CRU Insight

Fertilizers Webinar

29 Sept 2025

India & Brazil: A *tale* of two urea markets

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Agenda

1 Urea market recap: Highlights and insights for 2025

Urea prices trended higher alongside increased volatility

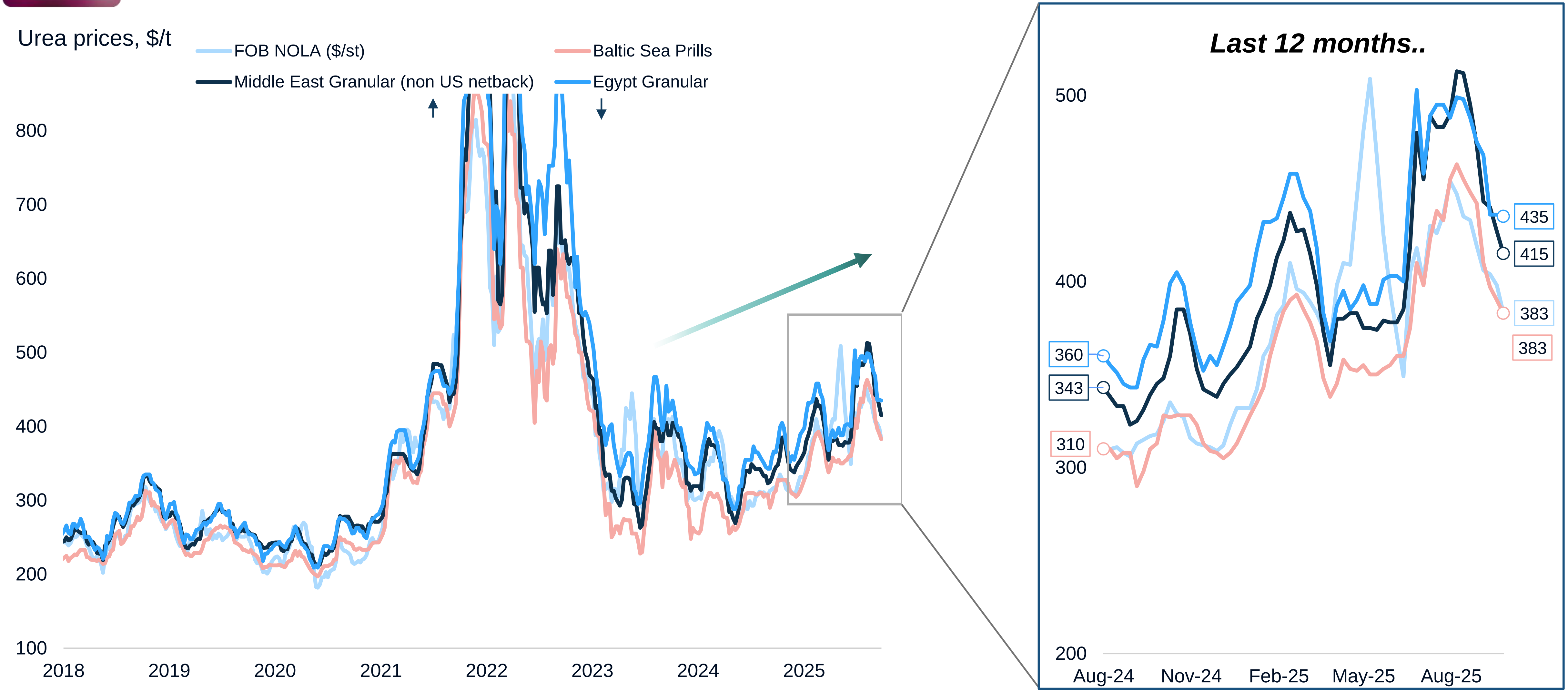
2 India urea stocks deplete to historic lows

Strengthened sales and low domestic production lead to inventory drawdown, thus increasing appetite for imports

3 Brazil import demand faces headwinds in 2025

Ample AS availability and poor urea affordability dampen import activity for urea

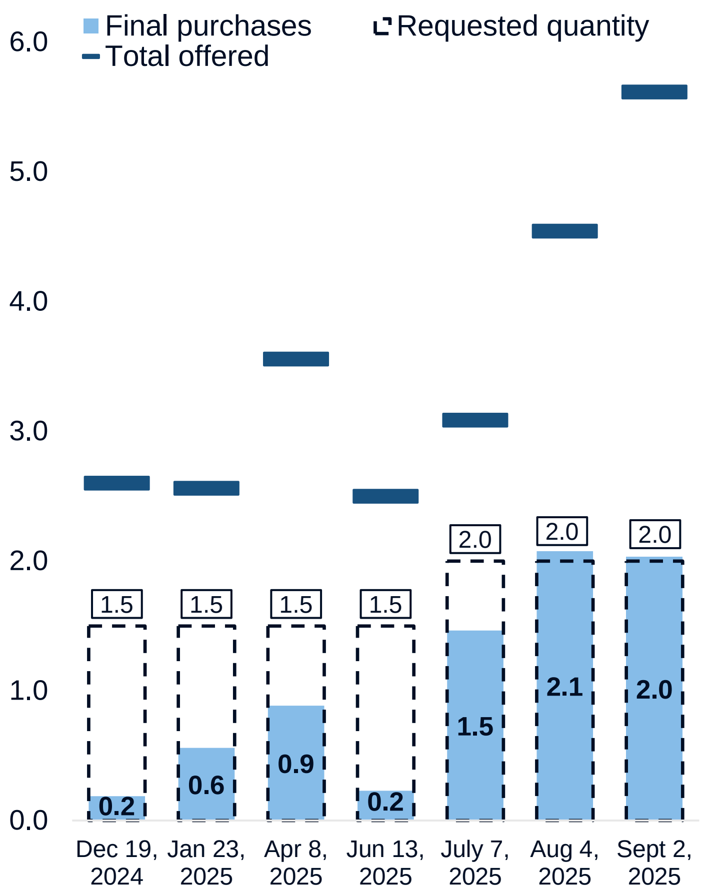
Urea prices trend higher in 2025 alongside increased volatility



