

## MEMORANDUM

Date: January 7, 2021

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**

2019 Imports	10,283,000 MT	Up 1% compared to 2018
<b>2020 Imports (Forecast)</b>	11,100,000 MT	Up 8% compared to 2019
2020 Canpotex Sales (Forecast)	3,405,000 MT	Up 17% compared to 2019
<b>2020 Canpotex Market Share (Forecast)</b>	31%	Up 3% compared to 2019

After reaching historical high prices in November (R\$170/bag), domestic soybean prices are now quoted at R\$149/bag, a decrease of 13%. News regarding vaccination plans gave strength to the Brazilian Real, going from R\$ 5.43/US\$ in November to R\$ 5.14/US\$ in December. Despite lower price levels, farmers are still receiving more than double per bag compared to the 2019 average soybean price.

The soybean planting season is almost complete (~98%), which is considered to be at a normal pace for this time of the year. Soybean production estimates were adjusted from 133.9 to 131.9 million MT due to lack of rains reported earlier. Nonetheless, it is worth noting that current crop estimates still represent an increase of 5% compared to the previous crop.

ANDA reported total NPK domestic deliveries of 20.4 million MT during the first half of 2020 (15.7% higher than Jan-Jul 2019). The 2020 NPK demand is estimated to reach up to around 39 million MT, an increase of 2.8 million MT compared to 2019.

Farmer profitability remains high and current barter ratios are favorable towards fertilizer affordability. First estimates for 2021 demand are pointing towards another record year of around ~39.8 million MT. MOP consumption is estimated at ~10.9 million MT for 2020 and 11.1 million MT for 2021.

December MOP arrivals are estimated at 867,000 MT (203,000 MT higher than 2019) resulting in 2020 imports of 11.1 million MT, 814,000 MT higher than 2019. Canpotex leads in market share at 32%, followed by BPC with 22% and Uralkali with 19%. With strong arrivals reported

during 4Q 2020, year-end inventories are estimated around 1.8 million MT, 200,000 MT higher than 2019; but different from last year, most of this volume is already committed to fulfil 1Q 2021 order-books.

## **China**

2019 Imports	8,900,000 MT	Up 19% compared to 2018
<b>2020 Imports (Forecast)</b>	8,900,000 MT	Same as that of 2019
2020 Canpotex Sales (Forecast)	2,395,484 MT	Down 10% from 2019
<b>2020 Canpotex Market Share (Forecast)</b>	27%	Down 3% from 2019

China potash imports (by arrival) in November totaled 760,000 MT; YTD November totaled ~8.1 million MT, down ~0.3 million MT or 3% YOY. 2020 China total potash imports are projected to reach 8.9 million MT, the same level as 2019.

China local potash market prices continued firming. They were supported by winter reserve purchases from distributors and NPK manufacturers driven by high demand from the agriculture sector. High grain prices and tight supply availability from ports and local producers supported firming price levels. Current spot market price is at CFR ~US\$250/MT net equivalent level for standard grade and CFR ~US\$265-275/MT net equivalent level for granular and white grade, providing a good margin against the current potash contract price.

China's potash inventory at seaports is currently at ~2.9 million MT level, which is decreased from last month's 3.3 million level as a result of increased take away from the port. It is expected that port inventory will continue to decrease with continued demand into January and reduced supply from international suppliers.

QSL is reportedly offering a RMB 2,020 sales price for December delivery cargoes, which is RMB 70 higher than its November offer and evidently in reaction to high demand and low year-end inventory at production site. Since August 2020, QSL has reportedly increased total RMB by 200/MT from its lowest level of RMB 1,820/MT, which was after the China Sea Import Contract settled in April. QSL is expected to start regular maintenance from mid-January to end-February, which will make local potash supply much tighter.

China buying committee members advised that there have not been any official discussions on 2021 China contracts yet. They may initiate discussions later in January. We understand from market sources that APC will continue loading for Sinofert (its exclusive China customer) until its current contract expires on April 30, 2021. Other supplier contracts ended December 31, 2020 while Canpotex contracts only went through October 31, 2020.

## **South Korea**

The Korean market is stable. Potash imports totaled 633,241 MT at the end of November, up 2% YOY. Canpotex accounted for 65% of the imports, with 408,944 MT shipped, down 2%

YOY. BPC reportedly shipped 87,603 MT, down 26% YOY, accounting for 14% of Korea's total MOP imports. ICL accounts for 13%, with 84,075 MT shipped according to customs statistics.

Canpotex's finalized its Q1 2021 sales price at net US\$260-275/MT CFR level, and net US\$265-280/MT CFR level for Q2.

### **Taiwan**

The Taiwan market is stable. Potash imports totaled 337,923 MT, up 2% YOY, by the end of November. Canpotex accounted for 45% of total imports, with 153,561 MT shipped, down 21% YOY. BPC shipments to Taiwan were reportedly 71,276 MT, accounting for 21% of total imports. K+S shipments were reportedly 62,741 MT, accounting for 19% of total imports. APC sales were reportedly 31,693 MT, accounting for 9% of total imports.

Canpotex's sales prices for Q1/Q2 2021 loading cargoes are at net US\$260-300/MT CFR level depending on different grades.

### **Japan**

The Japan MOP market is stable.

Japan potash imports totaled 447,745 MT, down 1% YOY, by the end of November 2020. Canpotex accounted for 63% of imports, with 282,450 MT shipped, down 3% YOY. BPC reportedly shipped 56,424 MT, an increase of 5% YOY, accounting for 13% of total imports. Uralkali accounts for 10% with 46,298 MT shipped. APC reportedly shipped 18,000 MT and accounts for 4% of the imports. ICL reportedly shipped 13,845 MT and accounts for 3% of the imports.

2H 2020 Japan sales prices range from US\$250-296.50/MT FOB depending on grade for loading in 2H 2020. We are in discussion with Japanese customers for 1H 2021 price which is expected to increase further from the current high levels.

### **India**

2019 Imports	4,428,000 MT	Down 2% compared to 2018
<b>2020 Imports (Forecast)</b>	5,200,000 MT	Up 17% compared to 2019
2020 Canpotex Sales	1,754,000 MT	Up 41% compared to 2019
<b>2020 Canpotex Market Share (Forecast)</b>	34%	Up 6% from 2019

India is projected to import 5.2 million MT in 2020, its best year since 2010 and fourth largest on record. Canpotex shipped 1.75 million MT for 34% market share, BPC with 1.4 million MT (27%), Uralkali – 795,000 MT (15%), ICL – 601,000 (12%), APC – 483,000 (9%) and K+S – 143,000 MT (3%). All suppliers under 2020 contracts have reportedly fulfilled their volume obligations with Indian Potash Limited (IPL), with at least BPC and Uralkali believed to have shipped optional cargoes within the month of December.

Strong shipments and slightly slowing sales have led inventory growth throughout Q4, with country-wide potash inventories totaling to 2.0 million MT at the start of December (an increase of 20% YoY). Inventory levels are expected to grow through January and into February as vessels loaded in December arrive in India.

