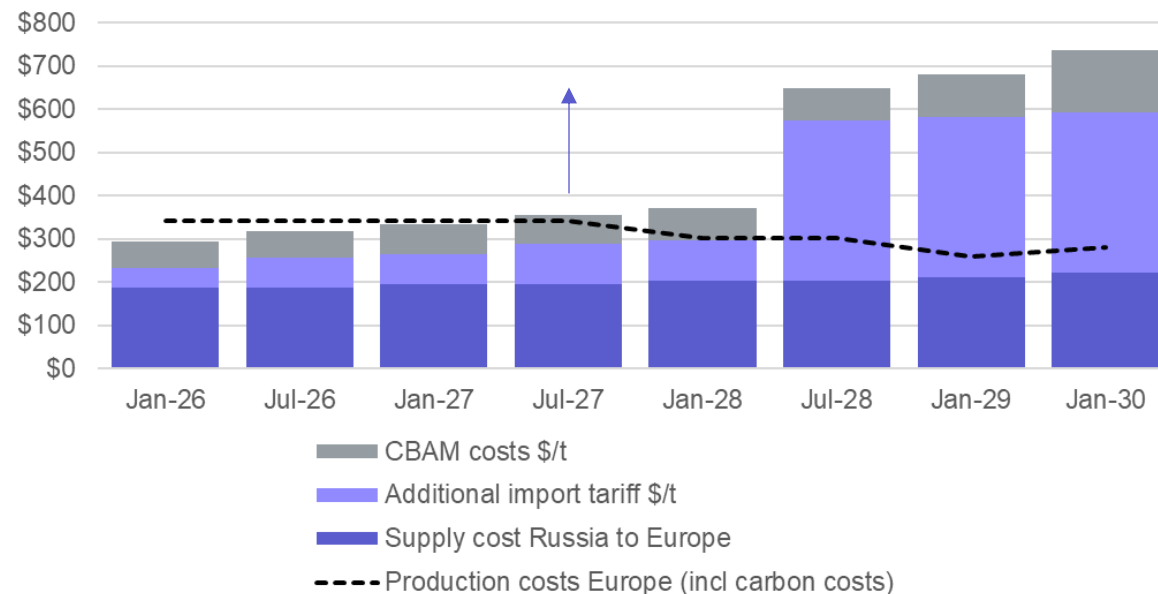


# RUSSIAN FERTILIZER NOT WELCOME IN EUROPE



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Impact of EU tariff on Russian urea costs



Max import all fert. from Russia

Date	Max import (mln t)
Jul-26	1.8
Jul-27	0.9

- EU/UK tariffs to end Russian fertilizer flow to EU
- Russian fertilizer export lower due attacked plants