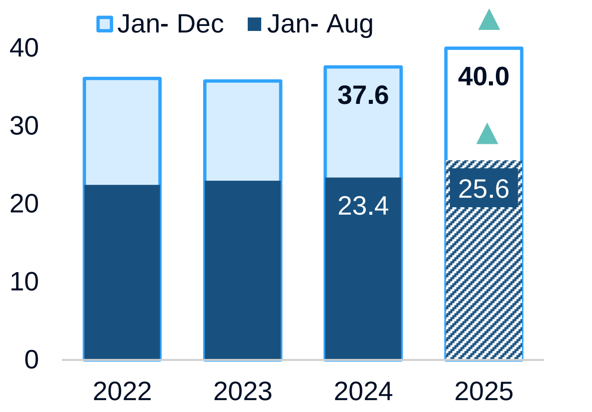
DATA: CRU

India : Strong domestic sales pushes urea stocks to historic lows in 2025

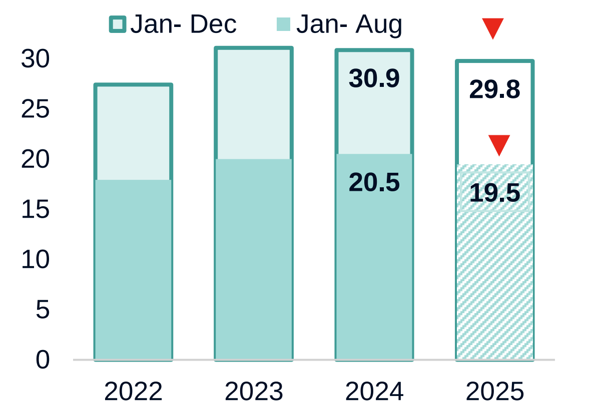
1. Series of **failed tenders** in 2025 H1, Mt



