



*Increasing Global Needs for  
Nitrogen & How that will Affect  
what Growers may Pay*

*Renee Pinel*

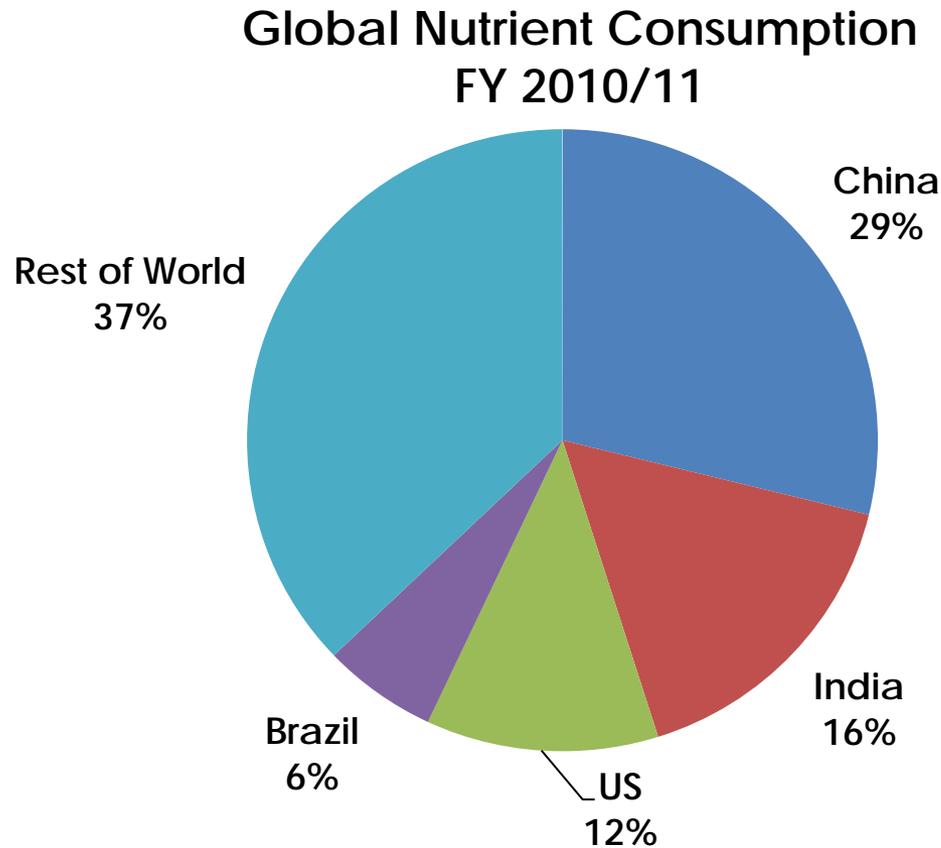
*Western Plant Health Association*

*The lion's share (88% overall and 89% for Nitrogen) of fertilizer nutrient demand is outside of the United States.*

*As such, the rest of the world, particularly China, India and Brazil, but other countries as well, play a significant role in where both global fertilizer demand and, thus, global and domestic fertilizer prices, go.*

*The USA is a relatively small player in the market, despite the size of our agriculture.*

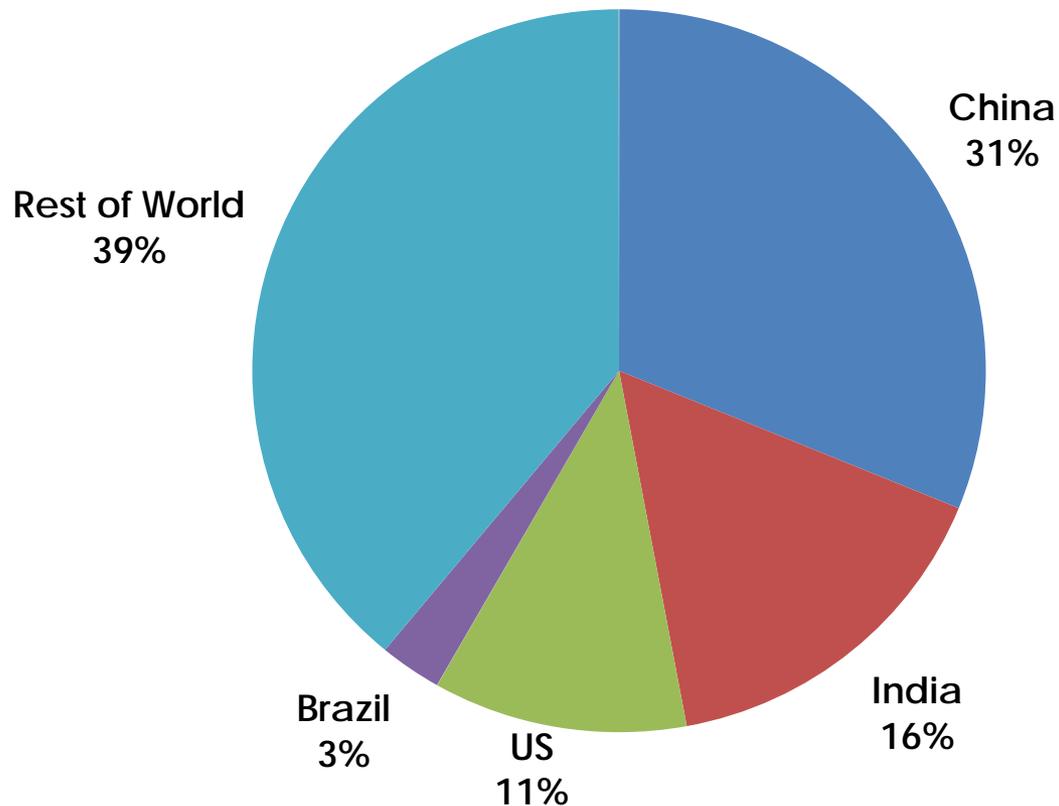
# The Lion's Share of Global Nutrient Demand is Outside the United States



