

## MEMORANDUM

Date: October 3, 2019

To: Members of the Board of Directors (the “Board”) of Canpotex Limited (“Canpotex”), Board advisors, and other authorized personnel

From: Canpotex Executive Leadership Team

Subject: **Market Update with Volumes and Netback Forecast**

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The detailed regional updates are provided below.

### **Brazil**

2018 Imports (Estimated)	10,200,000 MT	Up 6% compared to 2017
<b>2019 Imports (Forecast)</b>	10,200,000 MT	Same compared to 2018
2019 Canpotex Sales (Forecast)	2,840,000 MT	Down 10% compared to 2018
<b>2019 Canpotex Market Share (Forecast)</b>	28%	Down 2% compared to 2018

Brazil is now showing strong fertilizer deliveries for the first crop, especially soybeans. Although delayed in comparison to previous years, the fertilizer sold in the last few months is now being delivered from warehouses, bringing relief to distributors. While there are still some sales for the first crop to take place in some specific regions that usually come later, this volume is small, and the primary focus of farmers now is on planting. In regard to fertilizer negotiations for the second crop, they are happening at different paces in key regions; while Mato Grosso is estimated to have 40-50% of the expected fertilizer negotiations made for the second crop, Paraná is facing some delay as the lack of rain has postponed the first crop activities, thus pushing back input negotiations for second crops. It can vary from region to region, but in general, farmers have until the end of the year to buy the fertilizer for the second crop and could postpone it even a little bit more.

Soybean 2019/2020 planting started, but at a slower pace in comparison to last year due to different weather conditions. Only 3% of the expected area has been seeded, while last year there was already 18% of the expected area planted at this time of the year due to the early rains. Regarding soybean prices, at the same time as the recent US-China approach has increased soybean prices on the CBOT by ~US\$0.34/bu between August and September, premiums in Brazil have decreased considerably, from ~US\$1.40/bu to ~US\$0.80/bu.

MOP imports January-September reached a record high for the period, totaling 8.1 million MT, 821,000 MT higher than last year. High inventories and soft prices are putting distributors in a cautious position, avoiding new purchases or delaying them as much as possible. Although demand is thin, some suppliers appear to keep pushing tons in this market putting more

pressure on prices, which decreased in the last month from US\$320-330 to US\$305-310/MT. Besides the traditional suppliers, APC, through Keytrade, will reportedly discharge their first shipment in October (43,000 MT). For the next year, according to third party sources, they expect to sell between 300,000-400,000 MT to Brazil.

The exchange rate is at a volatile point right now and sensitive to external announcements. During September the R\$/US\$ ratio moved from ~4.15 to ~4.05, reached ~4.20 and is now at R\$ 4.16/US\$. Despite the increased variance, Brazilian basic interest rates are at historic low levels (and are expected to drop even more until December), making external investments less profitable, thus making the scenario of devaluation more likely.

## **China**

2018 Imports	7,464,000 MT	Up 2% compared to 2017
2019 Imports (Forecast)	7,800,000 MT	Up 5% from 2018
2019 Canpotex Shipments (Forecast)	2,680,000 MT	Up 8% from 2018
2019 Canpotex Market Share (Forecast)	34%	Up 1% from 2018

With 2018 contract shipping cut-off at the end of August, China is projected to import 7.8 million MT of potash in 2019, an increase of 5% from 2018 (7.46 million MT). Canpotex's market share is expected to reach 34%, up 1% from 2018, with a sales volume of 2.68 million MT, up 205,000 MT from 2018.

China potash imports (by arrival) totaled 6.6 million MT at the end of August 2019, up 29% YOY. China imports from Canpotex totaled at 1.95 million MT, up 29% YOY. K+S Canada reportedly shipped 553,652 MT, up 19% YOY. Uralkali reportedly shipped 1.34 million MT to China, up 18%, including 719,661 MT seaborne and 616,296 MT by rail. There was no rail shipment in August. Volume from ICL is up 62% YOY at 703,440 MT. BPC volume is up by 31% at 1.44 million MT. APC volume is up 75%, at 506,859 MT.

Chinese domestic MOP prices remained stable as the market is in slow season. Spot prices at ports declined slightly to RMB 2,100/MT (US\$250/MT CFR equivalent) for red standard grade and RMB 2,250/MT (US\$270/MT CFR equivalent) for granular and white grades.

The China Buying Committee members have not engaged in the 2019 contract negotiations as China is at offseason and port inventory remains high at over 3.0 million MT level.

## **Korea/Taiwan**

Prices in Korea and Taiwan are stable.

Korean potash imports totaled 441,270 MT at the end of August 2019. Canpotex accounted for 63% of imports, with 278,112 MT shipped, down 8% YOY. According to third party sources, BPC shipped 105,706 MT and its volume increased by 35% YOY, accounting for 24% of Korea's total

MOP imports. ICL accounts for 7%, with 30,271 MT shipped. Canpotex's sales prices in the fourth quarter range from US\$315-340/MT CFR.

BPC has been seen aggressively pushing for sales in Korea through bonded warehouse transshipment at Yantai Port in China.

Taiwan potash imports totaled 247,298 MT by the end of August 2019. Canpotex accounted for 68% of total imports, at 168,587 MT, up 50% YOY. According to public resources, K+S Canada accounts for 11% of total imports, at 28,035 MT. Canpotex's sales prices in the fourth quarter range from US\$330-350/MT CFR.

Taiwan SOP producers are facing strong competition from China SOP exports with margins being squeezed. China SOP exports totalled 248,317 MT by the end of August 2019 compared to 2018 full year exports of 9,000 MT.

## Japan

Prices in Japan are fixed for the second half, ranging from US\$307 to US\$335/MT FOB for agricultural grade and from US\$362.50 to US\$379.50/MT FOB for industrial grade.

Japan potash imports totaled 306,514 MT at the end of July 2019. Canpotex accounted for 65% of imports, with 198,041 MT shipped, down 3% YOY. BPC shipped 39,054 MT, an increase of 110% YOY, accounting for 13% of Japan's total MOP imports. UKT accounts for 8%, with 23,839 MT shipped and APC accounts for 7%, with 20,970 MT shipped.

## India

2018 Imports (Estimate)	4,500,000 MT	<b>Down 7% compared to 2017</b>
<b>2019 Imports (Forecast)</b>	4,100,000 MT	Down 9% compared to 2018
2019 Canpotex Sales (Forecast)	1,164,000 MT	Down 10% from 2018
<b>2019 Canpotex Market Share (Forecast)</b>	28%	Down 1% from 2018

Canpotex is forecasting imports of 4.0-4.2 million MT for 2019 reflecting some possible downside from 2018. January-September 2019 imports (by B/L) are an estimated 3,258,000 MT, up 2% from 2018. Canpotex shipments of 1,008,000 MT represented 31% of this volume while BPC reportedly shipped 1,095,000 MT or 34% of total YTD volumes – largely making up for Uralkali's reduced participation in the market. January-August local potash sales figures (importer to retailer) are down 13% YOY (2018: 3,015,215 MT vs 2019: 2,611,868 MT).