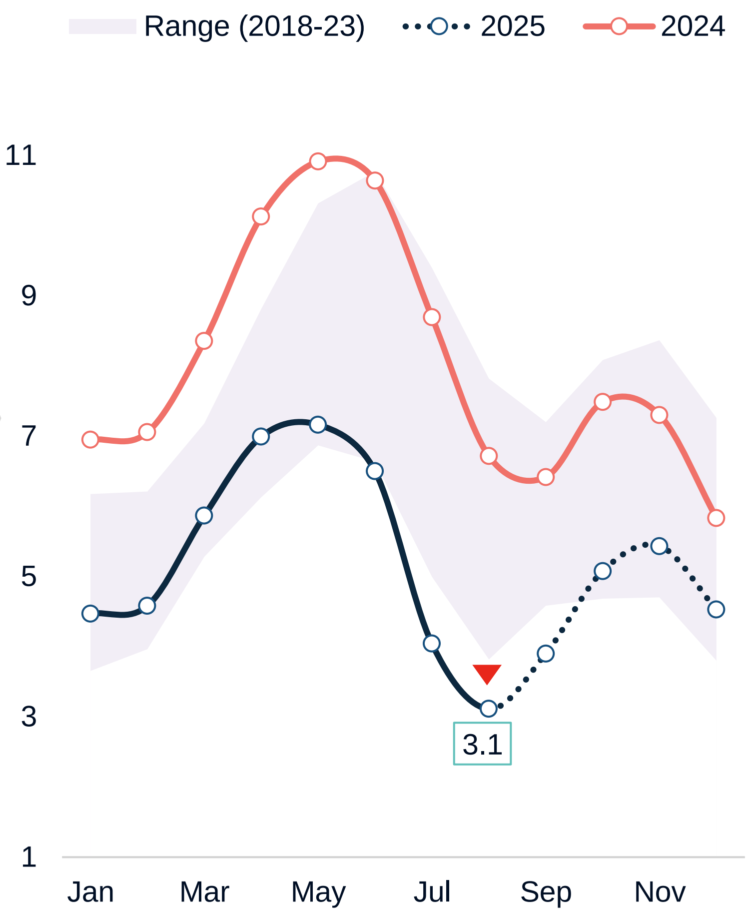
2. POS sales have **increased** y/y, Mt



3. Production has **fallen** in 2025, Mt



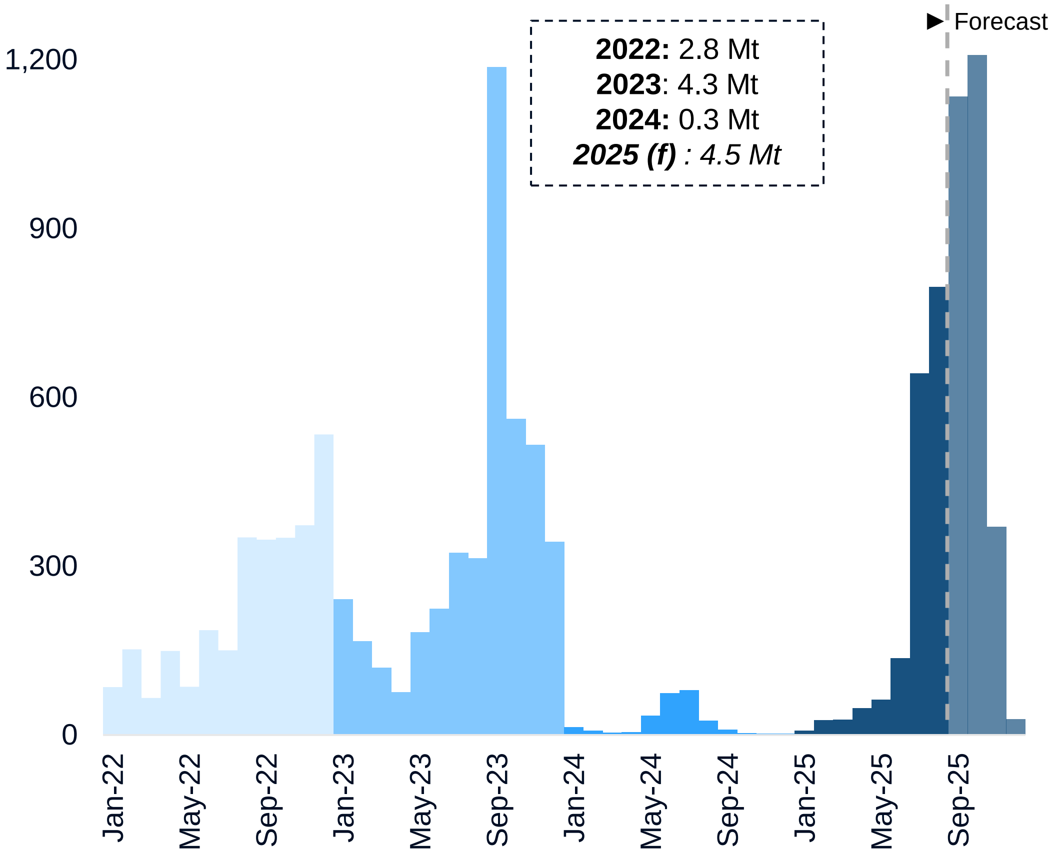
Monthly closing stocks, Mt



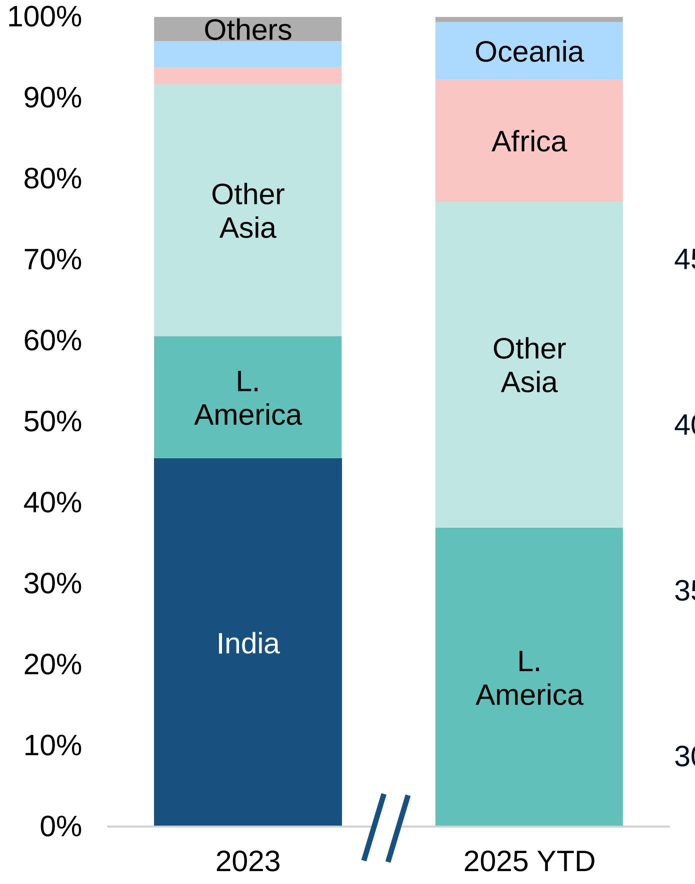
DATA : CRU, India DoF, FAI

China : Export prohibition to India lead to increased exports to other destinations