The focus is now on the conclusion of new contracts, where IPL has indicated that discussions could formally begin in January. We anticipate IPL to have sufficient inventory to manage through Q1, requiring new arrivals in mid-April ahead of the Kharif application season. That said, there are many other factors that will likely influence the negotiations including:

- the timing of China's settlement – while not a necessity, India has generally waited for China to lead as it helps with the Indian government approval process – in recent years when India settled first, it fared better than China;
- Indian government (GOI) influence in the negotiation process – if China does not settle first a case will need to be made by Indian buyers to garner government support for new prices – this comes at a time where political posturing has been high with respect to not raising farmer MRPs for phosphates and potash through the Rabi season, and;
- weighing the implication of prices/foreign exchange rates/fertilizer subsidy policies on the MRPs and its impact on farmer affordability.

Overall, agriculture fundamentals look good as we progress through the Rabi season and many importers are optimistic for the year ahead, however, uncertainties persist around price increases of potash on farmer affordability and its impact on local demand. It is widely viewed that the GOI would not meaningfully increase the potash subsidy given the recent history of subsidy declines.

### **Indonesia**

2019 Imports (Estimate)	2,563,000 MT	Down 29% from 2018
<b>2020 Imports (Forecast)</b>	2,750,000 MT	Up 7% from 2019
2020 Canpotex Sales (Forecast)	1,025,000 MT	Up 25% from 2019
<b>2020 Canpotex Market Share (Forecast)</b>	37%	Up 5% from 2019

After a slow 1H 2020, customers entered the 2H tender season with significant carry-over stock. However, coming out of lockdown inventories began drawing down in August as deliveries picked up for volumes tendered from April to July and spot inquiries continued to come in to top up plantation 2H requirements. With the market tightening and CPO prices continuing to strengthen, the tone in Indonesia improved which saw large plantations calling early tenders for 1H 2021, and full year 2021 volumes. Today, demand continues to recover and we are expecting a much stronger year in 2021. Most of the large plantation tenders for 1H deliveries have been concluded, with Wilmar winning a strong portion of the initial business albeit at thin to zero margin. Competitor channels are reportedly taking a more aggressive approach on the remaining tender volumes which is limiting our channels' ability to move prices up. Local prices are currently around US\$240-245/MT CFR equivalent.

CPO prices continued to improve this month averaging RM3,600/MT which is positive for market sentiment. This price improvement is attributed to improved global demand and tighter supply from top producers.

After months of uncertainty, the Indonesian government rekindled discussions around its Biodiesel program in August and plans to escalate the program to forty percent mixed biodiesel (B40) by 2H of next year. This program helps support CPO prices by consuming stocks at the local level, but as the gap widens between CPO and crude oil prices, the program is becoming more expensive to run and requires further increases in export tariffs which will limit the upside on CPO margins for the plantations. This month, the Indonesian government increased the export levy under a new structure to support the program. Based on this month's referenced CPO price, the total export tax and levy is currently at US\$213/MT (RM865/MT).

We remain engaged with our customers to help strengthen pricing as part of Canpotex's overall strategy. Petrokemika Gresik recently concluded limited volumes for 1Q shipments, where Canpotex secured volume at US\$260/MT through our distributor customer Aastar. This large public tender historically acts as a bellwether in the SE Asia market, so the price increase will send a positive signal in the market and hopefully help firm prices. Canpotex also recently concluded 110,000 MT with Wilmar as well as 27,500 MT with Aastar for 2Q volumes all priced at \$260/MT, further solidifying the new price level.

### **Malaysia**

2019 Imports (Estimated)	1,150,000 MT	<b>Down 49% compared to 2018</b>
<b>2020 Imports (Forecast)</b>	1,500,000 MT	Up 30% compared to 2019
2020 Canpotex Sales (Forecast)	629,000 MT	Up 4% compared to 2019
<b>2020 Canpotex Market Share (Forecast)</b>	42%	Down 10% from 2019

The tender season for 1H 2021 continued this month with numerous tenders being called on the back of improved CPO prices, but the majority of prices and deliveries are still being negotiated. Thus far, competitor channels selling product from Uralkali appear to be impeding Canpotex product distributor efforts to secure improved prices as Uralkali appears to be seeking to gain back market share after a couple years of declining market share. Current local prices in the market are around US\$235-240/MT CFR equivalent.

After a wave of COVID-19 cases emerged in the Sabah province in September, the government re-imposed a strict Enhanced Targeted Movement Control Order (ETMCO) which saw restrictions enhanced in various locations of Sabah and Peninsular Malaysia. This was extended to December 31 which will limit movement and capacity of fertilizer deliveries in those areas until the COVID-19 clusters are brought under control.

In addition to the above, there are a few factors in Malaysia still hindering sentiment in that country, as compared to Indonesia:

- Labour remains an issue which continues to impact Malaysian plantations' ability to harvest and apply fertilizers. Fertilizer usage is being deferred to next season as limited workers are being channeled towards harvesting.
- A heavy rain season which arrived earlier than normal this year in is also negatively affecting fertilizer application as well as harvesting.
- There is also uncertainty around the country's current political leadership – Barisan Nasional – which came into power abruptly back in February. The opposition leader, Anwar Ibrahim, is currently maneuvering to regain power which could prompt a snap election early next year. A change of leadership could disrupt stimulus funding to the GLC's (Government-Linked Plantations) which make up about 20% of the market.

Mirroring Indonesia, the Malaysian government recently announced it will raise its export tax on CPO effective in January. Based on a monthly reference price set by the Malaysian Palm Oil Board, the tax will rise to 8% which equates to approx. US\$68/MT (RM 276/MT).

As the market continues to recover, we are working very closely with our customers to try and move local prices up and gain momentum in the always important 1H tender season. To allow our customers to participate and start writing business for 2Q, we recently concluded 110,000 MT with Hap Seng for April to June shipments at an average price of US\$252/MT for Standard grade.

### **Southeast Asia**

For Vietnam, Canpotex is projecting 2020 potash imports of approximately 1.015 million MT, up from 909,000 MT (+12%) in 2019. Canpotex's 2020 shipments are at 150,000 MT, up from 94,000 MT (+60%) in 2019, with a projected market share of 15%, up from 10% in 2019. While total potash shipments to Vietnam recovered strongly in 2020, this did not translate into higher local demand due to poor weather conditions and the persistent saltwater intrusion problem in the Mekong region, the country's main rice growing region. As a result, potash inventory levels have remained stubbornly high throughout 2020, putting downward pressure on local potash prices. On a positive note, Vietnam's main winter-spring rice planting season is currently ongoing and fertilizer demand has been very encouraging, supported by healthy weather conditions, less severe saltwater intrusion, and robust rice export prices (which have recently jumped to their highest level since 2011). Local potash prices, however, continue to struggle as recent BPC, ICL and K+S shipments arrive despite their local channels sitting on excessive inventory levels. For December shipment to Vietnam, Canpotex concluded standard grade sales at US\$240/MT and granular grade sales at US\$255-260/MT.