IPL had discussions with all major suppliers for the new 2019/2020 potash contract, but a settlement is not anticipated until mid-October.

Importers have been actively discounting local potash prices in order to clear stocks. This is a result of importers' belief that prices will be concluded at lower levels. As potash arrivals into India have completed, inventory levels have begun to deplete. While lower demand and high

inventory levels have created a challenging environment, there remain some positive underlying factors in the India market today.

- Demand remains relatively sticky despite record high farm gate prices. Farmers are recognizing the importance of balanced fertilization. Applications are down 13% year-over-year; however, the decrease is less than many importers would have expected (initially citing 20-25%).
- Agriculture fundamentals have improved over the last couple of months with a strong monsoon and increased sowing, and overall food grain production is expected to exceed 2018.
- Importers are optimistic on how the Rabi season will unfold given high moisture levels in the ground.

These factors continue to support a near-term conclusion for the 2019-20 contract price to ensure new shipments arrive in time.

The Indian economy has demonstrated some cause for concern as quarterly GDP growth fell to a six year low estimated at 5% during the Apr-Jun quarter. Agriculture, in the same quarter, grew at a rate of 2%. The INR is currently at Rs. 70.80 to the US dollar, recovering from Rs. 72.47 earlier in September.

## **Indonesia**

2018 Imports (Estimate)	3,600,000 MT	<b>Up 13% compared to 2017</b>
<b>2019 Imports (Forecast)</b>	2,300,000 MT	Down 36% from 2018
2019 Canpotex Sales (Forecast)	834,000 MT	Down 39% compared to 2018
<b>2019 Canpotex Market Share (Forecast)</b>	36%	Down 2% from 2018

Canpotex is projecting total imports in 2019 to be down near 2.3 million MT. This reduction is a function of lower demand as well as an estimate of the de-stocking of inventory in the market.

The tender season for Oct-Mar deliveries commenced this month, with approximately 150,000 MT tendered so far. The market remains slow as affordability is still a concern for plantations, especially smallholders who make up over 40% of the total plantation hectareage. At this point, our customers are seeing volumes awarded between US\$275-290/MT from our competitor channels. There is also product from Laos and Uzbekistan being sold at prices even lower than this range which is putting further pressure on local prices. Our customers are estimating similar volumes for this season as last year, but with less carry-over inventory due to the destocking efforts in Q3. That said, our channels are growing concerned as they lost considerable market share in Q3 and will need to have a strong Q4 in order to recover. Their remaining inventory priced in Q1 is becoming less and less in line with the local market.

Crude Palm Oil (CPO) prices averaged about RM2,200 this month which is at the low end of what our customers view as a sustainable price level for improved fertilizer demand and prices will need to remain above this level for market sentiment to improve.

## **Malaysia**

2018 Imports (Estimated)	2,250,000 MT	<b>Up 7% compared to 2017</b>
<b>2019 Imports (Forecast)</b>	1,600,000 MT	Down 29% compared to 2018
2019 Canpotex Sales (Forecast)	590,000 MT	Down 25% compared to 2018
<b>2019 Canpotex Market Share (Forecast)</b>	36%	Up 2% from 2018

Canpotex is projecting 2019 potash imports of approximately 1.6 million MT, down 29% from 2018 levels.

Malaysia is currently in between seasons, so purchase activity was limited this month. Like Indonesia, the market is uncertain, and plantations remain concerned with affordability. The drier weather experienced this year is also restraining fertilizer usage and delaying purchase decisions. Current local prices are reflecting RM1,230-1,250 (US\$278-285/MT CFR) with cheaper priced product also being brought in from Laos and Uzbekistan. This reflects prices below breakeven for our market channels basis their current product on hand as they gear up for the upcoming 1H 2020 tender season that traditionally starts in October. The end of the fourth quarter is the most price sensitive time of the year in Malaysia as plantations try to reduce their fertilizer costs and importers will be looking to reset prices at a lower level to improve margins and increase competitiveness for the upcoming season.

## **Bangladesh**

The Ministry of Agriculture has indicated an initial potash import allocation for the 2019/20 contract year of 800,000 MT (450,000 MT for the government sector contracts and 350,000 MT for the private sector tender), up 50,000 MT from the allocation in 2018/19. Canpotex will deliver 98,000 MT to Bangladesh under private sector tenders and has decided against renewing the government sector business through BADC. BPC and BADC reportedly have agreed to the full government sector allocation.

In last month's report, we indicated that the Ministry's potash allocation may increase by an additional 150,000 MT due to a potential Uralkali signing. Nothing has yet to accumulate on this.

## **Southeast Asia**

The Vietnam market is currently in the off-season, but the main rice planting winter-spring season is expected to commence in the second-half of October. Market sentiment, however, remains weak as rice export prices recently slumped to their lowest level in 12 years on sluggish demand, especially from China. Local standard grade prices have stayed depressed at VND6,850/KG (US\$278/MT CFR breakeven) in the South and VND7,150/KG (US\$291/MT CFR

breakeven) in the North, supported by extremely competitive prices especially from BPC, ICL and Laotian producers. Canpotex's straight potash distribution customers are therefore selling at substantial losses as they continue to struggle liquidating cargo purchased earlier in the year at US\$300/MT in the South and US\$315/MT in the North. For Canpotex's next shipment scheduled in November, we will have to consider a price adjustment in order to support our channels more competitively, otherwise substantial volumes will likely be dropped. For our recent August shipment to Vietnam, standard grade pricing was at US\$300/MT and granular grade at US\$320/MT.

Weather challenges continue to impact the agriculture sector in Thailand. After experiencing a long-drawn drought during Thailand's main rice planting season, several lower Northeastern rice growing regions have now been hit by flash floods caused by tropical storm Podul, damaging over 240,000 hectares of agricultural land. With the season coming to an end by first-half October, there is little hope for the recovery of fertilizer demand as rice farmers are left with only a very narrow window for replanting. Thai rice exports are also experiencing a sharp decline as the Thai baht strengthened to a six year high as Asia's best performing currency against the dollar. According to the Commerce Ministry, Thailand's rice exports in the first eight months fell by 26.3% to 5.3 million MT. As poor market conditions and demand continue to persist, Canpotex's customers have dropped their fourth quarter requirements entirely. Pricing for Thailand based on our last shipment in September was at US\$300/MT and US\$320/MT for standard and granular grade respectively.

In the Philippines, AFC had strong sales in the first-half of the year. In addition, many of their competitors suffered late fertilizer shipment arrivals in the previous rice and corn planting season, which allowed AFC to capture additional market share. However, local market conditions have started deteriorating as rice prices have fallen in the face of aggressive rice imports into the country. In the first seven months of 2019, the Philippine government imported 2.35 million MT of rice, a 170% increase over the same period last year. Additionally, AFC's competitors, now sitting on high inventory levels, have reduced fertilizer prices in an effort to reduce inventories in anticipation of poor fertilizer demand in the upcoming rice and corn planting season in November. For September shipments to the Philippines, Canpotex secured a rollover pricing of US\$315/MT for standard grade, but will likely need to adjust prices in the fourth quarter in anticipation of poorer market conditions.