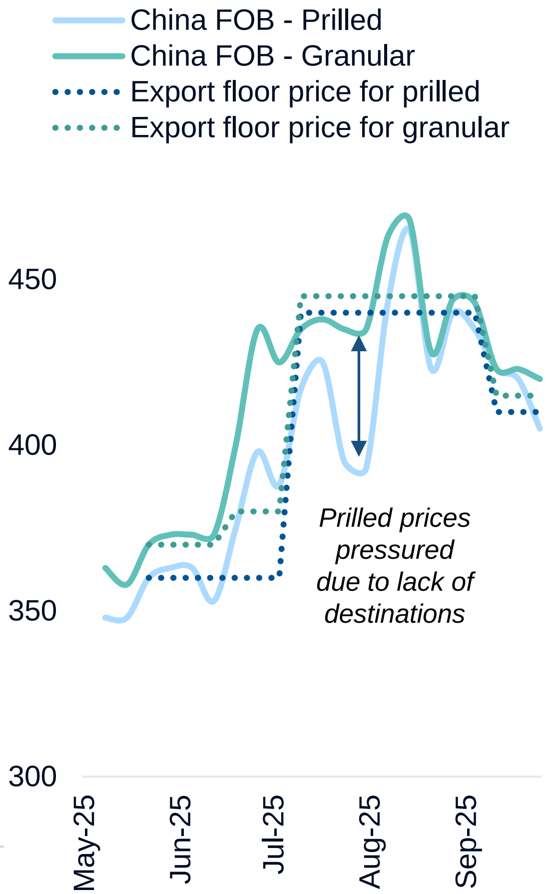
Monthly exports, Mt



Export destinations, %

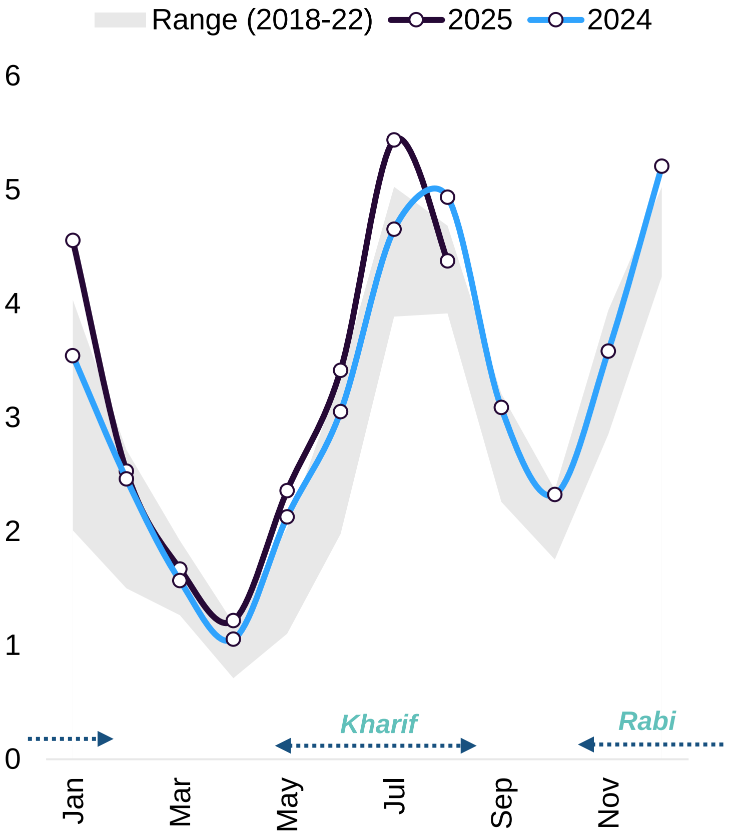


Urea prices, $/t

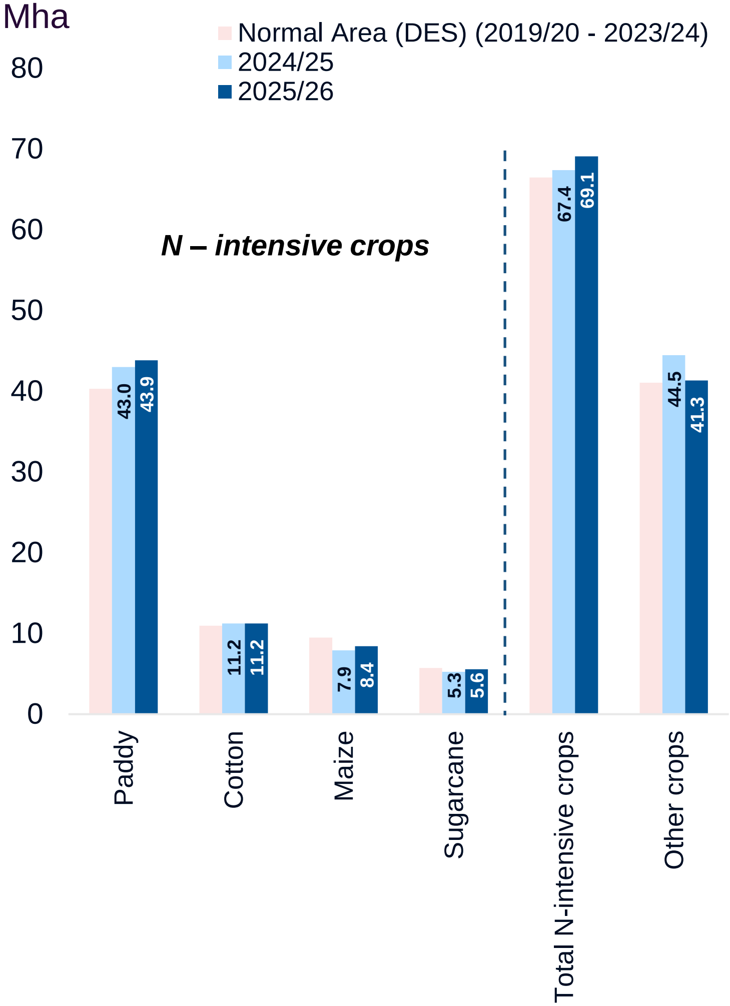


High kharif sales supported by increase in crop areas and good monsoon