*Russia finds new outlets like India, Latin America, Southeast Asia*

*EU to import from other regions*

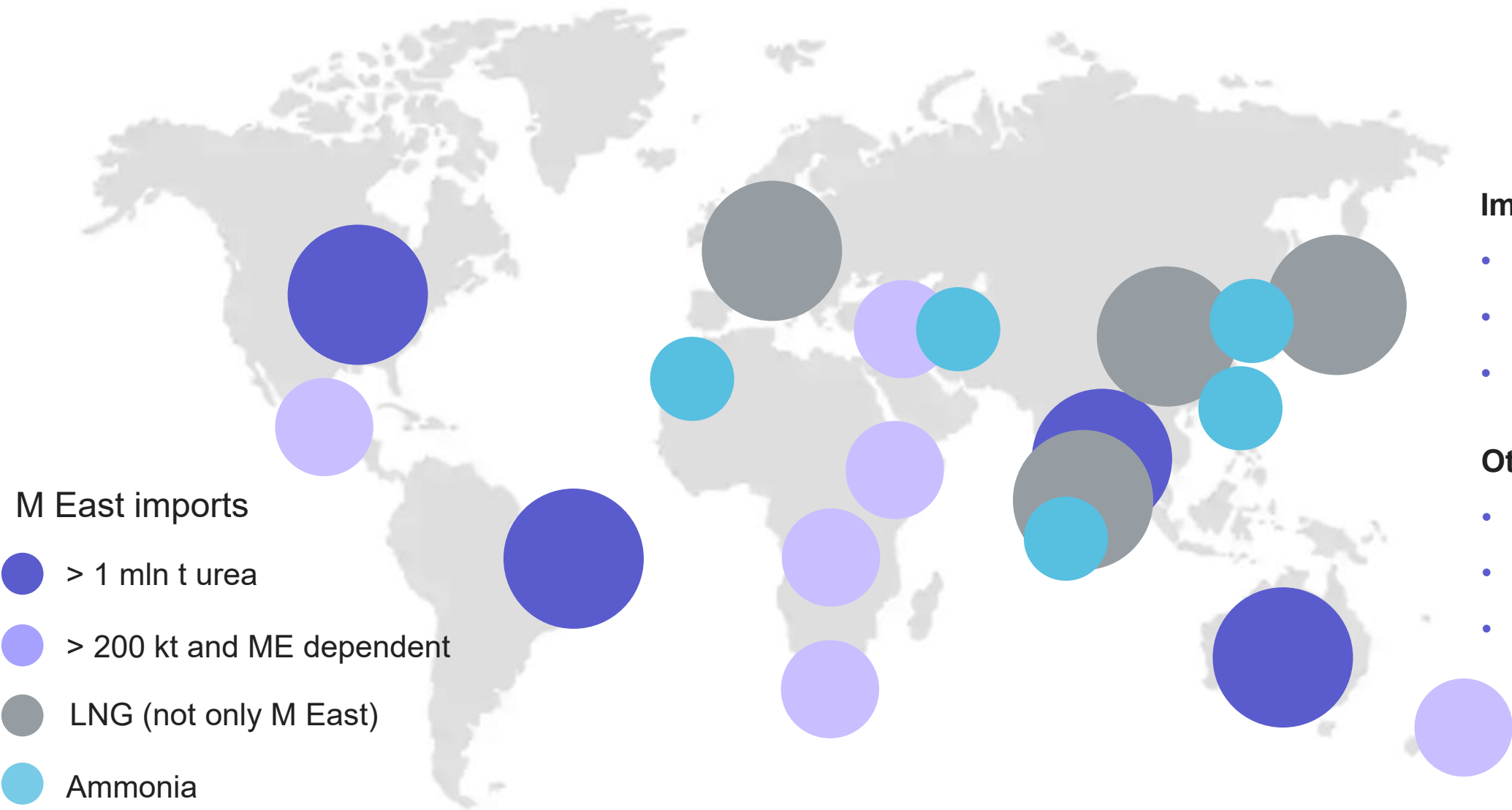
*EU urea/nitrates production could become more competitive, but....depending on gas costs!*

Regulations do not include ammonia

# MIDDLE EAST WAR DISRUPTS GLOBAL MARKETS



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- M East imports
- > 1 mln t urea
  - > 200 kt and ME dependent
  - LNG (not only M East)
  - Ammonia

- Impact**
- Affordability down
  - Demand disruption
  - Food security
- Other effects**
- New trade routes
  - Local vs global
  - Call for renewables