Source: International Fertilizer Industry Association (IFA).

# The Lion's Share of Global Nitrogen Demand is Outside the United States

Global Nitrogen Consumption  
FY 2010/11



Source: IFA

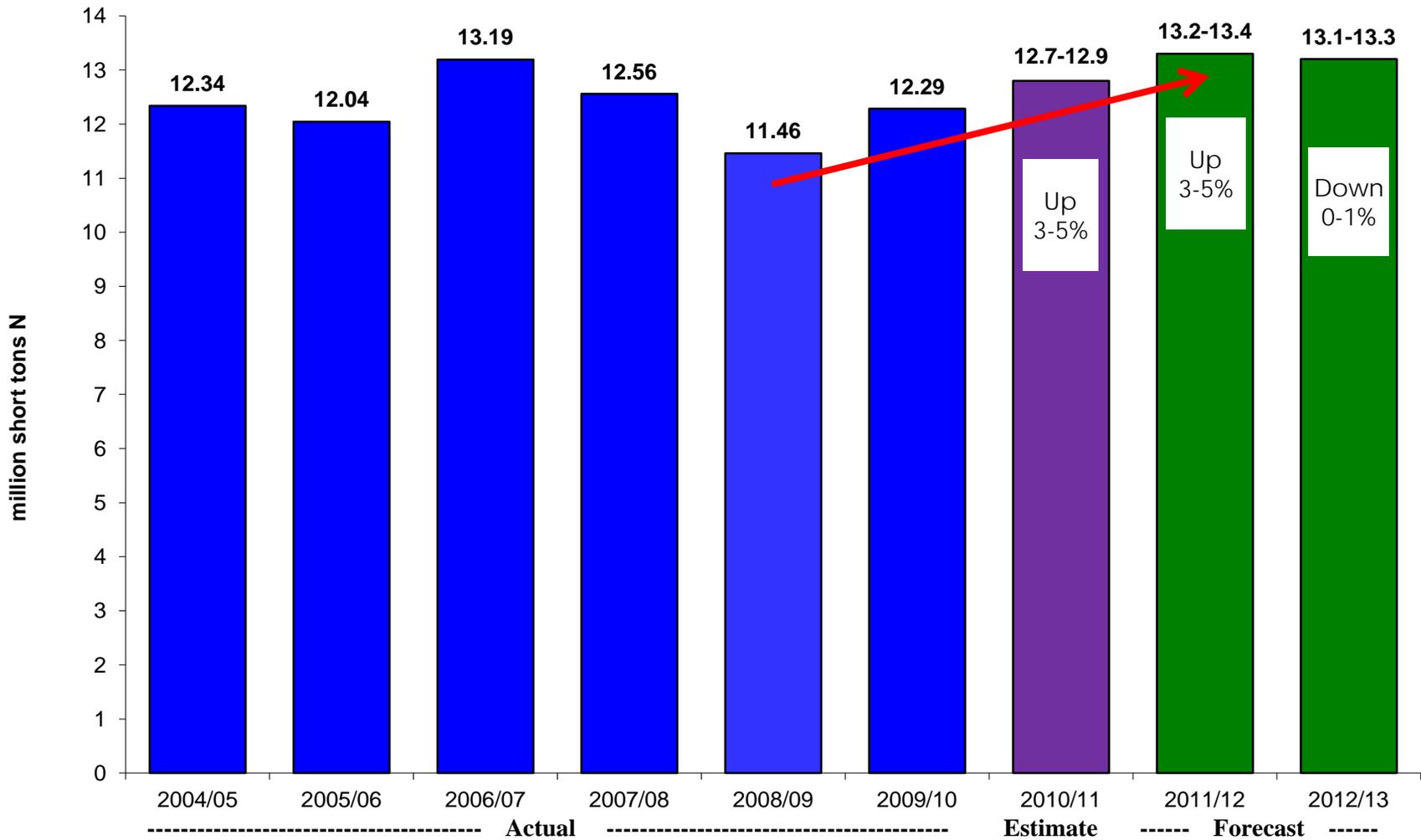


*There was a significant drop in nutrient use in the USA as a result of the record fertilizer prices and declining crop prices during the fall of 2008/Spring of 2009.*