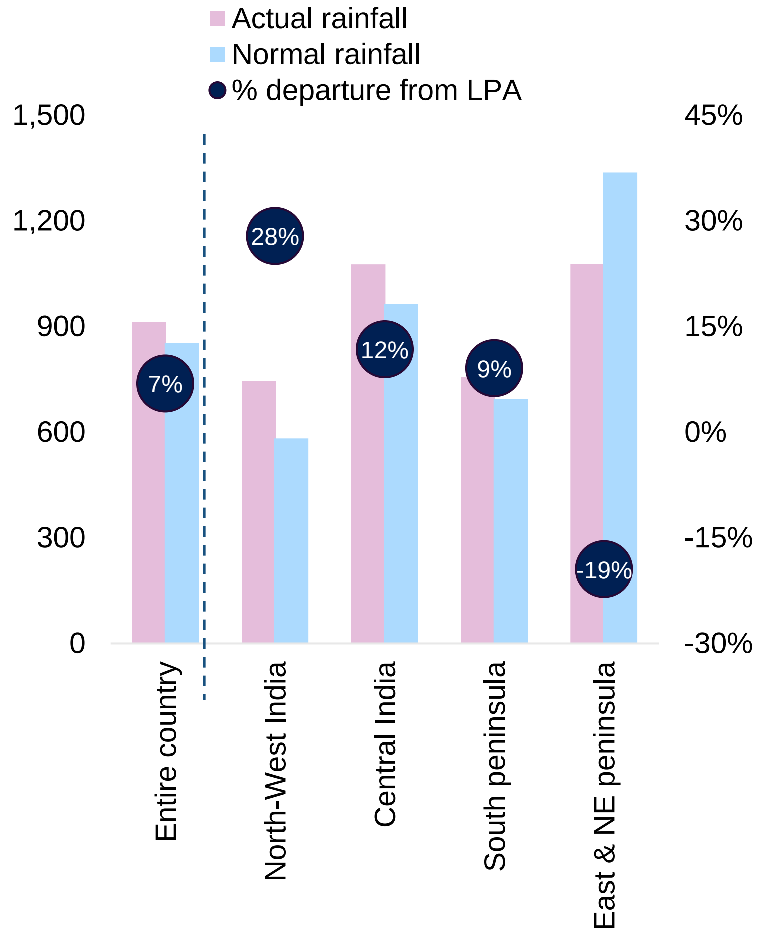
India's urea POS sales, Mt



India kharif area coverage as on 12th Sep'25, Mha



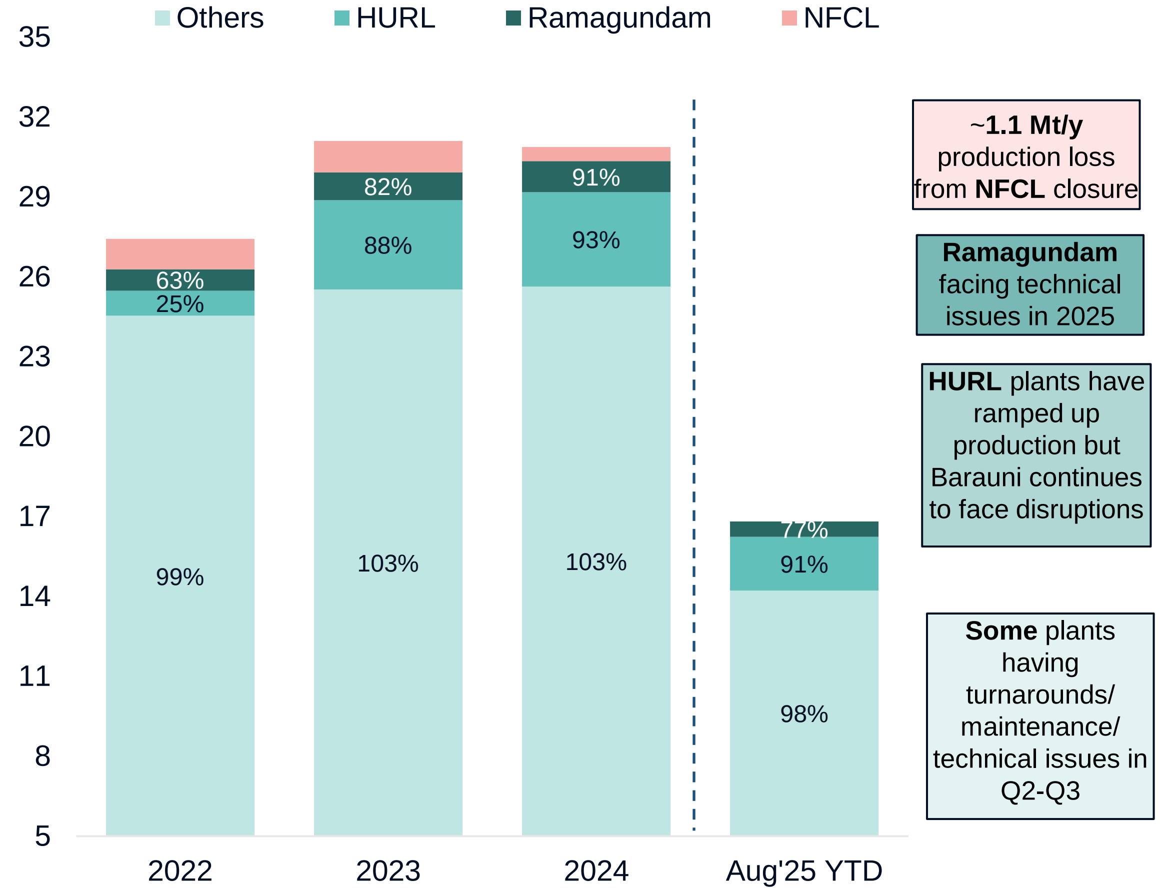
India monsoon status: 1st Jun'25 - 26th Sep'25, Rainfall in mm