02



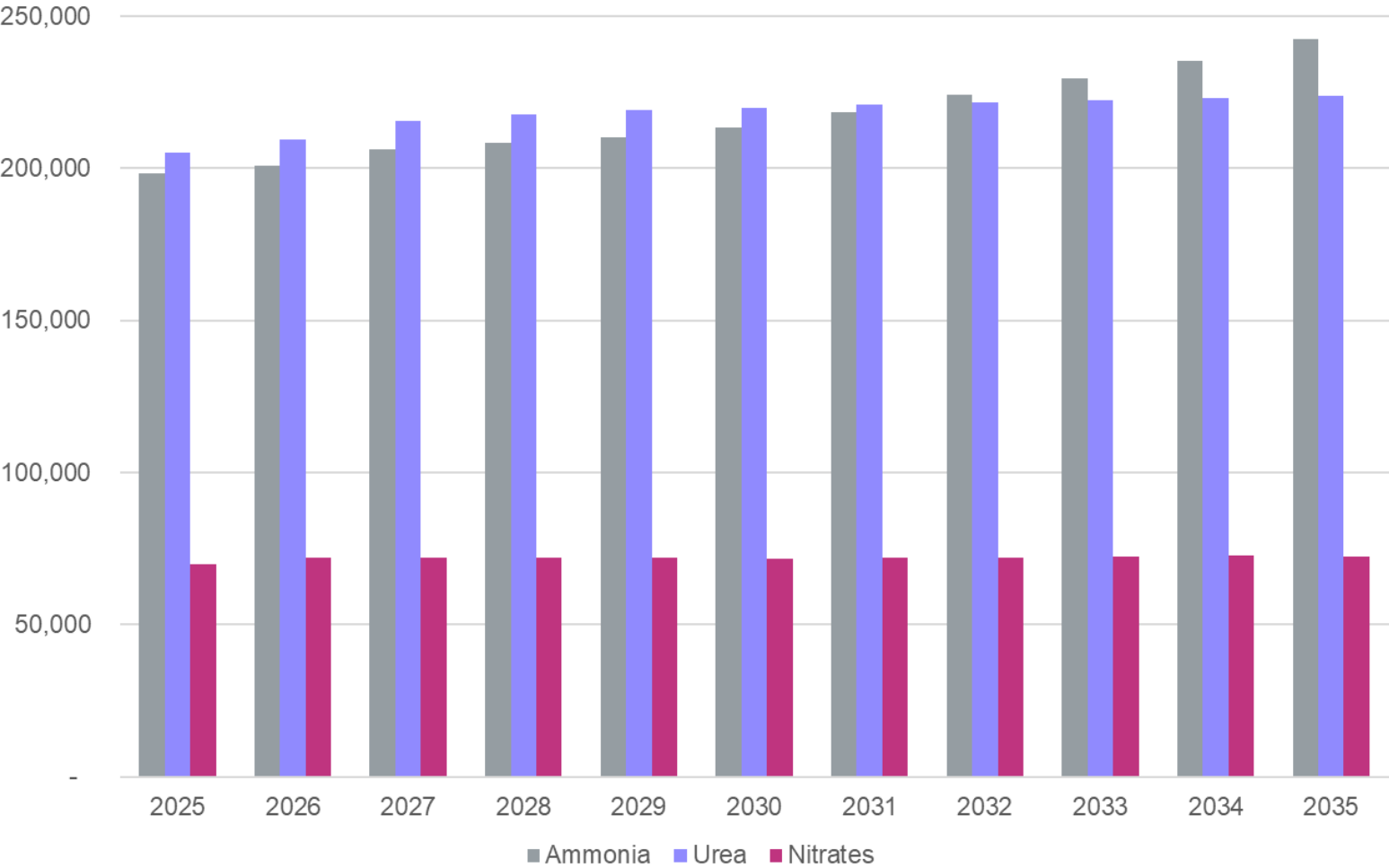
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# LONG-TERM OUTLOOK

# LONG TERM NITROGEN CONTINUES TO GROW



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Nitrates minor growth **2.5 mln t**  
(mostly explosive grade)

