



ravensdown

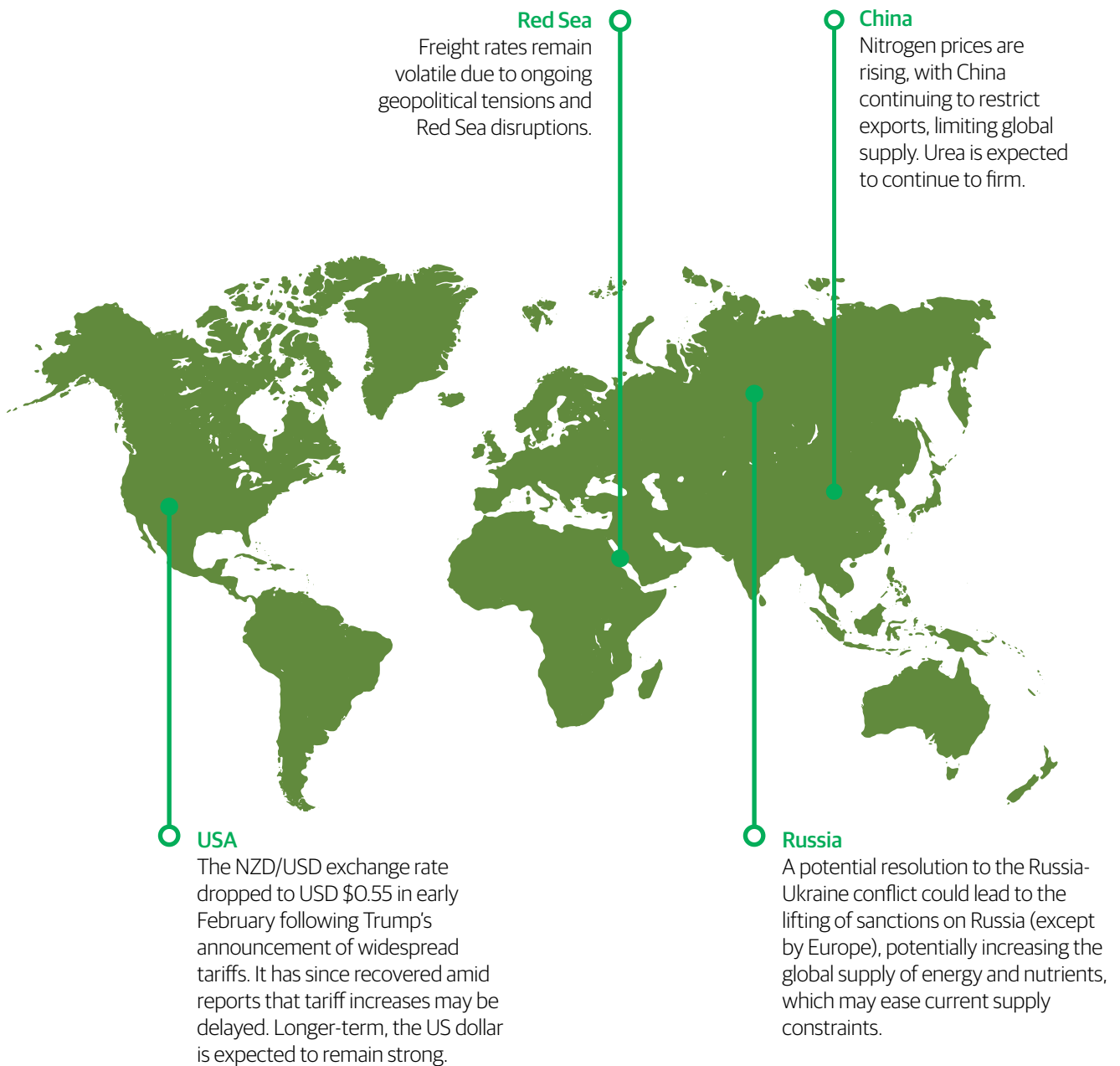


MARKET OUTLOOK

Autumn 2025



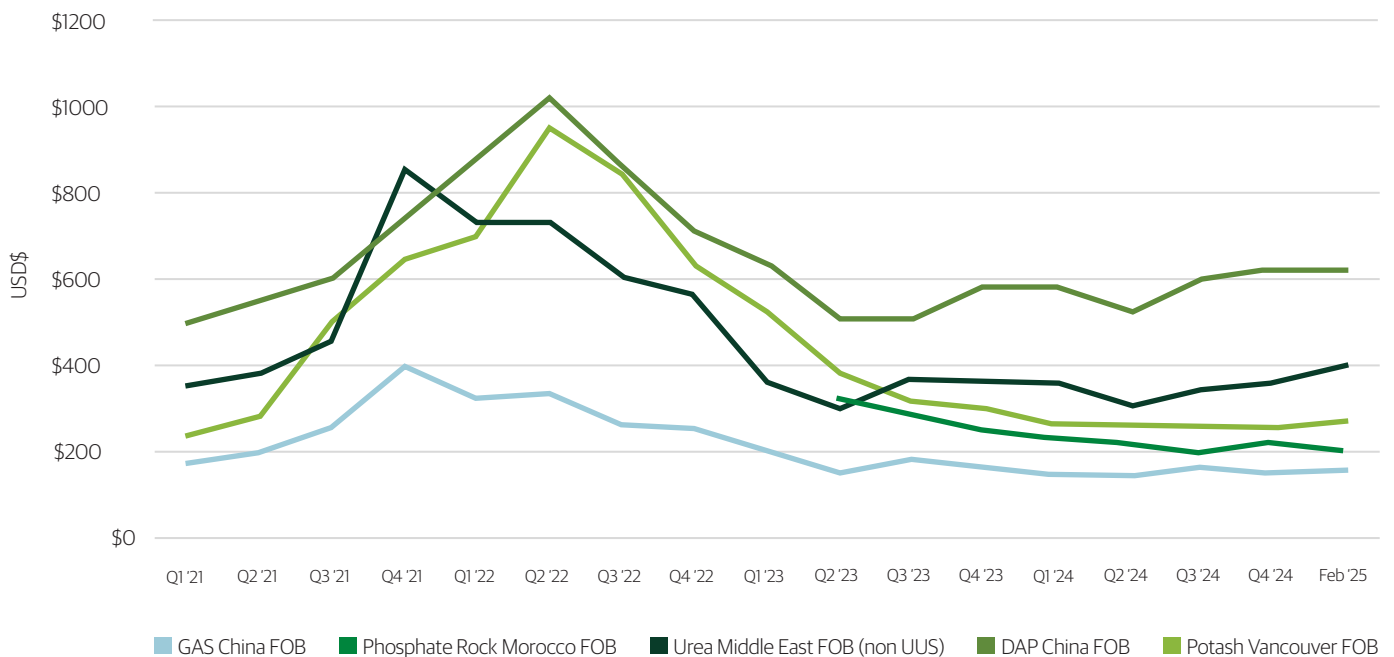
Supply Update **Outlook**





International Commodity Pricing Trends

Key international commodity pricing trends



Note: quarterly mean excludes, freight, insurance etc.

Autumn Market View:

Keeping an eye on evolving international events

Over the last couple of months, ongoing supply and demand dynamics have led to further increases in nitrogen prices internationally.

Strong demand continues out of India as the last two tenders* have not met volume requirements, so there is an expectation that they will tender again. The last two tenders have only attracted volumes to meet a third of India's current demand.

Additionally, China, the world's largest nitrogen producer, continues to withhold exports, keeping their domestic nitrogen prices at a seven-year low, which further contributes to the upward trend in international prices. Until China re-enters the international market and seasonal demand drops, we'd expect to see the international price of urea continue to trend upward.

The price of processed phosphates also remains high due to limited supply, with weak demand. Once China re-enters the market, prices may temporarily drop, but they will likely increase again when supply tightens.

More broadly, the international political environment, and resulting scenarios, has the potential to impact the international fertiliser market over the short to medium term.

If the US adopts more isolationist policies, it might affect international security, with global trade dynamics shifting.

The potential for US tariffs, particularly on Canada, China, and Mexico, could disrupt trade flows. Today the US relies heavily on Canadian potash, but these

tariffs could lead to an increase in Russian potash imports and Canadian exports will need to find new markets.

Mexican phosphates presently account for a significant portion of phosphate used in the US. There would then be a question on how US demand for phosphate would be met, particularly considering existing US tariffs on Russian and Moroccan phosphates.

If the EU imposed further import tariffs on Russian fertilisers, European fertiliser manufacturers would be set to benefit. But we would also expect to see increased pressure on nitrogen prices, largely due to high energy costs in Europe.

A resolution to the Russia-Ukraine conflict may lead to the lifting of sanctions on Russia (except by Europe), potentially flooding the international market with energy and nutrients and easing global supply constraints.