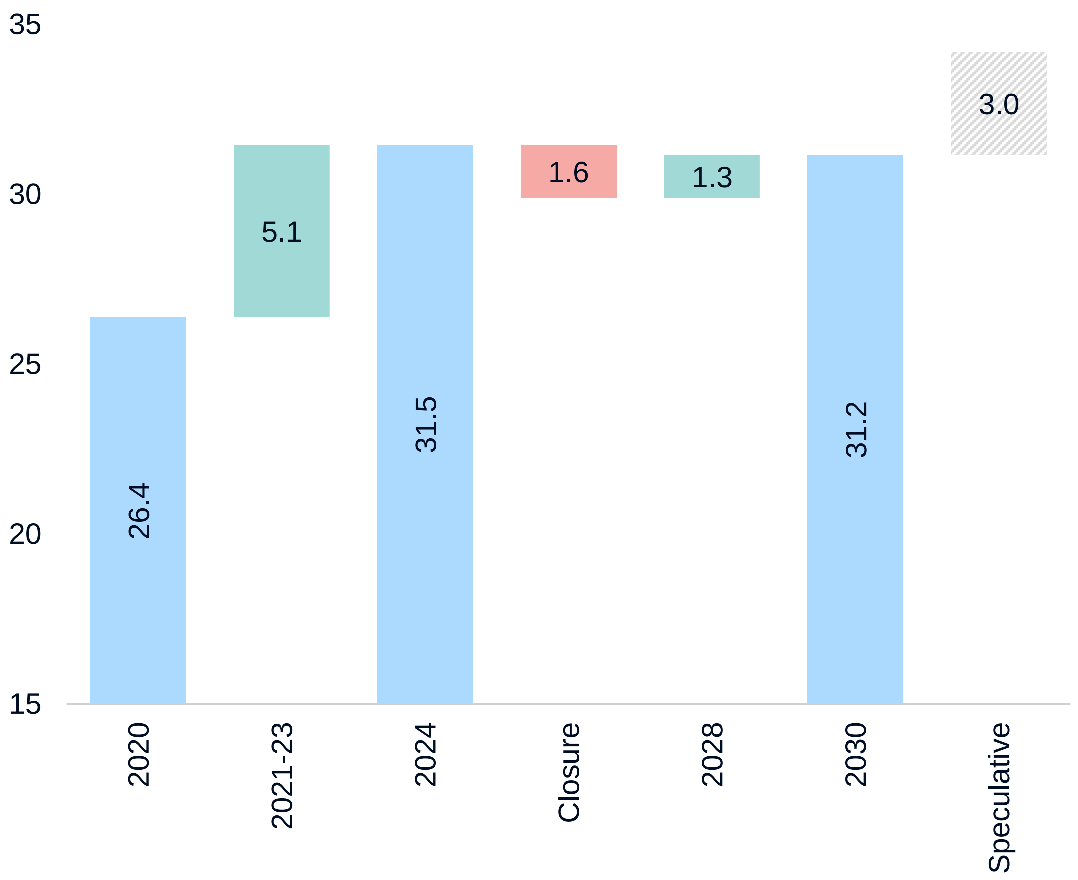
DATA : CRU, India DoF, FAI, PIB, IMD

Domestic production drops in 2025; outlook remains sluggish through 2030

Plant-wise production in India, Mt



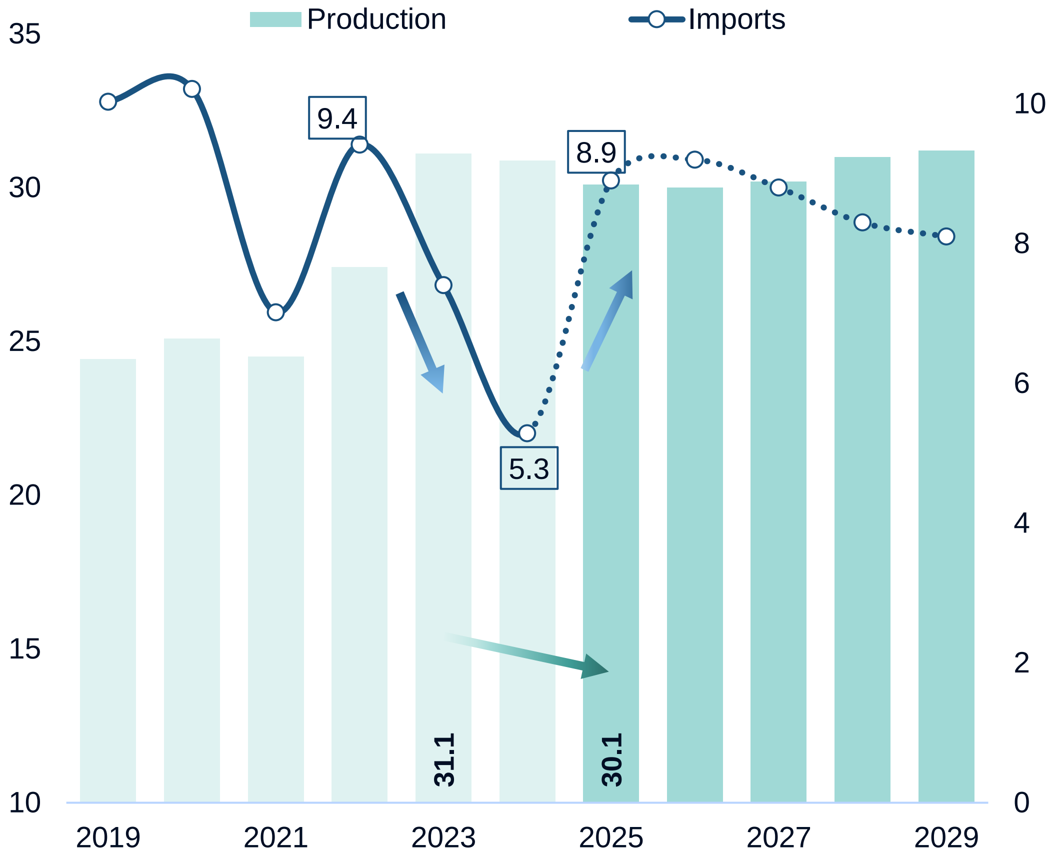
Capacity build-out in India, Mt