Urea growing by **19 mln t**

Ammonia growing by **44 mln t**

03



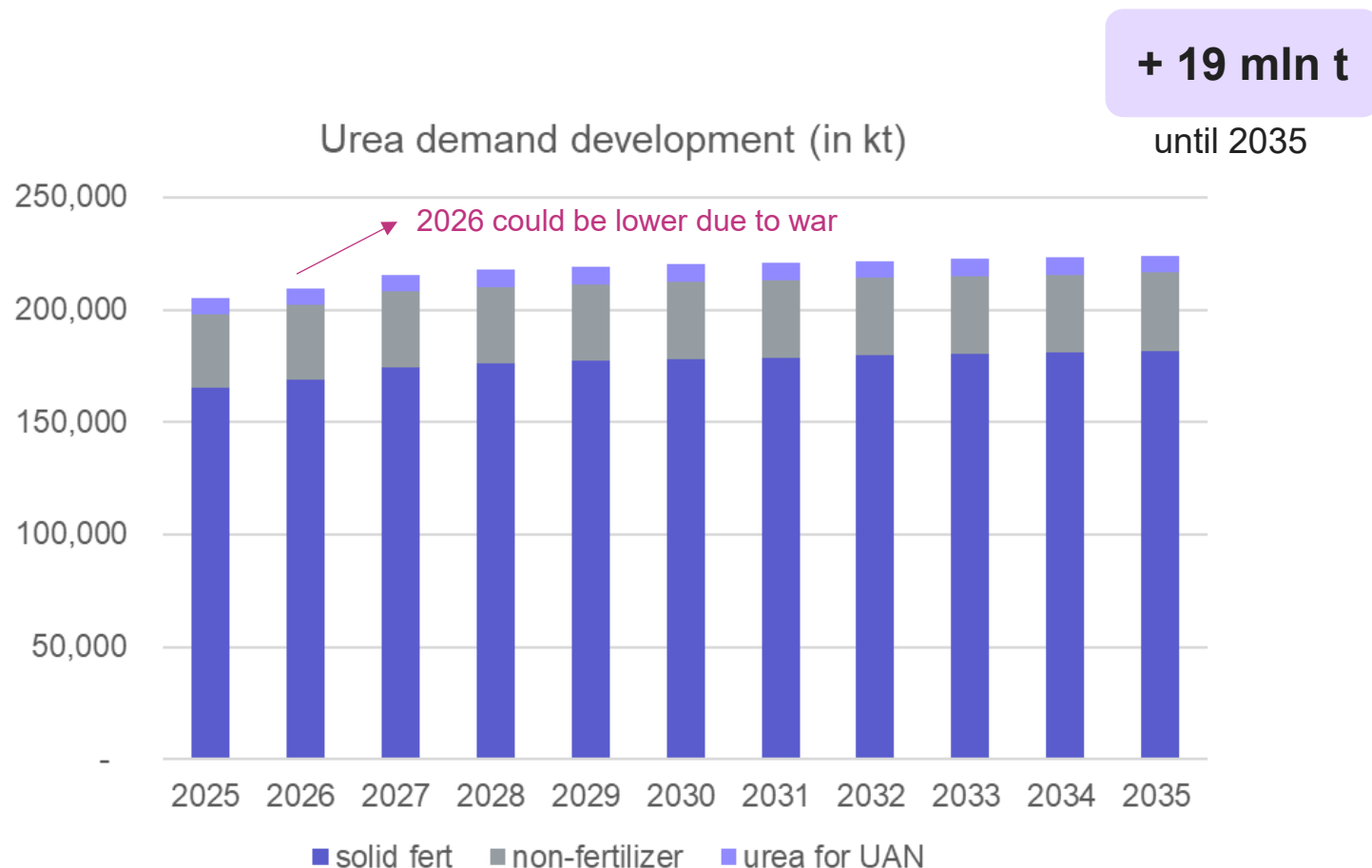
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# UREA

# UREA DEMAND CONTINUES TO GROW



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Urea for UAN **CAGR 0.1%**

Industrial use **CAGR 0.6%**  
India, China, North and Latin America

Fertilizer **CAGR 1%**  
Growth across the board but most in  
India, China, Latin America