*However, domestic nutrient use is anticipated to have increased significantly over the past 3 years (we only have actual data for FY2009/10; FY2010/11 and FY2011/12). TFI is forecasting the estimate for FY2012/13.*

*The increase in domestic demand is a result of the relatively tight stocks of the major U.S. crops (corn, soybeans and wheat) and the resulting record or near-record prices for these crops as well as many others.*

# USA Forecast - Nitrogen

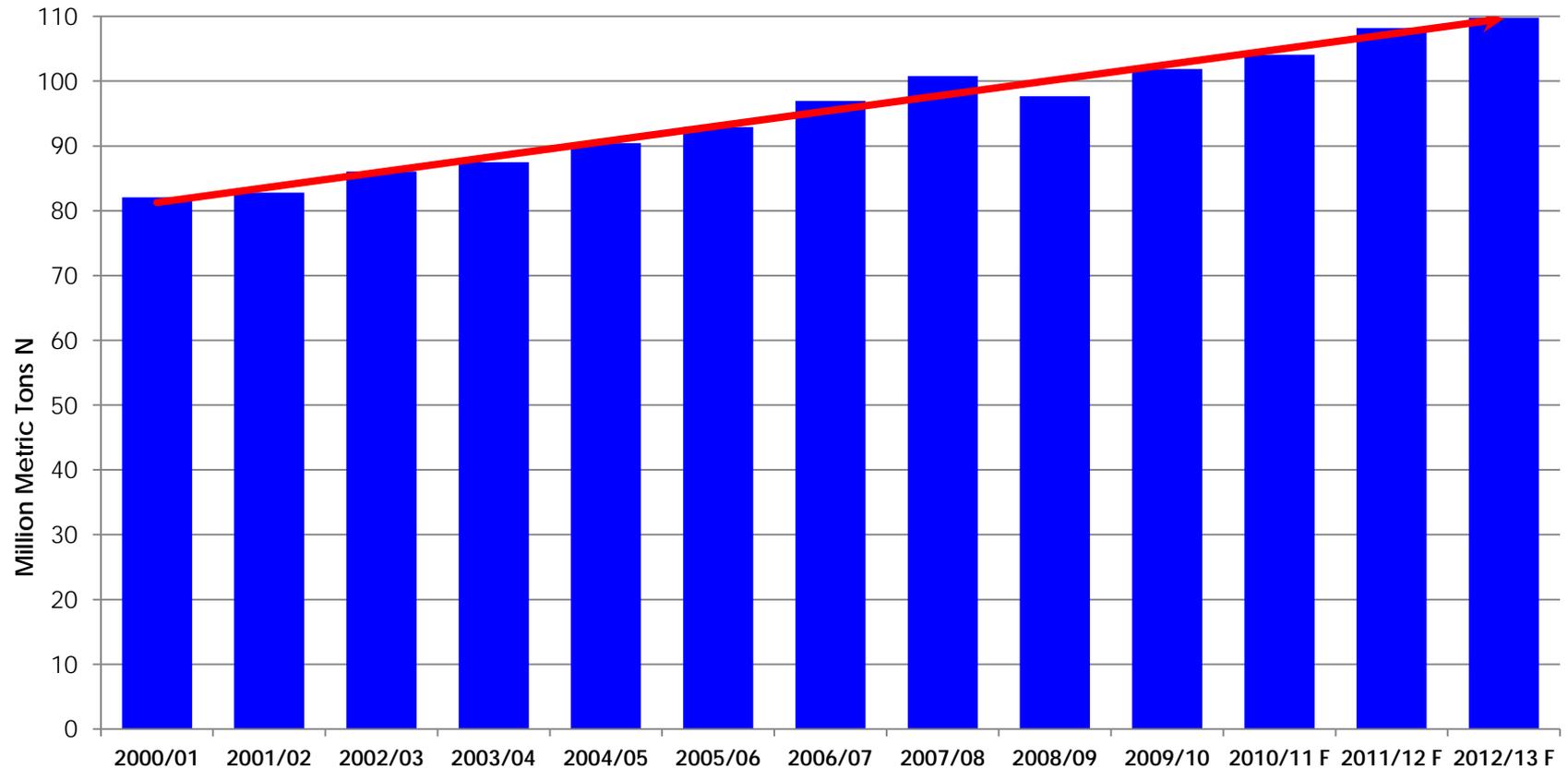


Source: AAPFCO and The Fertilizer Institute (TFI), 2004/05-2009/10; TFI, 2010/11-2012/13.

*Global demand was also impacted by the record fertilizer prices in 2008-09.*

*However, like the United States, global demand has come roaring back in response to the higher crop prices globally and is expected to continue its rise beyond FY2012/13.*

# World Nitrogen Consumption



Source: International Fertilizer Industry Association