Canpotex's customers continue to maintain the strongest potash branding and presence in Myanmar at the distributor level given its early mover advantage and efforts to ensure supply reliability to the market. Wilmar's private terminal is already in operation and construction of fertilizer warehouses is now underway with completion expected in first quarter 2020. This will allow Canpotex to switch from container shipments ex-Vietnam to bulk shipments ex-Canada. Pricing in Myanmar remains stable at US\$305/MT and US\$325/MT for standard and granular grade respectively.

## **Australia/New Zealand**

The drought prospects for Queensland and New South Wales have yet to improve and are now expected to persist into the summer season. As a result of the prolonged drought, the Australian government expects a 5% decline in farm production compared to last year affecting farm incomes and national exports. Western Australia is still expected to have a reasonable crop with grain prices favorable.

Despite the uncertainties across Australia, Canpotex potash shipments have been strong year-to-date and are up 3.4% from 2018. Pricing remains flat at US\$335-360/MT. We are currently forecasting a year-over-year growth in sales to Australia of 7% (2018: 297,000 MT to 2019: 319,000 MT).

New Zealand is heading into the main potash consuming season. Prospects are currently favorable; however, there are some underlying uncertainties at a macro-agriculture level (including limited funding/credit and financial performance, affecting dividends, from the major dairy producer, Fonterra) that may impact early 2020 prospects. Canpotex recently concluded a cargo for October loading at US\$295 net FOB (granular grade), down US\$10/MT from the previous vessel.

## **Europe**

European KOH producers are seeing an increase of demand due to the increase of European KOH exports to Asian markets. Additionally, KOH solid derivatives are becoming more attractive at a regional level which is increasing the demand for KOH in the upcoming quarter. Potash demand continues to be robust at a regional level and there is an overall increased interest from smaller KOH producers in northern and central Europe for Canpotex industrial potash.

Canpotex industrial customers continue to be committed to their projections for Q4 signaling their commitment to Canpotex quality and service levels.

On the agricultural front, the market continues to see an aggressive stand from ICL and K+S on prices and the market is slow.

Most prices in western Europe are being reported to be between €270 to €275/MT CFR after price concessions/rebates. It has been reported that APC has started production of granular MOP and it is expected that the grade will be destined to Europe once production is in full operational capacity. Expectation for October is for prices to soften as ICL has started to reduce their prices at most of their ports in preparation for pre-winter application.

## **Africa**

North Africa had a slow start to 2019 due to unseasonably dry weather, but demand has picked up for MOP used in NPK production. Opportunities to sell tonnage in Q4 are present as NPK tenders will be closed throughout Africa in September and October. Pricing into Morocco is expected to decrease in Q4. Continued erosion of Baltic FOB pricing will have an impact on

African import price points. Both Granular and Standard MOP were reduced by US\$7/MT in Q3 versus Q2 pricing.

Sub-Saharan Africa (Nigeria) – Political uncertainty over Presidential elections made for a slow 1H of the year. MOP imports were 0 in the first half of 2019. Fertilizer terminals that are being constructed or refurbished and that were expected to be up and running in Q4 are delayed to late Q1/ early Q2. Inquiries have been made for deliveries into Lagos of quantities between 60,000 and 90,000MT of granular potash before the end of 2019.

### **Latin America (Excluding Brazil) and Mexico**

2018 Imports (Estimated)*	2,068,000 MT	<b>Up 11% compared to 2017</b>
<b>2019 Imports (Forecast)*</b>	2,100,000 MT	Up 1% compared to 2018
2019 Canpotex Sales (Forecast)	932,000 MT	Down 7% compared to 2018
<b>2019 Canpotex Market Share (Forecast)** 44%</b>		Down 4% from 2018
<i>*for agriculture **participated markets</i>		

### **Mexico**

The market is currently off-season, with all major importers looking to draw down inventory before year-end, especially in the Pacific port of Manzanillo. There is demand for white standard product in the northern port of Topolobampo for a smaller second buying season in November/December but generally the market will be flat until the new year. In January, we will see demand for granular product in anticipation of the March/April application season.

Canpotex's last confirmed sale into the Pacific coast was US\$325/MT CFR granular for early August arrival. In recent discussions with importers, the market level for Topolobampo demand is expected to be US\$315-\$320/MT. SQM was heard to be in the market as low as US\$300/MT.

Annual MOP consumption in Mexico is close to 250,000 MT, with Canpotex historically supplying 30%, primarily on the Pacific Coast. The Atlantic coast has been dominated in 2019 by Baltic suppliers who are able to capitalize on favorable freight costs and bring combination vessels to the region. This year Mexico has been dealing with very dry conditions in the north, and importers have indicated fertilizer application has contracted between 10-15%. Further, the newly appointed government has removed agricultural subsidies, making it difficult for small-medium farmers to access affordable fertilizers.

### **Caribbean**

The Caribbean islands are experiencing a two-year drought that is causing a significant reduction of crop yields and fertilizer application. In the Dominican Republic, the government has introduced laws severely limiting irrigation. The country has two major importers, which represent 80-85% of the market, both of which have longstanding relationships with Canadian suppliers. These customers have been able to mitigate losses due to diversified product lines,



but the overall MOP imports in 2019 are expected to be 20% lower than the typical 60,000-70,000 MT per year.

Current netback margins are facing pressure due to opportunistic traders purchasing MOP in NOLA and selling into the Caribbean.

### **Central America/Colombia**

Major competitors are looking for an opportunity to gain market share in this region. With a well-supplied Brazil market, we have heard of offers from the Baltic at US\$10-\$15/MT lower than the current market level of US\$310-315/MT CFR. There is a large tender offer in the market currently which covers most Central American countries. Canpotex has submitted a competitive offer that aims to maintain our leadership position.

MOP demand is approximately 15% lower this year throughout the region due to falling crop prices and extremely dry conditions. Honduras has experienced the worst drought in 30 years, with many coffee growers migrating to the US in search of employment and safe water sources, according to two of the country's top importers. Demand is otherwise consistent from the largest importer, INCOFE, but the growing competition for their 250,000 MT per year will be Canpotex's major focus going forward.

### **Argentina/Paraguay/Uruguay**

The October presidential elections in Argentina continue to provide much uncertainty to the Argentinian agricultural industry. There is little expectation from Argentinian importers to buy MOP in Q4 given the current local political and economic uncertainty.

Paraguay continues to show growth potential; however, it has been reported that a trader has oversold product which has created price erosion in the market as the trader has sold all product at US\$310/MT CFR Paraguay. Paraguayan importers using Nueva Palmira to import MOP are not expected to bring new stocks until December-January at the earliest.

Meanwhile in Uruguay there is a vessel containing Russian potash with around 21,000 MT of unsold product that is expected to be offered to local buyers throughout Q4. Expectation is for prices to suffer as the trader owned product will sell at cost if necessary, to move the cargo.