For Thailand, Canpotex is projecting 2020 potash imports of approximately 723,000 MT, up from 640,000 MT (+13%) in 2019. Canpotex's 2020 shipments are at 281,000 MT, up from 228,000 MT (+23%) in 2019, with a projected market share of 39%, up from 36% in 2019. After experiencing severe drought conditions in 2019, Thailand saw improved rainfall in 2020, along

with stronger rice prices, both of which helped aid the recovery of fertilizer demand. However, there remains a shortage of water in the country's dams, which has dampened fertilizer demand for the ongoing smaller dry rice planting season given its reliance on irrigation. For January shipment, Canpotex concluded standard and granular grade at US\$245/MT and US\$265/MT respectively, and secured a further US\$5/MT price increase for granular grade to be shipped in February. Canpotex also agreed to a US\$20/MT increase for industrial grade product in January, bringing the price to US\$315/MT.

For the Philippines, Canpotex is projecting 2020 potash imports of approximately 200,000 MT, down from 227,000 MT (-12%) in 2019. Canpotex's 2020 shipments are at 151,000 MT, up from 109,000 MT (+39%) in 2019, with a projected market share of 76%, up from 48% in 2019. Canpotex's strong performance this year was mainly due to the absence of our customers' main local competitor, owing to financial challenges. As well, supportive agriculture policies, healthy crop prices and favorable weather conditions have all supported continued fertilizer demand. We expect this positive momentum to carry over to next year, as our customers have requested to advance and increase our volumes for the first quarter. For January/February shipments to the Philippines, Canpotex has concluded standard grade pricing at US\$245-US\$250/MT.

For Myanmar, Canpotex is projecting 2020 potash imports of approximately 70,000 MT, down from 74,000 MT (-5%) in 2019. Canpotex's 2020 shipments are at 22,000 MT, down from 23,000 MT (-5%) in 2019, with a projected market share of 31%, similar to Canpotex's 2019 share. Overall fertilizer demand in 2020 is estimated to drop by 15% from 2019 mainly as a result of disruptions caused by the coronavirus. Fertilizer demand has improved this month with the ongoing winter planting season, as interstate travel restrictions were loosened which enabled our customers to execute their deferred deliveries across the country. There remain challenges, however, on cross border trade upon which the country is heavily reliant -- especially for perishable crops and fruits due to the introduction of lengthy medical inspections and extended travel restrictions at the borders. Our last priced bulk shipment to Myanmar was for November loading and was concluded at US\$230/MT and US\$250/MT for standard and granular grade respectively, with our next bulk shipment to take place tentatively in March 2021.

### **Bangladesh**

Local potash sales in 2020 are expected to be largely in line with those sold in 2019 (705,000 MT sold through December 25<sup>th</sup> against 725,000 MT total in 2019). Limited growth in potash sales this year may be partially explained by the latest policies rolled out in late-2019 to make DAP more affordable.

Total potash imports (B/L basis) for 2020 are projected to be 690,000 MT (slightly down from 2019 of 697,000 MT). BPC represented 54% of shipments in 2020, while Uralkali and Eurochem shipped 22% and 14%, respectively. Canpotex shipped 66,000 MT under the 2020-21 BADC contract for about a 10% share. While it is early to determine what the Bangladesh Ministry of Agriculture's CY 2021 procurement plans are, given steady sales and inventory draw down that occurred this year, it is expected that the volumes for next year will grow.

## **Australia/New Zealand**

The overall agriculture sector in Australia remains positive with favorable weather forecasts and conducive market conditions. Outlook in the grain, dairy, horticulture and sheep sectors are all very positive, while beef may see some softening as herd restocking begins to slow and prices come off. The main concern still outstanding is the current trade situation with China and how that may impact Australian outputs. Nonetheless, farm-confidence levels remain high and Australian growers continue to seek alternative trade routes (further supported by the recent signing of Regional Economic Partnership Agreement (RCEP) in November).

While the potash market is relatively quiet today, especially with many market participants distracted by the strong Australian phosphate market, near-term uncertainties remain in the east around potash competitiveness. Canpotex channels believe that BPC-supplied importers still have inventory from mid-2020 shipments that could last through Q1, keeping local prices low. This has led to some reluctance toward higher prices proposed for 1H 2021 by Canpotex and we are still in price negotiations for shipments beginning in January.

In Western Australia, the potash market is off to a good start with Canpotex channels having forward committed well into Q1 at farm-level prices in the A\$500-510 range, representing similar import margins to last year. The top priority from our channels today is the timely arrival of product as the season appears to be off to an early start relative to previous years.

New Zealand's dairy market continues to show signs of strength with recent increases from the Global Dairy Trade prices increasing ~5% in December and Fonterra announcing strong Q1 2020-21 results and a subsequent increase to the farmer payout range (US\$6.80/kgMS midpoint to US\$7.00/kgMS midpoint). While slightly lower than 2019-20 final prices of US\$7.14/kgMS, this is a substantial increase from initial forecasts made in May 2020 of US\$6.15/kgMS (midpoint). 2020-21 payout expectations remain the third highest in the last ten years.

Overall potash imports to New Zealand are expected to be about 230,000 MT in 2020 with Canpotex representing about 56%. According to customs statistics and various trade sources, it appears that K+S has shipped 28,000 MT of potash in October to Ravensdown from Canada. This would be the first bulk vessel from K+S's Canadian assets into the Oceania region. At this point, it appears to be a one-off cargo as BPC has been in the market to fix freight to New Zealand in December but could be a trend going forward as Ravensdown currently purchases sulphur products out of the Pacific Northwest, making a favourable freight combination possible.

Canpotex has concluded a February loader with Ballance at a US\$25/MT increase to US\$260 FOB for granular grade.



## **Europe**

Western Europe continues to be challenged with the COVID-19 pandemic experiencing an upsurge of cases this December. Multiple governments have decided to restrict mobility and impose lockdowns to contain the spread of the virus. All these restrictions have continued to increase the overall sense of uncertainty in the market especially affecting the demand for industrial products like KOH in the region.

It has been reported that KOH prices have decreased by approximately €45/MT in the past weeks due to lack of demand which is in result creating an oversupply of product. Canpotex concluded all Q1 2021 KCL industrial sales at a price level of €255/MT.

It has been reported that Uralkali started to sell industrial KCL to the two major producers of KOH in Belgium at very attractive price levels, which resulted in K+S and BPC implementing a price decrease in Q4-2020 to defend their market share. Uralkali now has a portion of supply in the KCL portfolio for both Inovyn and Vynova.<sup>1</sup> Both Inovyn and Vynova have reported that their KOH and caustic soda portfolios have been heavily hurt since the start of the pandemic (approximately 20% below budget YOY)).

The agricultural MOP market in western Europe continues to be slow especially due to the holiday season period in most of western Europe. However, there have been indications that the market has become somewhat active in preparation for spring application, particularly in France and in the Benelux region. ICL and K+S continue to be very aggressive with prices as they fight to defend market share from Eurochem. The overall granular market has not moved much with prices being reported to be between €230-235/MT FCA for granular MOP.