**Demand growth + replacements**

➡ **4-5 plants annually (2750 mtpd)**

# UREA PRICES ARE GROWING TOO



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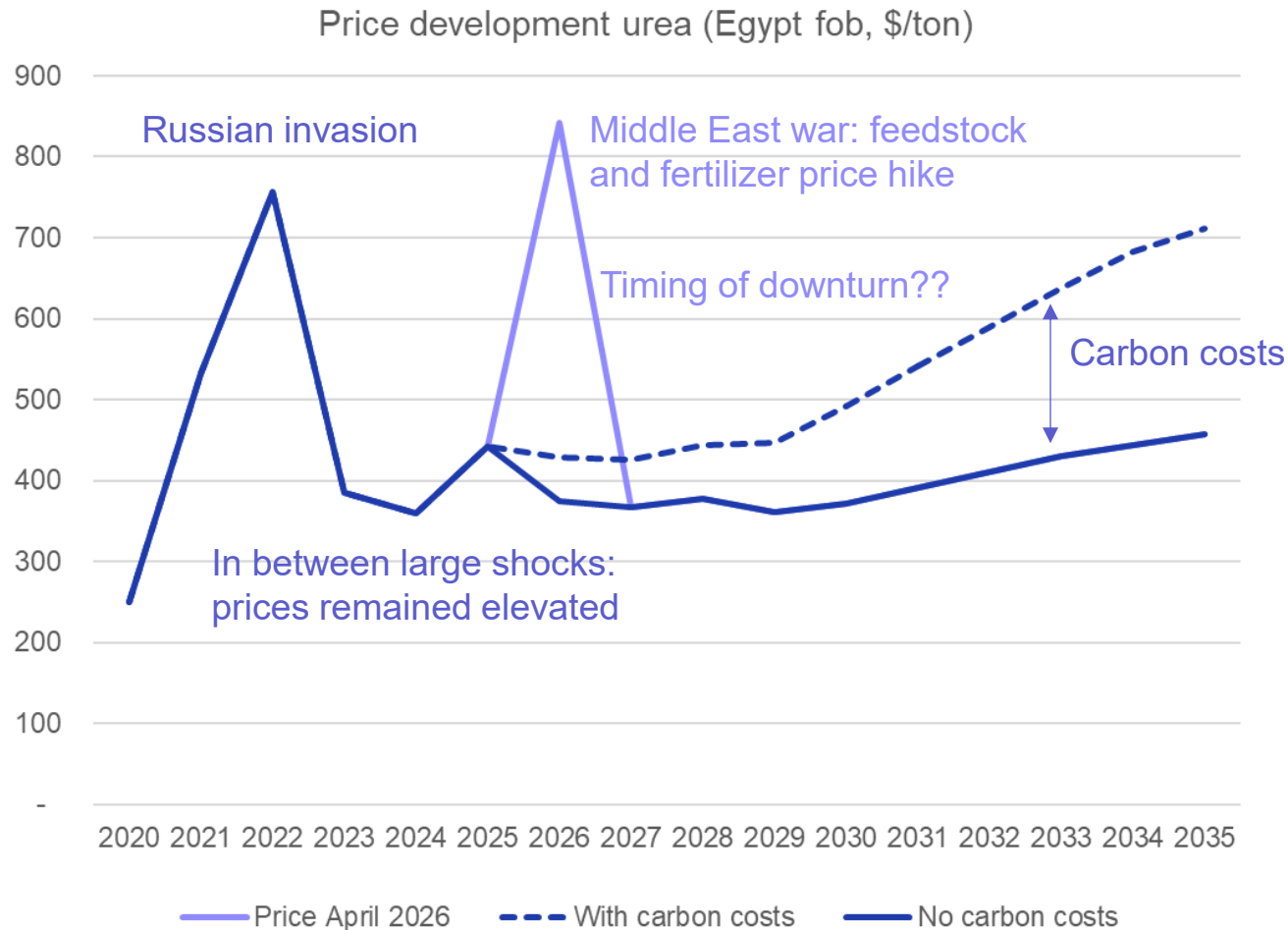


- Geopolitical shocks cause price hikes
- Prices never returned to 2021 levels
- This is due to uncertainty, elevated gas prices, little export by China
- Stabilization was expected 2026