### **Ecuador/Peru/Chile**

Ecuador's MOP demand has retracted by 16% YTD (approximately 20,000 MT). Expectation for 2020 is for overall fertilizer growth of 2% and potash tons to grow by 8%. Current demand has picked up with many importers expressing interest for MOP. Importers continue to use tenders to negotiate fertilizer prices awarding contracts to the lowest offer. Major suppliers of granular potash YTD in Ecuador are SQM (37,900MT YTD) and Uralkali (41,700MT YTD). The latest price indications from suppliers in Ecuador are at or below \$310/MT for Granular MOP with some suppliers reportedly giving up to 270 day payment terms.

CFR prices in Peru continue to erode with prices now in the range of US\$320-325/MT CFR for granular MOP. Most of the importers in the country are currently looking to buy MOP for November arrival.

Bolivian standard MOP producer, Fertisur S.A., is offering white standard MOP to all major importers of fertilizer in Chile and into southern Brazil. In Chile, fertilizer consumption in the last month has been slow and importers are considering to delay purchasing more stocks until the start of 2020.

# Volumes & Netback Forecast









## Nutrien

October 3, 2019



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## Comments & Assumptions

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1. Sales volumes and net sale prices are based on actuals for January – August and forecasted amounts for September – December.
2. Rail billings for the third quarter are estimated at 2,777,000 MT, 868,000 MT below budget, with a further downside risk of 160,000 MT. Rail billings for the fourth quarter are estimated at 2,071,000 MT, 865,000 MT below budget, with a further downside risk of 121,000 MT.
3. Shipments for the third quarter are estimated at 2,681,000 MT, 929,000 MT below budget, with a further downside risk of 81,000 MT. Shipments for the fourth quarter are estimated at 2,268,000 MT, 485,000 MT below budget, with a further downside risk of 198,000 MT.
4. Sales volumes for the third quarter are estimated at 3,365,000 MT, 271,000 MT below budget, with a further downside risk of 155,000MT and potential upside realization of 92,000 MT. Sales volumes for the fourth quarter are estimated at 2,032,000 MT, 1,383,000 MT below budget, with a further downside risk of 300,000MT and potential upside realization of 206,000 MT.
5. Net sale prices for the third quarter are projected to average \$298.58/MT (\$319.82/MT invoice price), an increase of \$1.16/MT from budget. Net sale prices for the fourth quarter are projected to average \$297.94/MT (\$312.69/MT invoice price), an increase of \$5.59/MT from budget.
6. Ocean Freight rates for the third quarter are projected to average approximately \$27.28/MT CFR, a decrease of \$7.54/MT from the budget. This decrease is primarily due to lower hire rates and bunker prices. The \$27.28/MT CFR average equates to \$25.35/MT on all tonnes compared to the budget of \$31.94/MT, a decrease of \$6.59/MT. Ocean Freight rates for the fourth quarter are projected to average approximately \$36.42/MT CFR, a decrease of \$1.34/MT from the budget. This decrease is primarily due to lower hire rates and bunker prices. The \$36.42/MT CFR average equates to \$32.47/MT on all tonnes compared to the budget of \$34.85/MT, a decrease of \$2.38/MT.
7. The US/CDN \$ exchange rate is projected to average approximately 1.30 for the third and fourth quarters, compared to the budget rate of 1.27.
8. Monthly inland and terminal costs are allocated evenly by load port, regardless of grade, on a \$/MT basis.
9. Inland Freight for the third quarter is projected to be \$1.53/MT lower than budget, primarily due to favourable foreign exchange and favourable load port split. Inland Freight for the fourth quarter is projected to be \$2.06/MT higher than budget, primarily due to decrease in volumes and railcar storage costs.
10. Terminal expense for the third quarter is projected to be \$0.20/MT higher than budget due to decrease in volumes partially offset by favourable foreign exchange. Terminal expense for the fourth quarter is projected to be \$3.30/MT higher than budget due to decrease in volumes and write-off of phosphate rock assets at Neptune Bulk Terminals.
11. S&A expenses for the third quarter are projected to be \$0.03/MT lower than budget, due to a decrease in costs offset by decrease in sales volumes. S&A expenses for the fourth quarter are projected to be \$2.27/MT higher than budget, due to a decrease in sales volumes.
12. Other Costs for the third quarter are projected to be \$0.88/MT lower than budget, due to a decrease in warehouse and finance costs partially offset by volume decrease. Other Costs for the fourth quarter are projected to be \$1.31/MT higher than budget, due to a decrease in volumes partially offset by favourable financing costs.
13. Average Netbacks are projected to be \$228.84/MT for the third quarter, an increase of \$9.99/MT from budget. Average Netbacks are projected to be \$210.30/MT for the fourth quarter, a decrease of \$0.98/MT from budget.

## Comments & Assumptions

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14. Lifting estimates are our most current projection.
15. All \$ amounts are in USD and all volumes are in KCI metric tons.
16. The \$/MT amounts may vary by \$0.01/MT due to rounding.
17. Once the netback results are available for each subsequent month, these results are used to recalculate the average year-to-date ("YTD") netback for each grade pool. The YTD tonnage lifted from each Producer, for each grade pool, is recalculated using the updated netbacks, to determine the positive or negative netback adjustment by Producer.

October 2019 Interim Pricing, in USD

(pricing to be used for invoicing)

	\$/MT K20
Standard	310.00
Premium	365.00

## Netback Variance Analysis (\$/mt) - 2019 Quarter 3

		Qtr 3 2019 Forecast	Qtr 3 2019 Budget	Variance	Comments
Volume (000's)	Rail Billings	2,777	3,645	(868)	Reduced customer demand
	Shipments	2,681	3,610	(929)	Reduced customer demand
	Sales	3,365	3,636	(271)	Reduced customer demand
Net Sales Price		\$ 298.58	\$ 297.42	\$ 1.16	Price strength, strategy execution
Ocean Freight		25.35	31.94	6.59	Lower hire rates and bunker prices
Inland Freight		29.30	30.83	1.53	Favourable FX rate and load port split
Terminal		8.64	8.44	(0.20)	Decrease in volumes partially offset by favourable FX rate
S&A		2.70	2.73	0.03	Decrease in costs partially offset by decrease in volumes
Other Cost <sup>(1)</sup>		3.76	4.63	0.88	Decrease in warehouse and finance costs partially offset by decrease in volumes
Netback		\$ 228.84	\$ 218.85	\$ 9.99	

<sup>1</sup> Includes Warehouse, Credit & Other, Commissions, Market Development, Digital Transformation, Finance Costs, Pension Consulting, Other Income, FX, and Tax.