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

2019 Imports (Estimated)	1,846,000 MT	<b>Down 20% compared to 2018</b>
<b>2020 Imports (Forecast)</b>	2,443,000 MT	Up 32% compared to 2019
2020 Canpotex Sales (Forecast)	981,000 MT	Up 46% compared to 2019
<b>2020 Canpotex Market Share (Forecast)</b>	40%	Up 4% from 2019

## **Mexico**

Canpotex achieved a US\$5/MT increase in the granular price for January loading to US\$260/MT for a core customer in the Pacific, and a US\$10/MT increase for an opportunistic sale at US\$265/MT, for January loading. There have been no other recent offers to the Pacific coast for January, but there were reportedly offers for delivery to Atlantic ports at prices into the high US\$250's.

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<sup>1</sup> Uralkali has the capacity to produce 120,000 MT of industrial KCL per year.

Major importers in the country appear aligned with Canpotex's assessment of the potash market heading into 2021, following the bullish price trend for February and March loading.

### **Caribbean**

Dominican customers are reportedly anticipating higher prices based on overall tight supply and general market conditions. Canpotex had preliminary discussions for February shipments and demand looks to be firm in Q1 2021. Customers in Martinique, Guadeloupe, and Belize are also eager to lock in pricing and volume for shipments based on tight global supply fundamentals.

### **Central America/Colombia**

Central America is now confirming business well into the new year with the anticipation of firming potash prices. Canpotex confirmed 30,000 MT with INCOFE for 2H February loading at a US\$7-10/MT increase from January volume. We also confirmed a smaller parcel with another receiver at US\$252/MT.

In Colombia, prices continue to move up, with new levels confirmed in the market in Q1 2021. Canpotex achieved price increases for January loading volume, ranging from US\$245-250/MT CFR granular. This is a strong signal to Latin American customers generally, representing a ~US\$10 increase from volumes confirmed in the past months.

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

Paraguayan demand continues to be the main driver of MOP consumption in the south cone mostly driven by the active participation of importers looking for fertilizer for soybean application.

Since Canpotex did the first transshipment in Uruguay to Paraguay in Q4-2020, the market has reacted very positively by showing interest in working directly with Canpotex. Canpotex has concluded close to 11,000 MT of granular sales for Q1 2021 with a positive price progression of US\$13/MT between January vs. March loading. The latest local price indication of granular MOP is between US\$285/MT to US\$290/MT CFR Paraguay equivalent for March 2021 loading, which includes US\$32/MT as a logistics cost for the transshipment.

Overall, it has been reported that granular MOP prices are currently being offered in the range between US\$250 - 255/MT CFR equivalent February arrival for both Argentina and Uruguay.

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

Canpotex sold cargoes for Q1-2021 at a level between US\$247/MT for January loading and at US\$255/MT for February loading.

Canpotex MOP sales in Ecuador in 2020 reached a record with 47,331 MT sold, representing 76% YOY growth in Ecuador.

Like Ecuador, Peru saw a record year in fertilizer imports in 2020. Canpotex reached a record year in MOP sales in Peru with 84,385 MT GMOP sold, representing 52% YOY growth in Peru. Latest price indication for granular MOP for this market is in the range between US\$253/MT to US\$255/MT January arrival.

### **Africa**

Canpotex recently closed another small parcel of granular product to Yara in Ivory Coast at US\$265/MT CFR, but the spot market price is believed to be slightly lower than this level at US\$255-260 for West and South Africa.










MOP demand remains flat in West Africa, but we expect some more movement in Q1 2021. Traders are active right now, executing on several DAP and Urea tenders and will be ready to offer MOP once demand improves. Most NPK tenders throughout the region were won by OCP in Morocco. Prices are not confirmed but are expected to be US\$200-210/MT CFR.

# Volumes & Netback Forecast

## Nutrien

January 7, 2021



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## Comments & Assumptions

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1. Sales volumes and net sale prices are based on actuals for January – November 2020 and updated forecast amounts for December 2020 – March 2021.
2. For the purpose of this forecast, rail billings for the 2020 fourth quarter are estimated at 2,823,000 MT, 397,000 MT above budget. (Note: Actual fourth quarter rail billings are 2,809,000 MT.) Rail billings for the 2021 first quarter are estimated at 3,046,000 MT, 110,000 MT below budget, with limited upside potential and further downside risk of 370,000 MT.
3. For the purpose of this forecast, shipments for the 2020 fourth quarter are estimated at 2,783,000 MT, 320,000 MT above budget. (Note: Actual fourth quarter shipments are 2,645,000 MT.) Shipments for the 2021 first quarter are estimated at 3,052,000 MT, on budget, with upside potential of 120,000 MT and downside risk of 335,000 MT.
4. For the purpose of this forecast, sales volumes for the 2020 fourth quarter are estimated at 3,019,000 MT, 196,000 MT below budget. (Note: Actual fourth quarter sales volumes are 3,032,000 MT.) Sales volumes for the 2021 first quarter are estimated at 2,452,000 MT, 35,000 MT above budget, with upside potential of 545,000 MT and downside risk of 155,000 MT.
5. Net sale prices for the 2020 fourth quarter are projected to average \$223.26/MT, a decrease of \$35.25/MT from budget. Net sale prices for the 2021 first quarter are projected to average \$236.15/MT, a decrease of \$1.02/MT from budget.
6. Ocean Freight rates for the 2020 fourth quarter are projected to average approximately \$29.47/MT CFR, a decrease of \$3.68/MT from the budget. This decrease is primarily due to lower hire rates and lower bunker prices. The \$29.47/MT CFR average equates to \$27.74/MT on all tonnes compared to the budget of \$31.90/MT, a decrease of \$4.16/MT. Ocean Freight rates for the 2021 first quarter are projected to average approximately \$28.77/MT CFR, a decrease of \$1.28/MT from the budget. This decrease is primarily due to a favorable shipping mix. The \$28.77/MT CFR average equates to \$27.06/MT on all tonnes compared to the budget of \$28.65/MT, a decrease of \$1.59/MT.
7. The US/CDN \$ exchange rate is projected to average approximately 1.31, as budgeted, for the 2020 fourth quarter. The US/CDN \$ exchange rate is projected to average approximately 1.28 for the 2021 first quarter, compared to a budget rate of 1.32.
8. Monthly inland and terminal costs are allocated evenly by load port, regardless of grade, on a \$/MT basis.
9. Inland Freight for the 2020 fourth quarter is projected to be \$0.33/MT lower than budget, primarily due to lower fuel prices, partially offset by unfavorable loadport split. Inland Freight for the 2021 first quarter is projected to be \$1.65/MT higher than budget, primarily due to unfavorable loadport split and FX rate.
10. Terminal expense for the 2020 fourth quarter is projected to be \$0.78/MT higher than budget, primarily due to lower volumes, as well as higher costs at Neptune Bulk Terminals, due to Covid-19 expenditures and higher cost of service allocation, as a result of lower Teck volumes. Terminal expense for the 2021 first quarter is projected to be \$0.28/MT higher than budget, primarily due to unfavorable loadport split and FX rate.
11. S&A expenses for the 2020 fourth quarter are projected to be \$0.34/MT lower than budget, with cost savings related to COVID-19 and lower HR costs, partially offset by lower volumes. S&A expenses for the 2021 first quarter are projected to be \$0.06/MT lower than budget, primarily due to favorable volumes.
12. Other Costs for the 2020 fourth quarter are projected to be \$0.07/MT higher than budget, due to lower volumes and timing of market development expenses, partially offset by lower finance costs. Other Costs for the 2021 first quarter are projected to be \$0.25/MT lower than budget, with timing variances due to sales mix.
13. Average Netbacks are projected to be \$149.36/MT for the 2020 fourth quarter, a decrease of \$31.27/MT from budget. Average Netbacks are projected to be \$156.59/MT for the 2021 first quarter, a decrease of \$1.05/MT from budget.