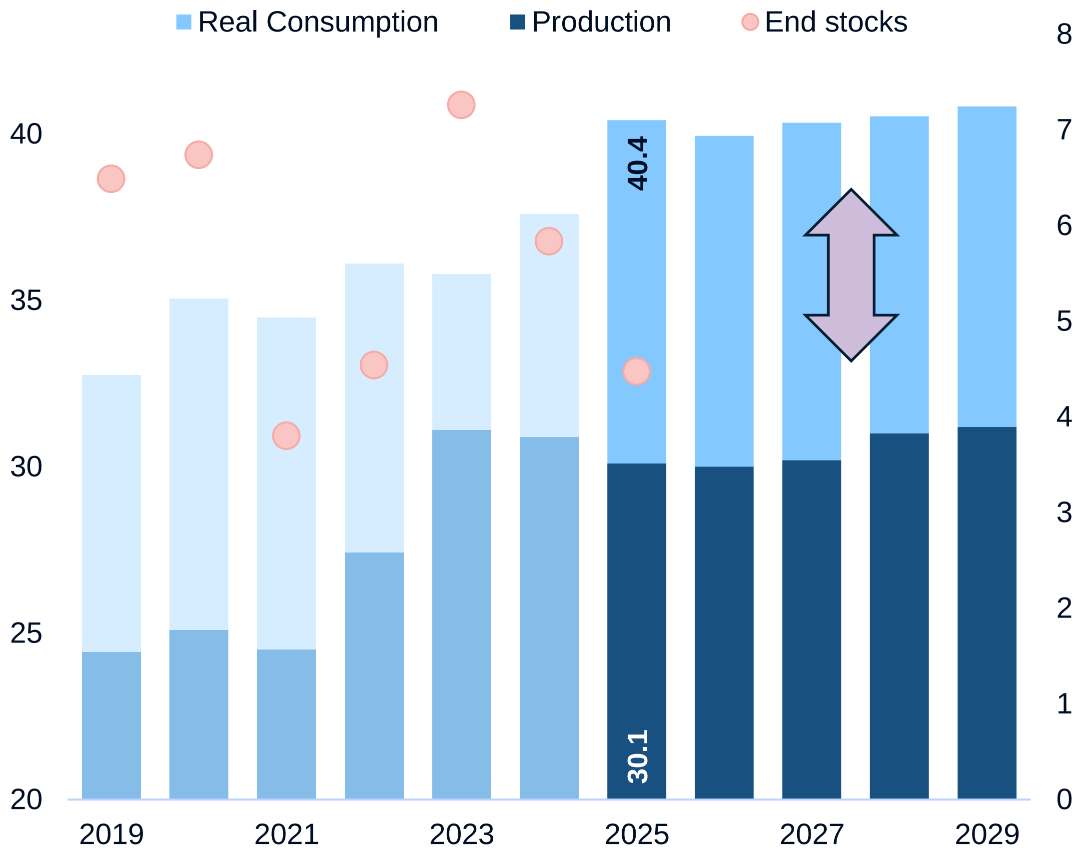
DATA : CRU, India DoF, FAI

India far from achieving self-sufficiency goal in the medium term

LHS: India production, Mt
RHS: India imports, Mt



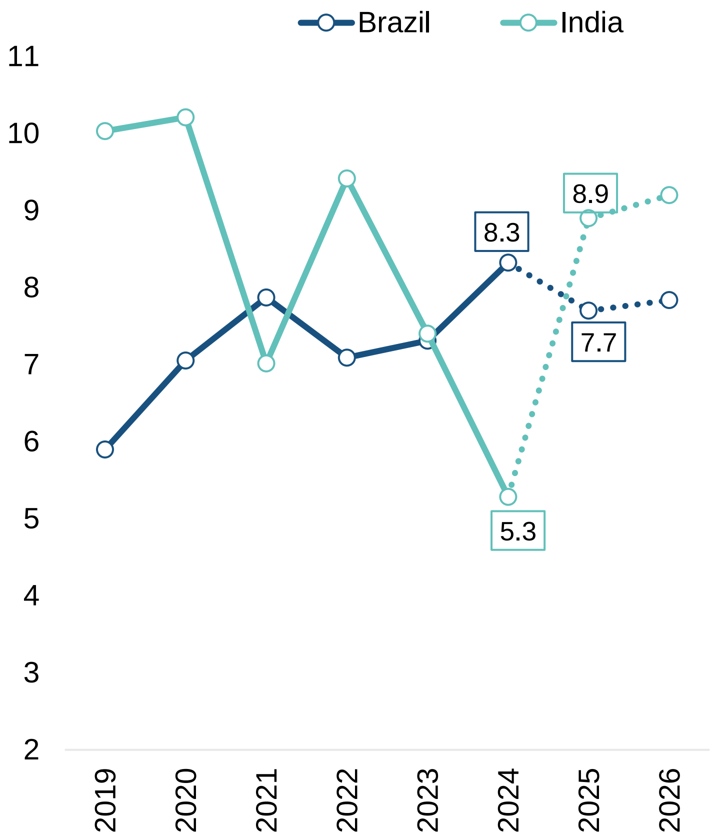
LHS: Consumption and production, Mt
RHS: End stocks, Mt