# AND ARE LIKELY TO REMAIN HIGH



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- Geopolitical shocks cause price hikes
- Prices never returned to 2021 levels
- This is due to uncertainty, elevated gas prices, little export by China
- Stabilization was expected 2026
- But prices are back up again
- And will remain elevated for some time
- Longer disruption Strait of Hormuz = longer impact



04



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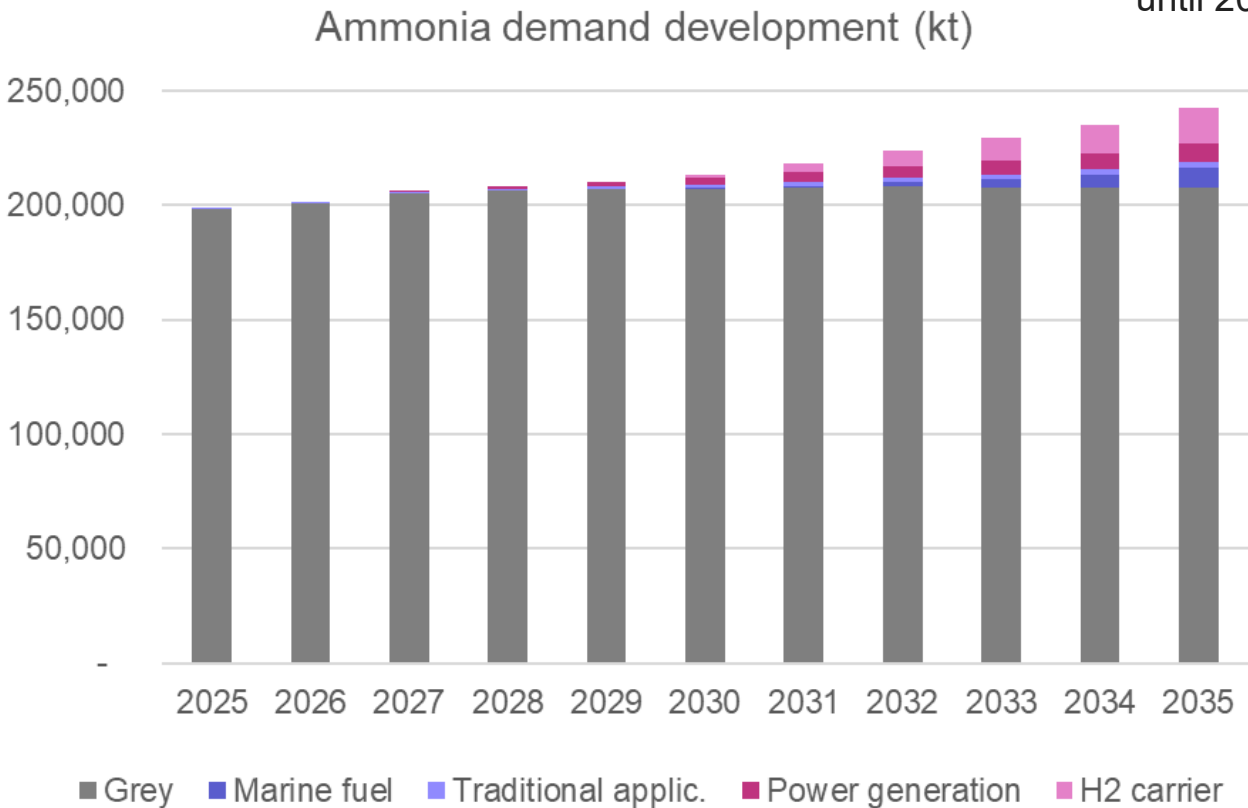
# AMMONIA

# AMMONIA IS GROWING IN ALL COLORS



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+ 44 mln t  
until 2035



+ 35 mln t low-carbon, mostly new applications  
(H2 carrier, power generation, marine fuel)