Looking at the global shipping situation, shipping rates softened before the Chinese New Year but are expected to rise afterward, with a slight reduction in container premiums making it more economical.

On the currency exchange front, the US dollar is expected to remain strong, which may boost New Zealand's agricultural exports but will likely raise the price of imported goods in the short to medium term.

In conclusion, while there is a fairly high level of global trade uncertainty, impacts of US protectionist policy are still relatively up in the air. Nitrogen trends are expected to continue until China changes tack, but we're not expecting them to re-enter the market until at least



Mike Whitty
Chief Operating Officer

the middle of the year. We'd also expect processed phosphates to remain fairly high over the medium term.

Like the rest of the world, we will continue to keep an eye on evolving international events and monitor trends in fertiliser demand and supply.

*What is the Indian Government Fertiliser Tender

As part of a strategy to improve Indian soil fertility and productivity, the sale and supply of all fertilisers is regulated by the Indian government.

As well as setting a maximum sale price domestically, the government subsidises the purchase cost to ensure equitable access to fertiliser for Indian farmers and growers. It is fairly common practice for the state to allocate quantities of fertiliser to particular states or regions.

The Indian Ministry of Chemicals & Fertilizers runs an international fertiliser tender process where fertiliser companies are invited to tender via an online procurement platform called the GeM (Government e-Marketplace).



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Commodity Prices

Dairy, Beef and Lamb



Dairy markets remain bullish, with commodity prices continuing to strengthen. The forecast milk price for this season—and into the next—is expected to remain high.



Beef prices are firm. The global contraction in beef cattle numbers, coupled with strong anticipated demand from the US, provides a supportive outlook for pricing. However, potential US policies could introduce downside risks, such as increased tariffs and the impact on export profitability.



Lamb markets are improving, though uncertainty remains as we enter peak processing months. Exporters are competing for volume amid an estimated 5% reduction in lamb numbers this season.



Wool prices have stabilised, plateauing after a recent surge that lifted them to their highest levels since 2017.




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