## Comments & Assumptions (cont'd)

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14. Rail billing 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.
18. The COVID-19 pandemic has added significant economic uncertainty throughout the world. The Executive Leadership Team is monitoring this risk and developing strategies to mitigate. At this point, the potential impact of COVID-19 has been estimated to be a reduction in S&A and Market Development costs of approximately \$3.9 million.

## January 2021 Interim Pricing, in USD

(pricing to be used for invoicing)

	\$/MT K20
Standard	240.00
Premium	268.00



## Netback Variance Analysis (\$/mt) - 2020 Quarter 4

		Qtr 4 2020 Forecast	Qtr 4 2020 Budget	Variance	Comments
Volume (000's)	Rail Billings	2,823	2,425	397	
	Shipments	2,783	2,464	320	
	Sales	3,019	3,215	(196)	
Net Sales Price		\$ 223.26	\$ 258.50	\$ (35.25)	
Ocean Freight		27.74	31.90	4.16	Lower hire rates and bunker prices
Inland Freight		30.21	30.54	0.33	Lower fuel prices, partially offset by unfavorable loadport split
Terminal		9.93	9.15	(0.78)	Lower volumes, as well as higher costs at Neptune Bulk Terminals, due to Covid-19 expenditures and higher cost of service allocation, as a result of lower Teck volumes
S&A		2.81	3.15	0.34	Cost savings related to COVID-19 and lower HR costs, partially offset by lower volumes
Other Cost <sup>(1)</sup>		3.20	3.13	(0.07)	Lower volumes and timing of market development expenses, partially offset by lower finance costs
Netback		\$ 149.36	\$ 180.63	\$ (31.27)	

<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) - 2021 Quarter 1

		Qtr 1 2021 Forecast	Qtr 1 2021 Budget	Variance	Comments
Volume (000's)	Rail Billings	3,046	3,156	(110)	
	Shipments	3,052	3,052	0	
	Sales	2,452	2,418	35	
Net Sales Price		\$ 236.15	\$ 237.17	\$ (1.02)	
Ocean Freight		27.06	28.65	1.59	Favorable shipping mix
Inland Freight		33.70	32.04	(1.65)	Unfavorable loadport split and FX rate
Terminal		12.17	11.89	(0.28)	Unfavorable loadport split and FX rate
S&A		4.14	4.20	0.06	Favorable volumes
Other Cost <sup>(1)</sup>		2.48	2.74	0.25	Timing variances due to sales mix
Netback		\$ 156.59	\$ 157.64	\$ (1.05)	

<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

	Nov-20 YTD		Dec-20		Jan-21		Feb-21		Mar-21		Qtr 1 2020		Qtr 2 2020		Qtr 3 2020		Qtr 4 2020		2020		Qtr 1 2021	
	Actual		Forecast		Forecast		Forecast		Forecast		Actual		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)	mt	Netback (\$/mt)
All Regions	11,832,180	\$ 157.87	828,116	\$ 151.89	776,943	\$ 148.35	949,610	\$ 160.45	725,800	\$ 160.36	2,467,954	\$ 175.67	3,737,921	\$ 156.18	3,435,498	\$ 152.97	3,018,923	\$ 149.36	12,660,296	\$ 157.48	2,452,353	\$ 156.59
Asia	7,131,293	\$ 158.00	548,219	\$ 142.97	372,072	\$ 142.25	613,882	\$ 160.75	385,950	\$ 159.78	1,696,337	\$ 173.71	2,150,950	\$ 153.74	1,955,590	\$ 157.10	1,876,635	\$ 145.23	7,679,512	\$ 156.93	1,371,904	\$ 155.46
STD_P	5,109,379	153.89	375,060	133.46	305,841	137.82	443,146	151.47	271,950	157.93	1,161,229	169.85	1,550,263	152.54	1,440,877	151.05	1,332,070	138.84	5,484,439	152.49	1,020,937	149.10
PRM_P	2,021,914	168.40	173,159	163.57	66,231	162.70	170,736	184.82	114,000	164.20	535,108	182.08	600,687	156.82	514,713	174.04	544,565	160.84	2,195,073	168.01	350,967	173.95
Latin America	3,868,240	\$ 151.30	216,741	\$ 166.68	349,418	\$ 152.44	281,228	\$ 156.87	188,500	\$ 152.03	601,055	\$ 168.95	1,321,329	\$ 154.73	1,241,338	\$ 141.93	921,259	\$ 151.09	4,084,981	\$ 152.11	819,146	\$ 153.87
STD_P	215,776	142.55	23,955	119.46	5,361	147.68	12,000	128.90	14,500	114.90	58,791	165.94	63,078	138.24	57,714	127.08	60,148	129.86	239,731	140.24	31,861	125.69
PRM_P	3,652,464	151.81	192,786	172.54	344,057	152.52	269,228	158.11	174,000	155.12	542,264	169.28	1,258,251	155.56	1,183,624	142.65	861,111	152.58	3,845,250	152.85	787,285	155.01
Oceania	417,414	\$ 193.89	29,500	\$ 189.52	32,953	\$ 133.57	27,500	\$ 152.18	69,850	\$ 180.85	114,452	\$ 217.96	123,253	\$ 199.66	109,172	\$ 177.83	100,037	\$ 175.47	446,914	\$ 193.60	130,303	\$ 162.84
STD_P	15,918	190.65	-	-	10,978	123.57	-	-	-	-	-	-	15,918	190.96	-	-	-	-	15,918	190.65	10,978	123.57
PRM_P	401,496	194.02	29,500	189.52	21,975	138.56	27,500	152.18	69,850	180.85	114,452	218.01	107,335	200.95	109,172	177.83	100,037	175.47	430,996	193.71	119,325	166.45
Europe	401,183	\$ 182.33	33,656	\$ 168.90	22,500	\$ 207.25	20,000	\$ 216.40	81,500	\$ 164.81	56,110	\$ 220.37	133,039	\$ 170.78	124,698	\$ 177.38	120,992	\$ 178.74	434,839	\$ 181.29	124,000	\$ 180.83
STD_P	101,782	147.07	20,434	150.11	-	-	-	-	20,000	105.15	-	-	40,017	147.60	24,857	152.69	57,342	145.88	122,216	147.58	20,000	105.15
PRM_P	299,401	194.31	13,222	197.95	22,500	207.25	20,000	216.40	61,500	184.21	56,110	220.92	93,022	180.75	99,841	183.53	63,650	208.34	312,623	194.47	104,000	195.38
Africa	14,050	\$ 129.55	-	\$ -	-	\$ -	7,000	\$ 151.73	-	\$ -	-	\$ -	9,350	\$ 139.30	4,700	\$ 110.14	-	\$ -	14,050	\$ 129.55	7,000	\$ 151.73
STD_P	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PRM_P	14,050	129.55	-	-	-	-	7,000	151.73	-	-	-	-	9,350	139.31	4,700	110.14	-	-	14,050	129.55	7,000	151.73

