**Specialty Plant Nutrition**

1. Market nature: Elastic
2. Market history
   1. Elastic: 2022 higher price (2x) Global supply restrictions and significantly higher nitrogen production costs -> 1/3 volume decline
3. Sociedad ~ 45% market share
4. Price projection:
   1. Return to pre-pandemic level in 2024, maintain pre-pandemic historical growth
5. Volume projection: log regression model
6. Cost:
   1. Cost of production
   2. Lease fee: > 600, 20% final sales
7. Margin projection: based on linear regression

**Iodine**

1. Market nature:
   1. Inelastic (supply-limited): Doesn’t mean all of SQM production is sold; SQM volume growth depends on reach to Asia
   2. Only contrast media market + polarized films for screens have growth potentials; others’ demand remain flat
   3. Asia growth demand
2. Market history
   1. 2024 Australia plan
   2. 2023 China plan; before, only mine at Carmen Lithium in Chile
   3. 2022: huge price rise, due to demand in Asia
   4. 2021:
      1. increase were in the X-ray contrast media market, in which demand grew by 14-15% compared to 2020, mainly due to worldwide growth in healthcare industry spending during the year and increased accessibility to these types of treatments in emerging economies, mainly China
   5. 2020: big hit on volume overall due to COVID (huge drop in Asia, America recovered); but povidone iodine grew by 6%, and the use of iodine for human nutrition grew by 1%
   6. 2018-2020 Iodine volume decrease due to lower NA demand (27% -> 19%) + lower Europe demand
3. Price projection:
   1. 5.4% CAGR:[[1]](#footnote-1)
4. Volume projection:
   1. SQM volume growth depends on reach to Asia
5. Margin projection: based on linear regression

**Lithium**

1. Market dynamics:
   1. Supply more easily to scale due to Western Australia development
   2. Despite 2022-mid2023 supply limit, market will be in surplus
   3. Price changes mostly due to supply[[2]](#footnote-2) + EV sales
2. Market history:
   1. 2019, price drop, decrease revenue + gross margin
   2. 2016, price increase, leads to 2017 global increase in Lithium supply
3. Price projection:
   1. On average, normalize due to supply growth but still above cost of producion[[3]](#footnote-3)
4. Volume projection:
   1. SQM capacity increase: 210MMt in 2023 -> 265MMt 2025
5. Margin projection

Potassiumm

1. Price projection:
   1. Supply to catch up, price falls 400-500 range
2. Volume projection: log regression (hasn’t worked); historical scenario comparison and likelihood analysis
3. Margin projection: based on linear regression

Industrial Chemical

1. Low EBIT, not as important

1. https://www.mordorintelligence.com/industry-reports/iodine-market [↑](#footnote-ref-1)
2. https://www.statista.com/statistics/606684/world-production-of-lithium/ [↑](#footnote-ref-2)
3. https://www.afr.com/companies/mining/will-the-lithium-price-rout-kill-the-next-wave-of-australian-mines-20230802-p5dtee [↑](#footnote-ref-3)