## Netback Variance Analysis (\$/mt) - 2019 Quarter 4

		Qtr 4 2019 Forecast	Qtr 4 2019 Budget	Variance	Comments
Volume (000's)	Rail Billings	2,071	2,936	(865)	Reduced customer demand
	Shipments	2,268	2,753	(485)	Reduced customer demand
	Sales	2,032	3,415	(1,383)	Reduced customer demand
Net Sales Price		\$ 297.94	\$ 292.35	\$ 5.59	Price strength carryover from earlier in year, strategy execution
Ocean Freight		32.47	34.85	2.38	Lower hire rates and bunker prices
Inland Freight		31.89	29.83	(2.06)	Decrease in volumes and railcar storage costs
Terminal		11.97	8.67	(3.30)	Decrease in volumes and write-off of phosphate rock assets at NBT
S&A		5.17	2.91	(2.27)	Decrease in volumes
Other Cost <sup>(1)</sup>		6.13	4.81	(1.31)	Decrease in volumes partially offset by favourable financing costs
Netback		\$ 210.30	\$ 211.28	\$ (0.98)	

<sup>1</sup> Includes Warehouse, Credit & Other, Commissions, Market Development, Digital Transformation, Finance Costs, Pension Consulting, Other Income, FX, and Tax.

Netback Forecast, by Region

	Aug-19 YTD		Sep-19		Oct-19		Nov-19		Dec-19		Qtr 1 2019		Qtr 2 2019		Qtr 3 2019		Qtr 4 2019		2019	
	Actual		Forecast		Forecast		Forecast		Forecast		Actual		Actual		Forecast		Forecast		Forecast	
	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)
All Regions	8,782,773	\$ 231.42	988,647	\$ 205.35	885,464	\$ 224.90	558,221	\$ 198.56	588,636	\$ 199.48	3,117,646	\$ 222.36	3,289,271	\$ 234.81	3,364,504	\$ 228.84	2,032,321	\$ 210.30	11,803,741	\$ 225.60
Asia	5,354,077	\$ 218.98	576,919	\$ 212.36	366,328	\$ 210.80	235,893	\$ 187.71	382,936	\$ 195.32	2,264,391	\$ 213.95	2,002,346	\$ 223.43	1,664,259	\$ 218.17	985,157	\$ 199.25	6,916,153	\$ 215.62
STD_P	3,759,350	213.41	377,376	207.87	170,890	198.25	200,493	181.02	251,300	179.41	1,461,540	208.48	1,465,477	217.76	1,209,709	212.37	622,683	185.10	4,759,409	209.27
PRM_P	1,594,727	232.10	199,543	220.87	195,438	221.77	35,400	225.56	131,636	225.69	802,851	223.91	536,869	238.92	454,550	233.59	362,474	223.56	2,156,744	229.63
Latin America	2,681,751	\$ 257.63	351,634	\$ 186.69	337,150	\$ 240.52	270,578	\$ 205.83	126,200	\$ 207.09	595,830	\$ 256.02	971,586	\$ 260.08	1,465,969	\$ 239.66	733,928	\$ 221.98	3,767,313	\$ 244.07
STD_P	132,092	228.65	22,464	201.78	31,805	234.32	22,200	212.12	45,200	209.50	36,199	217.27	69,082	234.45	49,275	216.65	99,205	218.04	253,761	222.13
PRM_P	2,549,659	259.14	329,170	185.66	305,345	241.16	248,378	205.27	81,000	205.75	559,631	258.52	902,504	262.04	1,416,694	240.46	634,723	222.60	3,513,552	245.65
Oceania	306,480	\$ 237.11	40,396	\$ 249.71	64,300	\$ 239.16	5,750	\$ 205.54	20,000	\$ 216.97	98,492	\$ 227.28	152,686	\$ 235.68	95,698	\$ 254.84	90,050	\$ 232.09	436,926	\$ 237.24
STD_P	23,706	215.53	-	-	1,000	274.05	-	-	10,000	209.48	13,891	208.93	8,780	217.38	1,035	288.49	11,000	215.35	34,706	215.48
PRM_P	282,774	238.92	40,396	249.71	63,300	238.61	5,750	205.54	10,000	224.46	84,601	230.29	143,906	236.79	94,663	254.47	79,050	234.41	402,220	239.12
Europe	358,069	\$ 225.19	19,698	\$ 242.08	69,480	\$ 225.34	46,000	\$ 210.56	59,500	\$ 204.23	158,933	\$ 216.32	113,030	\$ 228.40	105,805	\$ 238.23	174,980	\$ 214.27	552,747	\$ 222.34
STD_P	15,916	192.84	-	-	13,027	199.71	10,000	174.08	9,000	172.66	7,112	201.47	-	-	8,804	198.34	32,027	184.11	47,943	187.01
PRM_P	342,153	226.70	19,698	242.08	56,453	231.25	36,000	220.69	50,500	209.86	151,821	217.02	113,030	229.37	97,001	241.85	142,953	221.03	504,804	225.69
Africa	82,396	\$ 198.80	-	\$ -	48,206	\$ 203.17	-	\$ -	-	\$ -	-	\$ -	49,623	\$ 211.34	32,773	\$ 180.31	48,206	\$ 203.17	130,602	\$ 200.41
STD_P	56,688	191.08	-	-	20,754	197.49	-	-	-	-	-	-	23,915	206.15	32,773	180.32	20,754	197.49	77,442	192.80
PRM_P	25,708	215.81	-	-	27,452	207.47	-	-	-	-	-	-	25,708	216.15	-	-	27,452	207.47	53,160	211.51

Allocation %:

All Regions																				
Asia	61.0%	57.7%	58.4%	60.3%	41.4%	38.8%	42.3%	39.9%	65.1%	63.7%	72.6%	69.9%	60.9%	57.9%	49.5%	47.2%	48.5%	45.9%	58.6%	56.0%
STD_P	42.8%	39.5%	38.2%	38.6%	19.3%	17.0%	35.9%	32.7%	42.7%	38.4%	46.9%	44.0%	44.6%	41.3%	36.0%	33.4%	30.6%	27.0%	40.3%	37.4%
PRM_P	18.2%	18.2%	20.2%	21.7%	22.1%	21.8%	6.3%	7.2%	22.4%	25.3%	25.8%	25.9%	16.3%	16.6%	13.5%	13.8%	17.8%	19.0%	18.3%	18.6%
Latin America	30.5%	34.0%	35.6%	32.3%	38.1%	40.7%	48.5%	50.2%	21.4%	22.3%	19.1%	22.0%	29.5%	32.7%	43.6%	45.6%	36.1%	38.1%	31.9%	34.5%
STD_P	1.5%	1.5%	2.3%	2.2%	3.6%	3.7%	4.0%	4.2%	7.7%	8.1%	1.2%	1.1%	2.1%	2.1%	1.5%	1.4%	4.9%	5.1%	2.1%	2.1%
PRM_P	29.0%	32.5%	33.3%	30.1%	34.5%	37.0%	44.5%	46.0%	13.8%	14.2%	18.0%	20.9%	27.4%	30.6%	42.1%	44.2%	31.2%	33.1%	29.8%	32.4%
Oceania	3.5%	3.6%	4.1%	5.0%	7.3%	7.7%	1.0%	1.1%	3.4%	3.7%	3.2%	3.2%	4.6%	4.7%	2.8%	3.2%	4.4%	4.9%	3.7%	3.9%
STD_P	0.3%	0.3%	0.0%	0.0%	0.1%	0.1%	0.0%	0.0%	1.7%	1.8%	0.4%	0.4%	0.3%	0.2%	0.0%	0.0%	0.5%	0.6%	0.3%	0.3%
PRM_P	3.2%	3.3%	4.1%	5.0%	7.1%	7.6%	1.0%	1.1%	1.7%	1.9%	2.7%	2.8%	4.4%	4.4%	2.8%	3.1%	3.9%	4.3%	3.4%	3.6%
Europe	4.1%	4.0%	2.0%	2.3%	7.8%	7.9%	8.2%	8.7%	10.1%	10.3%	5.1%	5.0%	3.4%	3.3%	3.1%	3.3%	8.6%	8.8%	4.7%	4.6%
STD_P	0.2%	0.2%	0.0%	0.0%	1.5%	1.3%	1.8%	1.6%	1.5%	1.3%	0.2%	0.2%	0.0%	0.0%	0.3%	0.2%	1.6%	1.4%	0.4%	0.3%
PRM_P	3.9%	3.8%	2.0%	2.3%	6.4%	6.6%	6.4%	7.2%	8.6%	9.0%	4.9%	4.8%	3.4%	3.4%	2.9%	3.0%	7.0%	7.4%	4.3%	4.3%
Africa	0.9%	0.8%	0.0%	0.0%	5.4%	4.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%	1.4%	1.0%	0.8%	2.4%	2.3%	1.1%	1.0%
STD_P	0.6%	0.5%	0.0%	0.0%	2.3%	2.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	0.6%	1.0%	0.8%	1.0%	1.0%	0.7%	0.6%
PRM_P	0.3%	0.3%	0.0%	0.0%	3.1%	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%	0.7%	0.0%	0.0%	1.4%	1.3%	0.5%	0.4%

Netback Forecast, by Country

	Aug-19 YTD		Sep-19		Oct-19		Nov-19		Dec-19		Qtr 1 2019		Qtr 2 2019		Qtr 3 2019		Qtr 4 2019		2019	
	Actual		Forecast		Forecast		Forecast		Forecast		Actual		Actual		Forecast		Forecast		Forecast	
	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)
Brazil	2,142,312	\$ 261.08	279,774	\$ 177.28	270,048	\$ 243.87	187,884	\$ 207.33	10,000	\$ 189.44	496,957	\$ 260.91	730,591	\$ 264.03	1,194,538	\$ 239.72	467,932	\$ 228.03	2,890,018	\$ 247.62
STD_P	4,997	241.93	6,006	164.82	14,557	237.44	6,000	191.15	-	-	-	-	-	-	11,003	199.99	20,557	223.93	31,560	215.53
PRM_P	2,137,315	261.12	273,768	177.55	255,491	244.23	181,884	207.86	10,000	189.44	496,957	260.91	730,591	264.03	1,183,535	240.09	447,375	228.22	2,858,458	247.97
China	2,014,029	\$ 215.88	248,391	\$ 197.05	168,196	\$ 200.27	23,750	\$ 179.05	74,000	\$ 178.60	917,751	\$ 210.95	812,002	\$ 220.84	532,667	\$ 208.04	265,946	\$ 192.34	2,528,366	\$ 211.55
STD_P	991,377	213.54	102,177	192.93	28,212	178.62	23,750	179.05	33,000	184.44	361,961	208.66	441,713	215.08	289,880	210.01	84,962	181.00	1,178,516	209.40
PRM_P	1,022,652	218.15	146,214	199.93	139,984	204.63	-	-	41,000	173.90	555,790	212.44	370,289	227.71	242,787	205.69	180,984	197.67	1,349,850	213.43
India	934,023	\$ 197.27	93,515	\$ 181.74	58,206	\$ 172.45	-	\$ -	68,000	\$ 156.08	310,313	\$ 194.56	303,814	\$ 199.37	413,411	\$ 194.25	126,206	\$ 163.63	1,153,744	\$ 192.33
STD_P	934,023	197.27	93,515	181.74	58,206	172.45	-	-	68,000	156.08	310,313	194.56	303,814	199.37	413,411	194.25	126,206	163.63	1,153,744	192.33
PRM_P	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Netback Forecast, by Grade

	Aug-19 YTD			Sep-19		Oct-19		Nov-19		Dec-19		Qtr 1 2019		Qtr 2 2019		Qtr 3 2019		Qtr 4 2019		2019										
	Actual			Forecast		Forecast		Forecast		Forecast		Actual		Actual		Forecast		Forecast		Forecast										
	mt	Netback (\$/mt)		mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)									
All_Grades	8,782,773	\$	231.42	988,647	\$	205.35	885,464	\$	224.90	558,221	\$	198.56	588,636	\$	199.48	3,117,646	\$	222.36	3,289,271	\$	234.81	3,364,504	\$	228.84	2,032,321	\$	210.30	11,803,741	\$	225.60
STD_P	3,987,752	\$	213.53	399,840	\$	207.52	237,476	\$	203.41	232,693	\$	183.69	315,500	\$	184.48	1,518,742	\$	208.66	1,567,254	\$	218.24	1,301,596	\$	211.69	785,669	\$	189.97	5,173,261	\$	209.49
ISTD	122,848		194.02	-		-	-		-	-		-	-		-	122,848		193.29	-		-	-		-	-		-	122,848		194.02
RSTD	2,509,619		212.31	252,871		207.88	123,490		208.05	170,800		184.16	211,000		176.51	881,039		209.01	988,733		216.34	892,718		209.85	505,290		186.80	3,267,780		208.02
PSTD	326,515		206.17	-		-	-		-	-		-	87,202		207.81	166,868		209.05	166,868		209.05	72,445		197.58	-		-	326,515		206.17
WSTD	262,455		238.95	38,363		233.39	61,151		211.44	6,200		204.29	39,500		212.73	87,065		229.23	128,739		242.26	85,014		241.39	106,851		211.50	407,669		231.23
WFSS	600,382		217.72	102,177		192.93	18,619		185.14	45,693		181.25	48,000		189.45	270,800		209.57	250,453		220.27	181,306		212.39	112,312		185.40	814,871		210.15
RFSS	165,933		205.51	6,429		271.38	34,216		182.30	10,000		174.08	17,000		203.72	69,788		203.12	32,461		209.74	70,113		211.97	61,216		186.91	233,578		202.45
PRM_P	4,795,021	\$	246.29	588,807	\$	203.88	647,988	\$	232.77	325,528	\$	209.19	273,136	\$	216.80	1,598,904	\$	235.37	1,722,017	\$	249.89	2,062,908	\$	239.65	1,246,652	\$	223.12	6,630,480	\$	238.17
AGRN	58,618		251.57	7,149		167.35	17,109		240.66	25,555		187.09	-		-	14,142		224.29	10,843		262.99	40,782		243.23	42,664		208.57	108,431		229.10
PGRN	528,387		233.63	54,603		237.95	148,506		224.35	15,750		199.81	39,000		202.63	190,697		225.86	274,491		233.60	117,802		248.28	203,256		218.28	786,246		229.96
CGRN	323,045		204.05	26,253		185.23	45,020		204.04	-		-	41,000		173.90	120,917		193.35	140,548		208.26	87,833		206.41	86,020		189.67	435,318		200.07
5GRN	17,489		249.54	-		-	-		-	5,000		269.60	-		-	8,980		242.31	4,485		260.15	4,024		253.85	5,000		269.60	22,489		254.00
2GRN	23,636		232.99	-		-	6,648		238.58	-		-	-		-	10,761		218.10	6,539		254.35	6,336		236.23	6,648		238.58	30,284		234.22
7GRN	3,190,998		251.14	403,181		186.01	364,954		233.85	223,223		207.33	107,400		212.24	988,175		239.47	1,061,065		257.76	1,544,939		237.05	695,577		222.01	4,289,756		240.29
G5I5	19,345		308.10	-		-	-		-	-		-	7,500		295.58	6,836		307.03	5,495		302.97	7,014		313.17	7,500		295.58	26,845		304.60
F2I5	179,803		259.99	20,021		248.02	5,000		335.10	30,000		218.67	8,700		302.98	57,916		253.76	80,544		261.94	61,364		259.40	43,700		248.78	243,524		256.99
G6I1	117,170		241.04	7,994		266.63	10,064		222.43	-		-	9,000		230.44	73,737		228.03	35,433		258.53	15,994		275.04	19,064		226.21	144,228		240.50
F1I1	75,944		253.03	10,792		304.82	14,128		272.97	-		-	33,000		234.68	35,145		240.92	7,467		283.03	44,124		270.27	47,128		246.16	133,864		254.79
G1I1	260,478		250.98	58,778		265.08	36,559		260.13	26,000		229.98	27,500		243.25	91,562		256.00	95,071		249.04	132,624		255.16	90,059		246.27	409,315		251.97
CWIC	108		849.95	36		817.74	-		-	-		-	36		813.89	36		850.90	36		801.27	36		857.70	36		813.89	180		836.29