+ 9 mln t conventional (grey) ammonia

**Demand growth + replacements**

➡ **8-9 plants annually (2000 mtpd)**

04



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# THE PRODUCTION LANDSCAPE

# THE PRODUCTION LANDSCAPE WILL CHANGE



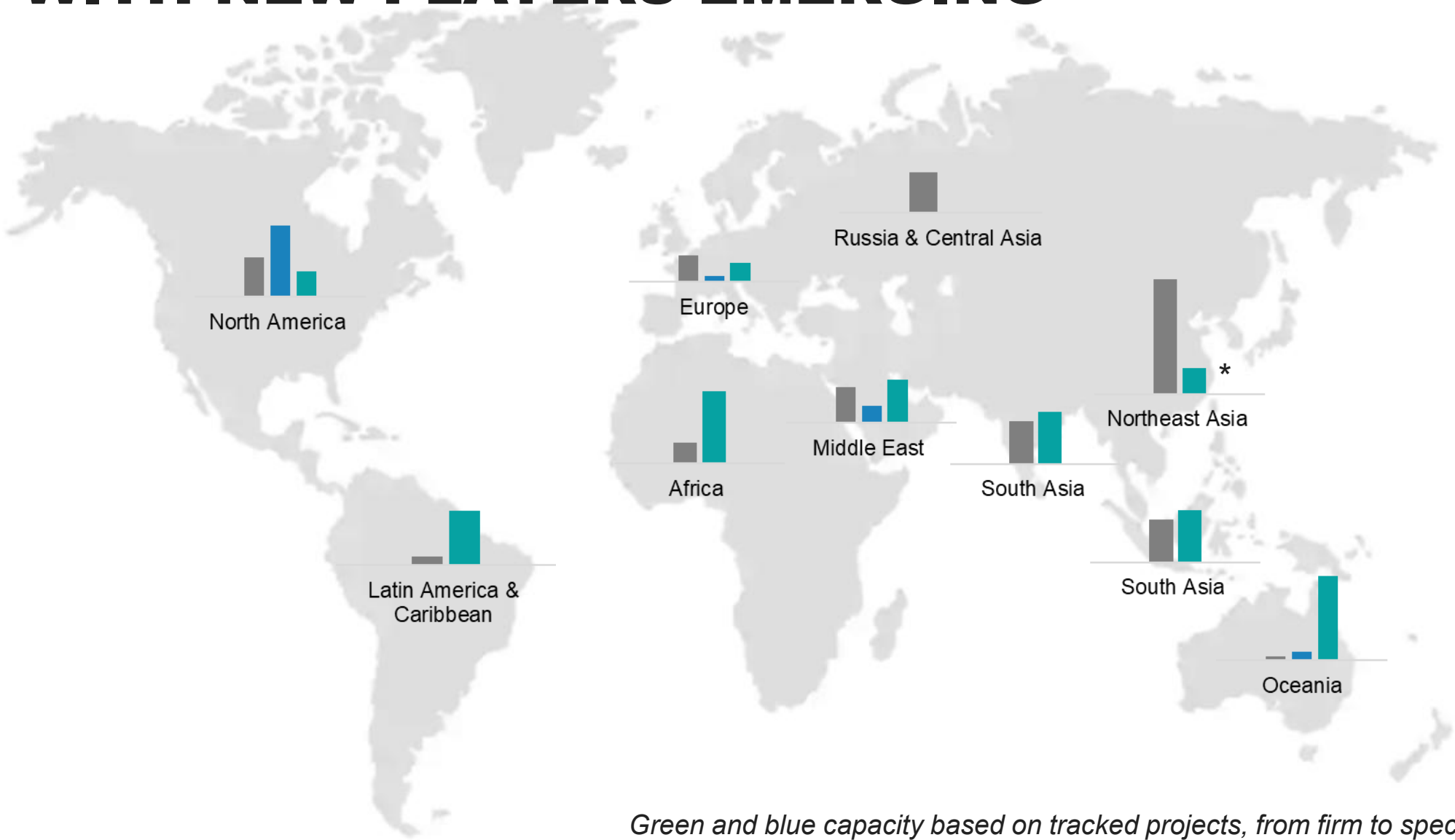
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# WITH NEW PLAYERS EMERGING