Allocation %:

All Regions																						
Asia	60.3%	60.3%	66.2%	62.3%	47.9%	45.9%	64.6%	64.8%	53.2%	53.0%	68.7%	68.0%	57.5%	56.6%	56.9%	58.5%	62.2%	60.4%	60.7%	60.4%	55.9%	55.5%
STD_P	43.2%	42.1%	45.3%	39.8%	39.4%	36.6%	46.7%	44.1%	37.5%	36.9%	47.1%	45.5%	41.5%	40.5%	41.9%	41.4%	44.1%	41.0%	43.3%	41.9%	41.6%	39.6%
PRM_P	17.1%	18.2%	20.9%	22.5%	8.5%	9.3%	18.0%	20.7%	15.7%	16.1%	21.7%	22.5%	16.1%	16.1%	15.0%	17.0%	18.0%	19.4%	17.3%	18.5%	14.3%	15.9%
Latin America	32.7%	31.3%	26.2%	28.7%	45.0%	46.2%	29.6%	29.0%	26.0%	24.6%	24.4%	23.4%	35.3%	35.0%	36.1%	33.5%	30.5%	30.9%	32.3%	31.2%	33.4%	32.8%
STD_P	1.8%	1.6%	2.9%	2.3%	0.7%	0.7%	1.3%	1.0%	2.0%	1.4%	2.4%	2.3%	1.7%	1.5%	1.7%	1.4%	2.0%	1.7%	1.9%	1.7%	1.3%	1.0%
PRM_P	30.9%	29.7%	23.3%	26.4%	44.3%	45.5%	28.4%	27.9%	24.0%	23.2%	22.0%	21.2%	33.7%	33.5%	34.5%	32.1%	28.5%	29.1%	30.4%	29.5%	32.1%	31.8%
Oceania	3.5%	4.3%	3.6%	4.4%	4.2%	3.8%	2.9%	2.7%	9.6%	10.9%	4.6%	5.8%	3.3%	4.2%	3.2%	3.7%	3.3%	3.9%	3.5%	4.3%	5.3%	5.5%
STD_P	0.1%	0.2%	0.0%	0.0%	1.4%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.5%	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%	0.4%	0.4%
PRM_P	3.4%	4.2%	3.6%	4.4%	2.8%	2.6%	2.9%	2.7%	9.6%	10.9%	4.6%	5.8%	2.9%	3.7%	3.2%	3.7%	3.3%	3.9%	3.4%	4.2%	4.9%	5.2%
Europe	3.4%	3.9%	4.1%	4.5%	2.9%	4.0%	2.1%	2.8%	11.2%	11.5%	2.3%	2.9%	3.6%	3.9%	3.6%	4.2%	4.0%	4.8%	3.4%	4.0%	5.1%	5.8%
STD_P	0.9%	0.8%	2.5%	2.4%	0.0%	0.0%	0.0%	0.0%	2.8%	1.8%	0.0%	0.0%	1.1%	1.0%	0.7%	0.7%	1.9%	1.9%	1.0%	0.9%	0.8%	0.5%
PRM_P	2.5%	3.1%	1.6%	2.1%	2.9%	4.0%	2.1%	2.8%	8.5%	9.7%	2.3%	2.9%	2.5%	2.9%	2.9%	3.5%	2.1%	2.9%	2.5%	3.0%	4.2%	5.3%
Africa	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.7%	0.7%	0.0%	0.0%	0.0%	0.0%	0.3%	0.2%	0.1%	0.1%	0.0%	0.0%	0.1%	0.1%	0.3%	0.3%
STD_P	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
PRM_P	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.7%	0.7%	0.0%	0.0%	0.0%	0.0%	0.3%	0.2%	0.1%	0.1%	0.0%	0.0%	0.1%	0.1%	0.3%	0.3%

Netback Forecast, by Country

	Nov-20 YTD		Dec-20		Jan-21		Feb-21		Mar-21		Qtr 1 2020		Qtr 2 2020		Qtr 3 2020		Qtr 4 2020		2020		Qtr 1 2021	
	Actual		Forecast		Forecast		Forecast		Forecast		Actual		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 )	mt	Netback (\$/mt )
Brazil	3,034,472	\$ 149.93	146,660	\$ 175.64	258,949	\$ 152.03	253,228	\$ 157.98	87,500	\$ 158.59	429,708	\$ 164.53	1,041,186	\$ 152.76	986,958	\$ 142.74	723,280	\$ 152.20	3,181,132	\$ 151.11	599,677	\$ 155.50
STD_P	73,508	144.55	-	-	-	-	-	-	-	-	27,258	161.18	32,178	136.11	6,208	145.12	7,864	138.30	73,508	146.40	-	-
PRM_P	2,960,964	150.06	146,660	174.71	258,949	152.03	253,228	157.98	87,500	158.59	402,450	164.76	1,009,008	153.29	980,750	142.72	715,416	152.36	3,107,624	151.22	599,677	155.50
China	2,590,402	\$ 141.24	212,701	\$ 125.90	52,543	\$ 122.15	148,004	\$ 151.72	183,000	\$ 156.86	669,209	\$ 155.92	705,040	\$ 114.92	803,761	\$ 150.80	625,093	\$ 137.71	2,803,103	\$ 140.08	383,547	\$ 150.12
STD_P	1,350,331	138.73	124,642	116.45	41,555	125.82	87,504	152.03	103,000	154.15	337,411	155.46	327,787	108.62	526,736	147.38	283,039	127.74	1,474,973	136.84	232,059	148.28
PRM_P	1,240,071	143.99	88,059	139.28	10,988	108.29	60,500	151.27	80,000	160.36	331,798	156.38	377,253	120.40	277,025	157.32	342,054	145.96	1,328,130	143.67	151,488	152.95
India	1,682,505	\$ 150.83	53,581	\$ 128.01	102,027	\$ 132.49	77,560	\$ 132.75	-	\$ -	303,173	\$ 172.43	460,933	\$ 159.83	473,519	\$ 144.04	498,461	\$ 133.38	1,736,086	\$ 150.13	179,587	\$ 132.60
STD_P	1,612,335	148.83	53,581	128.01	91,724	125.19	77,560	132.75	-	-	292,967	171.92	412,952	153.26	473,519	144.05	486,478	133.54	1,665,916	148.16	169,284	128.66
PRM_P	70,170	196.79	-	-	10,303	197.47	-	-	-	-	10,206	186.98	47,981	216.35	-	-	11,983	126.99	70,170	196.79	10,303	197.47