## Two Year Rail Billings Forecast, by Grade - Nutrien

2019 Forecasted Rail Billings (MT)													
	Jan-19 Actual	Feb-19 Actual	Mar-19 Actual	Apr-19 Actual	May-19 Actual	Jun-19 Actual	Jul-19 Actual	Aug-19 Actual	Sep-19 Forecast	Oct-19 Forecast	Nov-19 Forecast	Dec-19 Forecast	Total 2019
<b>All_Grades</b>	<b>722,517</b>	<b>538,094</b>	<b>683,254</b>	<b>824,932</b>	<b>803,329</b>	<b>859,514</b>	<b>718,575</b>	<b>689,791</b>	<b>406,624</b>	<b>320,747</b>	<b>337,904</b>	<b>625,737</b>	<b>7,531,019</b>
<b>STD_P</b>	<b>364,915</b>	<b>197,121</b>	<b>273,575</b>	<b>365,296</b>	<b>286,034</b>	<b>321,411</b>	<b>255,500</b>	<b>300,374</b>	<b>158,401</b>	<b>91,019</b>	<b>203,434</b>	<b>509,178</b>	<b>3,326,257</b>
<b>IFSS</b>	<b>21,225</b>	<b>-</b>	<b>-</b>	<b>42,492</b>	<b>21,258</b>	<b>-</b>	<b>-</b>	<b>21,252</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>21,000</b>	<b>147,227</b>
<b>ISTD</b>	<b>49,164</b>	<b>35,192</b>	<b>-</b>	<b>157,657</b>	<b>60,121</b>	<b>112,154</b>	<b>67,770</b>	<b>85,907</b>	<b>38,815</b>	<b>81,186</b>	<b>123,734</b>	<b>147,013</b>	<b>958,712</b>
<b>PSTD</b>	<b>17,557</b>	<b>-</b>	<b>-</b>	<b>17,577</b>	<b>67,916</b>	<b>-</b>	<b>32,877</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,500</b>	<b>-</b>	<b>153,427</b>
<b>RFSS</b>	<b>8,899</b>	<b>4,437</b>	<b>7,058</b>	<b>5,708</b>	<b>-</b>	<b>5,078</b>	<b>8,804</b>	<b>32,231</b>	<b>10,971</b>	<b>9,833</b>	<b>4,500</b>	<b>3,500</b>	<b>101,018</b>
<b>RSST</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,062</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,062</b>
<b>RSTD</b>	<b>268,070</b>	<b>157,492</b>	<b>266,518</b>	<b>141,862</b>	<b>136,739</b>	<b>171,116</b>	<b>146,049</b>	<b>160,984</b>	<b>108,615</b>	<b>-</b>	<b>37,700</b>	<b>337,666</b>	<b>1,932,810</b>
<b>PRM_P</b>	<b>357,603</b>	<b>340,973</b>	<b>409,678</b>	<b>459,636</b>	<b>517,295</b>	<b>538,104</b>	<b>463,075</b>	<b>389,417</b>	<b>248,223</b>	<b>229,729</b>	<b>134,470</b>	<b>116,559</b>	<b>4,204,762</b>
<b>2GRN</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>5GRN</b>	<b>4,095</b>	<b>-</b>	<b>4,871</b>	<b>-</b>	<b>-</b>	<b>4,498</b>	<b>-</b>	<b>4,037</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>22,502</b>
<b>7GRN</b>	<b>233,581</b>	<b>212,960</b>	<b>243,708</b>	<b>262,022</b>	<b>334,216</b>	<b>242,683</b>	<b>220,947</b>	<b>177,350</b>	<b>175,713</b>	<b>179,013</b>	<b>58,832</b>	<b>38,812</b>	<b>2,379,838</b>
<b>CWIC</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,000</b>	<b>3,108</b>
<b>F1I1</b>	<b>53,703</b>	<b>8,329</b>	<b>52,185</b>	<b>37,499</b>	<b>13,541</b>	<b>8,516</b>	<b>13,541</b>	<b>24,474</b>	<b>-</b>	<b>33,948</b>	<b>10,143</b>	<b>31,687</b>	<b>287,566</b>
<b>F2I5</b>	<b>13,503</b>	<b>34,068</b>	<b>25,746</b>	<b>30,322</b>	<b>31,574</b>	<b>18,248</b>	<b>7,164</b>	<b>20,147</b>	<b>23,783</b>	<b>16,768</b>	<b>30,000</b>	<b>8,900</b>	<b>260,223</b>
<b>GRNS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PGRN</b>	<b>52,721</b>	<b>85,616</b>	<b>83,132</b>	<b>129,792</b>	<b>137,964</b>	<b>264,123</b>	<b>221,424</b>	<b>163,372</b>	<b>48,728</b>	<b>-</b>	<b>30,495</b>	<b>34,160</b>	<b>1,251,526</b>