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- Production 2025 (mt)
- Blue projects (mt)
- Green projects (mt)

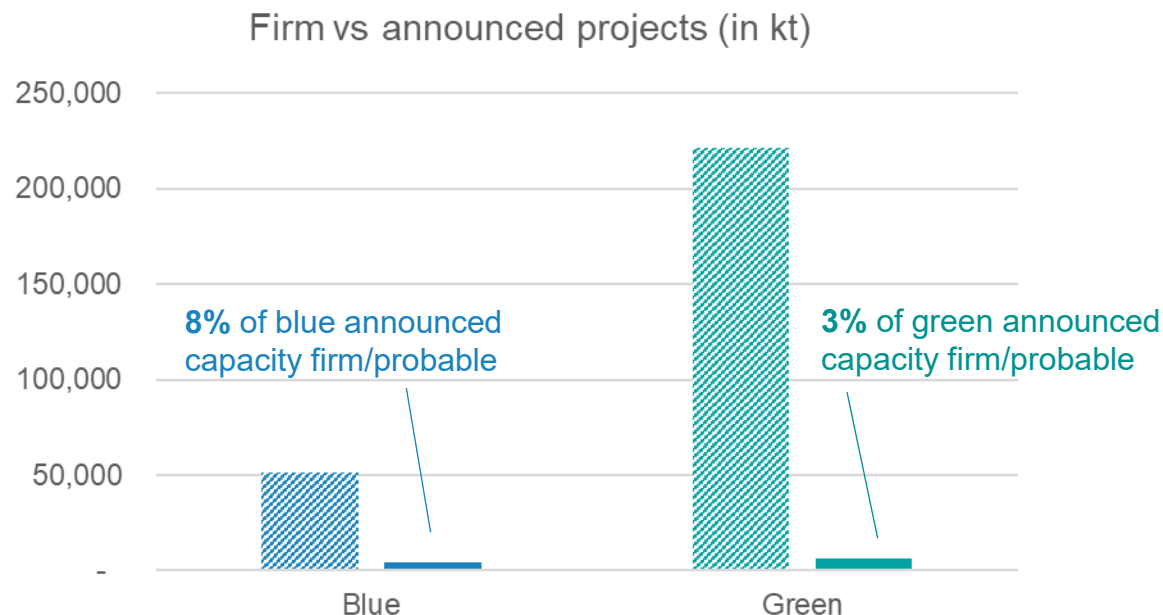
\* China many but smaller projects

*Green and blue capacity based on tracked projects, from firm to speculative*

# THE SPEED DEPENDS ON POLICIES & POLITICS



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*Uncertainty on offtake ↔ Solution to supply shocks*

*Additional routes to more sustainable fertilizers: nutrient enhanced, low-energy production, emission abatement*

## Upside

- First projects materialized
- Emission Trade Systems increasing
- Renewables as option to reduce supply shocks

## Challenges

- Supply security main focus
- EU RED III (increase H2 use) behind on target
- IMO net-zero fuel formal adoption delayed
- Uncertain market for projects

05



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# KEY TAKEAWAYS

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- The fertilizer market is impacted by geopolitics more than ever
- Trade routes are changing and the wish for independence increases
- An affordability crisis is unavoidable with Strait of Hormuz closed
- Leading to demand destruction in the short run
- Longer term, the nitrogen market is showing growth and need for new plants
- Low-carbon solutions are facing realism compared to 5 years ago
- Uncertainty is hampering low-carbon investment
- But at the same time, it is seen as a solution to supply shocks
- The production landscape will change as blue and green projects materialize
- This change will not be overnight and different fertilizer types will co-exist



# THANK YOU



QUESTIONS?



GROUP PICTURE  
ON TERRACE

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