Netback Forecast, by Grade

	Nov-20 YTD		Dec-20		Jan-21		Feb-21		Mar-21		Qtr 1 2020		Qtr 2 2020		Qtr 3 2020		Qtr 4 2020		2020		Qtr 1 2021	
	Actual		Forecast		Forecast		Forecast		Forecast		Actual		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)	mt	Netback (\$/mt)
All_Grades	11,832,180	\$ 157.87	828,116	\$ 151.89	776,943	\$ 148.35	949,610	\$ 160.45	725,800	\$ 160.36	2,467,954	\$ 175.67	3,737,921	\$ 156.18	3,435,498	\$ 152.97	3,018,923	\$ 149.36	12,660,296	\$ 157.48	2,452,353	\$ 156.59
STD_P	5,442,855	\$ 153.43	419,449	\$ 133.47	322,180	\$ 137.50	455,146	\$ 150.88	306,450	\$ 152.45	1,220,020	\$ 169.64	1,669,276	\$ 152.25	1,523,448	\$ 150.21	1,449,560	\$ 138.75	5,862,304	\$ 152.00	1,083,776	\$ 147.35
ISTD	134,864	136.56	53,581	128.01	70,817	125.46	56,956	133.04	-	-	-	-	-	-	-	-	188,445	134.13	188,445	134.13	127,773	128.84
RSTD	3,419,566	157.40	203,263	139.40	143,567	150.02	244,782	152.89	120,450	150.65	818,101	171.67	1,123,281	159.92	905,117	151.35	776,330	141.05	3,622,829	156.39	508,799	151.55
PSTD	214,456	138.95	24,945	110.92	14,990	128.28	35,000	154.73	25,000	150.70	37,455	131.02	48,552	128.52	117,968	145.61	35,426	119.70	239,401	136.03	74,990	148.10
WSTD	371,145	171.34	29,836	137.23	45,334	133.45	20,000	162.22	34,000	160.09	103,263	193.99	74,496	181.45	127,130	157.58	96,092	146.79	400,981	168.80	99,334	148.36
WFSS	992,072	138.24	83,040	121.55	26,565	124.44	70,004	155.40	95,500	156.85	234,929	155.47	324,428	118.63	301,241	146.06	214,514	131.61	1,075,112	136.95	192,069	151.84
RFSS	289,724	155.74	24,784	154.77	-	-	7,800	180.93	31,500	139.15	26,272	192.50	98,519	165.13	71,992	147.86	117,725	144.29	314,508	155.66	39,300	147.44
PRM_P	6,389,325	\$ 161.66	408,667	\$ 170.79	454,763	\$ 156.04	494,464	\$ 169.27	419,350	\$ 166.14	1,247,934	\$ 181.56	2,068,645	\$ 159.34	1,912,050	\$ 155.17	1,569,363	\$ 159.16	6,797,992	\$ 162.20	1,368,577	\$ 163.91
AGRN	134,504	139.69	-	-	9,999	146.56	8,057	157.18	23,000	164.47	8,096	164.44	28,814	150.06	58,540	135.44	39,054	133.27	134,504	139.69	41,056	158.68
PGRN	569,995	183.78	38,802	187.89	21,975	138.56	53,500	149.61	89,350	173.07	114,452	214.50	169,182	189.69	162,107	169.78	163,056	171.00	608,797	184.05	164,825	160.85
CGRN	314,759	128.94	54,560	139.59	-	-	52,500	147.48	35,000	160.64	158,728	159.25	123,193	84.67	-	-	87,398	143.38	369,319	130.51	87,500	152.74
5GRN	16,467	215.03	5,062	171.63	-	-	4,000	184.99	-	-	4,969	214.46	7,479	233.54	-	-	9,081	175.90	21,529	204.82	4,000	184.99
2GRN	36,987	191.18	5,968	189.09	-	-	-	-	-	-	-	-	20,582	190.68	16,405	195.08	5,968	180.29	42,955	190.89	-	-
7GRN	4,403,493	152.31	233,645	168.33	349,355	153.57	270,556	159.97	182,000	153.15	728,419	166.48	1,468,914	152.99	1,412,341	146.90	1,027,464	152.39	4,637,138	153.12	801,911	155.64
G5I5	19,034	259.38	6,500	226.10	-	-	7,000	232.47	-	-	6,020	261.93	7,009	277.73	6,005	235.40	6,500	226.10	25,534	250.91	7,000	232.47
F2I5	233,989	199.11	16,987	174.35	7,961	144.31	32,000	183.58	24,000	176.14	72,803	221.71	64,924	208.40	65,827	182.61	47,422	165.72	250,976	197.43	63,961	175.90
G6I1	105,871	218.08	300	182.37	15,682	163.40	15,000	231.98	-	-	32,079	236.35	23,291	230.94	28,795	196.60	22,006	205.46	106,171	217.98	30,682	196.93
F1I1	156,807	209.28	23,280	186.68	10,303	197.47	7,000	232.47	10,000	166.24	30,839	201.63	60,952	228.66	40,797	204.23	47,499	182.65	180,087	206.36	27,303	195.01
G1I1	397,275	201.06	23,563	200.72	39,488	178.60	44,815	223.74	56,000	197.12	91,493	235.36	94,269	186.19	121,197	191.04	113,879	196.41	420,838	201.04	140,303	200.41
CWIC	144	778.62	-	-	-	-	36	750.41	-	-	36	799.37	36	765.99	36	748.04	36	801.07	144	778.62	36	750.41

## Shipments to Customers, by Country

	Nov-20 YTD	Dec-20	Jan-21	Feb-21	Mar-21
	Actual	Forecast	Forecast	Forecast	Forecast
	<i>mt</i>	<i>mt</i>	<i>mt</i>	<i>mt</i>	<i>mt</i>
<b>Brazil</b>	<i>3,113,045</i>	<i>292,335</i>	<i>250,000</i>	<i>90,000</i>	<i>182,000</i>
<b>STD_P</b>	<i>60,896</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>PRM_P</b>	<i>3,052,149</i>	<i>292,335</i>	<i>250,000</i>	<i>90,000</i>	<i>182,000</i>
<b>China</b>	<i>2,375,480</i>	<i>20,004</i>	<i>311,000</i>	<i>118,000</i>	<i>111,000</i>
<b>STD_P</b>	<i>1,228,353</i>	<i>20,004</i>	<i>170,500</i>	<i>65,000</i>	<i>38,000</i>
<b>PRM_P</b>	<i>1,147,127</i>	<i>-</i>	<i>140,500</i>	<i>53,000</i>	<i>73,000</i>
<b>India</b>	<i>1,598,322</i>	<i>155,217</i>	<i>-</i>	<i>93,000</i>	<i>156,000</i>
<b>STD_P</b>	<i>1,528,055</i>	<i>155,217</i>	<i>-</i>	<i>78,000</i>	<i>156,000</i>
<b>PRM_P</b>	<i>70,267</i>	<i>-</i>	<i>-</i>	<i>15,000</i>	<i>-</i>