## Two Year Rail Billings Forecast, by Grade - Nutrien

2020 Forecasted Rail Billings (MT)													
	Jan-20 Forecast	Feb-20 Forecast	Mar-20 Forecast	Apr-20 Forecast	May-20 Forecast	Jun-20 Forecast	Jul-20 Forecast	Aug-20 Forecast	Sep-20 Forecast	Oct-20 Forecast	Nov-20 Forecast	Dec-20 Forecast	Total 2020
<b>All_Grades</b>	<b>605,632</b>	<b>591,340</b>	<b>752,018</b>	<b>639,464</b>	<b>845,724</b>	<b>708,476</b>	<b>752,202</b>	<b>669,744</b>	<b>670,135</b>	<b>551,227</b>	<b>540,941</b>	<b>408,662</b>	<b>7,735,565</b>
<b>STD_P</b>	<b>207,194</b>	<b>206,378</b>	<b>328,408</b>	<b>272,399</b>	<b>362,568</b>	<b>263,549</b>	<b>323,804</b>	<b>287,745</b>	<b>326,302</b>	<b>188,630</b>	<b>277,267</b>	<b>161,199</b>	<b>3,205,442</b>
<b>IFSS</b>	<b>21,000</b>	<b>-</b>	<b>21,000</b>	<b>-</b>	<b>21,000</b>	<b>-</b>	<b>21,000</b>	<b>21,000</b>	<b>21,000</b>	<b>-</b>	<b>21,000</b>	<b>-</b>	<b>147,000</b>
<b>ISTD</b>	<b>36,378</b>	<b>43,399</b>	<b>37,655</b>	<b>99,562</b>	<b>79,777</b>	<b>49,781</b>	<b>38,293</b>	<b>79,777</b>	<b>36,378</b>	<b>49,781</b>	<b>36,378</b>	<b>43,399</b>	<b>630,558</b>
<b>PSTD</b>	<b>30,315</b>	<b>43,080</b>	<b>20,000</b>	<b>22,338</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>10,000</b>	<b>98,924</b>	<b>-</b>	<b>10,000</b>	<b>-</b>	<b>249,656</b>
<b>RFSS</b>	<b>10,000</b>	<b>24,900</b>	<b>7,000</b>	<b>6,000</b>	<b>12,800</b>	<b>6,000</b>	<b>-</b>	<b>24,000</b>	<b>7,000</b>	<b>-</b>	<b>11,500</b>	<b>12,800</b>	<b>122,000</b>
<b>RSST</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>RSTD</b>	<b>109,500</b>	<b>95,000</b>	<b>242,753</b>	<b>144,500</b>	<b>233,991</b>	<b>207,768</b>	<b>264,511</b>	<b>152,968</b>	<b>163,000</b>	<b>138,849</b>	<b>198,389</b>	<b>105,000</b>	<b>2,056,229</b>
<b>PRM_P</b>	<b>398,438</b>	<b>384,962</b>	<b>423,611</b>	<b>367,065</b>	<b>483,156</b>	<b>444,927</b>	<b>428,397</b>	<b>381,999</b>	<b>343,834</b>	<b>362,597</b>	<b>263,674</b>	<b>247,463</b>	<b>4,530,123</b>
<b>2GRN</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>5GRN</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>5,500</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>25,500</b>
<b>7GRN</b>	<b>235,967</b>	<b>96,667</b>	<b>268,631</b>	<b>202,367</b>	<b>258,867</b>	<b>261,331</b>	<b>257,867</b>	<b>165,867</b>	<b>199,031</b>	<b>194,467</b>	<b>101,967</b>	<b>32,331</b>	<b>2,275,356</b>
<b>CWIC</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>144</b>
<b>F1I1</b>	<b>-</b>	<b>43,584</b>	<b>36,142</b>	<b>15,642</b>	<b>59,242</b>	<b>15,642</b>	<b>15,642</b>	<b>33,342</b>	<b>23,142</b>	<b>26,642</b>	<b>15,642</b>	<b>33,342</b>	<b>318,000</b>
<b>F2I5</b>	<b>30,000</b>	<b>28,300</b>	<b>23,700</b>	<b>50,000</b>	<b>15,500</b>	<b>20,000</b>	<b>20,000</b>	<b>19,200</b>	<b>10,000</b>	<b>31,000</b>	<b>-</b>	<b>35,500</b>	<b>283,200</b>
<b>GRNS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PGRN</b>	<b>132,472</b>	<b>211,411</b>	<b>95,102</b>	<b>94,056</b>	<b>149,548</b>	<b>142,919</b>	<b>134,889</b>	<b>158,091</b>	<b>111,625</b>	<b>110,489</b>	<b>141,065</b>	<b>146,255</b>	<b>1,627,922</b>

## Two Year Rail Billings Forecast, by Grade - Nutrien

2021 Forecasted Rail Billings (MT)													
	Jan-21 Forecast	Feb-21 Forecast	Mar-21 Forecast	Apr-21 Forecast	May-21 Forecast	Jun-21 Forecast	Jul-21 Forecast	Aug-21 Forecast	Sep-21 Forecast	Oct-21 Forecast	Nov-21 Forecast	Dec-21 Forecast	Total 2021
<b>All_Grades</b>	389,058	611,643	798,251	747,905	804,473	831,184	734,500	690,979	516,577				6,124,570
<b>STD_P</b>	137,002	187,618	360,285	298,563	319,803	356,126	332,419	327,812	192,672				2,512,300
<b>IFSS</b>	21,000	-	21,000	-	21,000	-	21,000	21,000	21,000				126,000
<b>ISTD</b>	22,365	43,398	37,654	99,559	79,775	49,780	38,292	79,775	36,377				486,975
<b>PSTD</b>	11,169	20,742	6,382	33,506	9,573	-	-	6,382	27,124				114,876
<b>RFSS</b>	10,000	24,900	7,000	6,000	12,800	6,000	-	24,000	7,000				97,700
<b>RSST</b>	-	-	-	-	-	-	-	-	-				-
<b>RSTD</b>	72,468	98,579	288,249	159,498	196,655	300,346	273,127	196,655	101,172				1,686,749
<b>PRM_P</b>	252,057	424,024	437,966	449,342	484,670	475,058	402,081	363,168	323,904				3,612,270
<b>2GRN</b>	-	-	-	-	-	-	-	-	-				-
<b>5GRN</b>	-	5,000	-	5,000	-	5,000	-	5,500	-				20,500
<b>7GRN</b>	47,149	121,135	207,055	256,782	308,688	340,671	265,648	165,389	164,930				1,877,447
<b>CWIC</b>	-	-	36	-	-	36	-	-	36				108
<b>F1I1</b>	20,000	35,300	30,500	36,000	18,600	10,000	10,000	27,700	38,000				226,100
<b>F2I5</b>	30,000	28,300	23,700	30,000	35,500	20,000	20,000	19,200	10,000				216,700
<b>GRNS</b>	-	-	-	-	-	-	-	-	-				-
<b>PGRN</b>	154,908	234,290	176,675	121,560	121,882	99,351	106,432	145,379	110,938				1,271,415