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

2020 Forecasted Rail Billings (MT)													
	Jan-20 Actual	Feb-20 Actual	Mar-20 Actual	Apr-20 Actual	May-20 Actual	Jun-20 Actual	Jul-20 Actual	Aug-20 Actual	Sep-20 Actual	Oct-20 Actual	Nov-20 Actual	Dec-20 Forecast	Total 2020
<b>All_Grades</b>	416,569	520,514	793,225	831,974	732,608	849,669	752,839	692,653	806,767	542,630	443,322	627,207	8,009,978
<b>STD_P</b>	139,636	256,068	307,081	296,875	251,847	295,699	311,764	302,643	333,314	198,206	191,224	328,237	3,212,594
<b>PSTD</b>	-	-	-	-	20,067	30,529	40,678	10,358	-	-	-	20,707	122,339
<b>RFSS</b>	13,983	9,743	31,838	-	2,801	32,762	-	4,468	37,031	35,375	-	4,147	172,148
<b>IFSS</b>	-	-	42,511	-	21,251	11,413	9,346	42,001	20,730	20,743	-	20,622	188,616
<b>RSST</b>	-	-	-	-	-	-	-	32,966	-	-	34,001	-	66,967
<b>RSTD</b>	51,673	151,148	165,613	125,368	165,727	158,861	220,260	108,817	197,099	98,358	63,211	220,602	1,726,738
<b>ISTD</b>	73,979	95,178	67,119	171,507	42,001	62,133	41,480	104,033	78,454	43,730	94,012	62,160	935,785
<b>PRM_P</b>	276,933	264,446	486,144	535,099	480,761	553,970	441,075	390,010	473,453	344,425	252,098	298,971	4,797,384
<b>5GRN</b>	-	4,966	3,460	-	-	4,024	-	-	-	4,021	5,063	-	21,535
<b>7GRN</b>	163,211	164,563	254,910	303,980	225,465	282,239	292,979	209,045	285,709	268,116	132,739	174,962	2,757,920
<b>CWIC</b>	-	-	-	36	-	36	-	-	-	36	-	108	216
<b>F1I1</b>	14,562	19,141	22,586	36,119	40,590	43,188	35,906	8,834	19,569	15,516	21,451	17,406	294,869
<b>F2I5</b>	22,935	17,645	28,846	24,800	29,054	34,037	15,045	35,080	31,860	22,625	-	38,651	300,577
<b>2GRN</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>GRNS</b>	9,208	-	-	-	-	-	-	-	-	-	-	-	9,208
<b>PGRN</b>	67,016	58,130	176,342	170,164	185,651	190,446	97,145	137,051	136,315	34,111	92,845	67,844	1,413,059

## 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>	613,410	659,537	716,817	721,742	736,196	735,264	790,052	749,858	684,756	678,479	673,371	538,101	8,297,581
<b>STD_P</b>	268,822	309,380	363,080	354,281	279,347	315,572	295,596	292,802	300,254	326,336	348,071	264,641	3,718,178
<b>PSTD</b>	21,218	-	3,830	-	-	23,081	20,700	-	20,700	-	34,259	20,079	143,866
<b>RFSS</b>	31,393	8,195	35,190	14,490	9,936	31,878	-	4,968	40,262	12,110	15,008	4,959	208,387
<b>IFSS</b>	-	21,218	700	16,225	21,218	21,218	42,435	-	21,218	21,218	20,000	41,218	226,665
<b>RSST</b>	-	-	-	33,638	-	-	32,499	33,535	-	33,017	33,017	-	165,704
<b>RSTD</b>	216,212	219,938	273,473	260,948	178,124	179,366	129,375	199,238	159,597	199,962	175,719	138,873	2,330,822
<b>ISTD</b>	-	60,030	49,887	28,980	70,070	60,030	70,587	55,062	58,478	60,030	70,070	59,513	642,735
<b>PRM_P</b>	344,588	350,157	353,737	367,462	456,849	419,693	494,456	457,056	384,503	352,143	325,301	273,461	4,579,403
<b>5GRN</b>	-	3,933	-	4,037	-	4,968	-	-	-	-	3,933	5,072	25,500
<b>7GRN</b>	223,768	221,077	172,535	174,294	266,409	250,677	301,082	280,899	220,352	210,002	170,051	145,463	2,272,759
<b>CWIC</b>	36	-	-	36	-	-	36	-	-	36	-	-	144
<b>F1I1</b>	31,050	21,046	14,942	22,046	21,495	22,046	22,046	22,046	22,046	22,046	21,942	22,046	296,800
<b>F2I5</b>	23,805	23,579	22,977	22,046	24,046	22,046	22,046	22,977	22,977	24,012	24,012	17,046	283,200
<b>2GRN</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>GRNS</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>PGRN</b>	65,930	80,523	143,284	145,004	144,900	119,957	149,247	131,135	119,129	96,048	105,363	83,835	1,873,810



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

2022 Forecasted Rail Billings (MT)													
	Jan-22 Forecast	Feb-22 Forecast	Mar-22 Forecast	Apr-22 Forecast	May-22 Forecast	Jun-22 Forecast	Jul-22 Forecast	Aug-22 Forecast	Sep-22 Forecast	Oct-22 Forecast	Nov-22 Forecast	Dec-22 Forecast	Total 2022
<b>All_Grades</b>	509,058	631,643	778,251	747,905	774,473	741,184	871,500	747,979	718,577	679,380	630,718	529,957	8,360,625
<b>STD_P</b>	167,002	187,618	360,285	298,563	319,803	296,126	409,419	384,812	324,672	253,006	308,304	233,502	3,543,111
<b>PSTD</b>	11,169	20,742	6,382	33,506	9,573	-	-	6,382	27,124	-	47,865	-	162,741
<b>RFSS</b>	10,000	24,900	7,000	6,000	12,800	6,000	-	24,000	7,000	-	11,500	12,800	122,000
<b>IFSS</b>	21,000	-	21,000	-	21,000	-	21,000	21,000	21,000	-	21,000	-	147,000
<b>RSST</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>RSTD</b>	62,468	98,579	248,249	159,498	196,655	200,346	350,127	268,655	233,172	203,226	191,561	162,304	2,374,841
<b>ISTD</b>	62,365	43,398	77,654	99,559	79,775	89,780	38,292	64,775	36,377	49,780	36,377	58,398	736,530
<b>PRM_P</b>	342,057	444,024	417,966	449,342	454,670	445,058	462,081	363,168	393,904	426,374	322,415	296,455	4,817,513
<b>5GRN</b>	-	5,000	-	5,000	-	5,000	-	5,500	-	-	8,000	-	28,500
<b>7GRN</b>	147,149	221,135	207,055	256,782	308,688	310,671	265,648	215,389	184,930	170,018	133,999	123,595	2,545,059
<b>CWIC</b>	-	-	36	-	-	36	-	-	36	-	-	36	144
<b>F1I1</b>	20,000	35,300	30,500	36,000	18,600	10,000	20,000	27,700	38,000	21,000	30,500	19,200	306,800
<b>F2I5</b>	30,000	28,300	23,700	30,000	35,500	20,000	20,000	19,200	10,000	31,000	-	35,500	283,200
<b>2GRN</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>GRNS</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>PGRN</b>	144,908	154,290	156,675	121,560	91,882	99,351	156,432	95,379	160,938	204,356	149,915	118,124	1,653,810