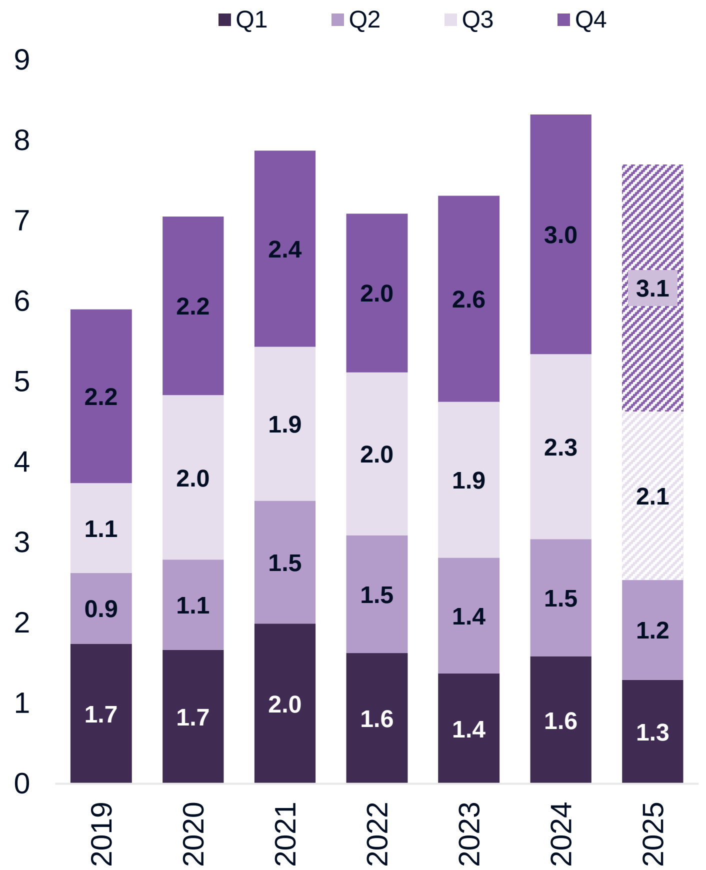
DATA: CRU, DOF, FAI

India overtakes Brazil to become the top importer of urea in 2025

Urea imports, Mt

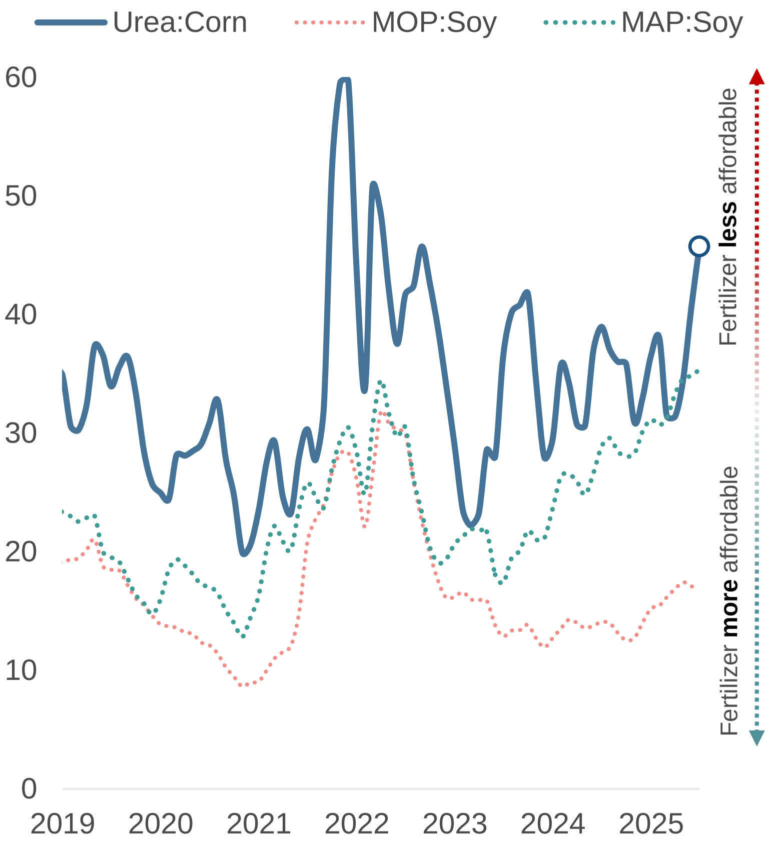


Quarterly imports, Mt



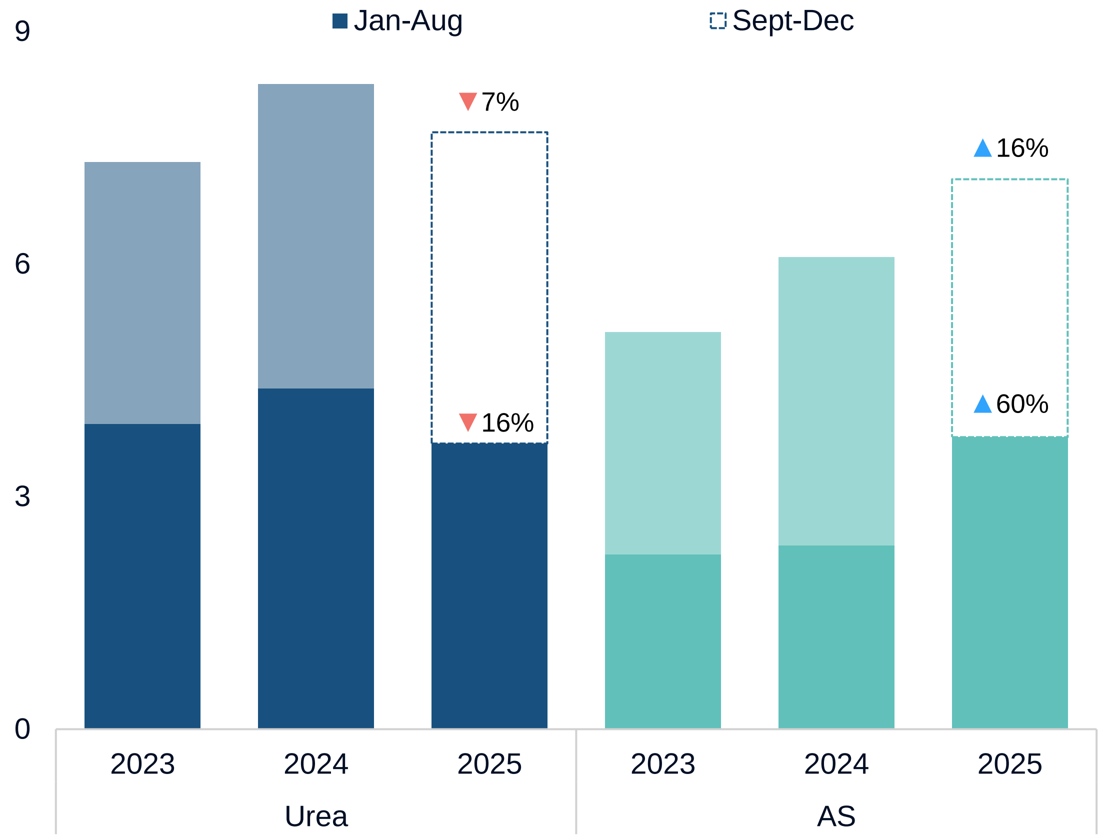
Brazil Urea barter ratio at very unfavourable levels

No. of 60kg soy/corn bags to purchase one tonne fertilizer

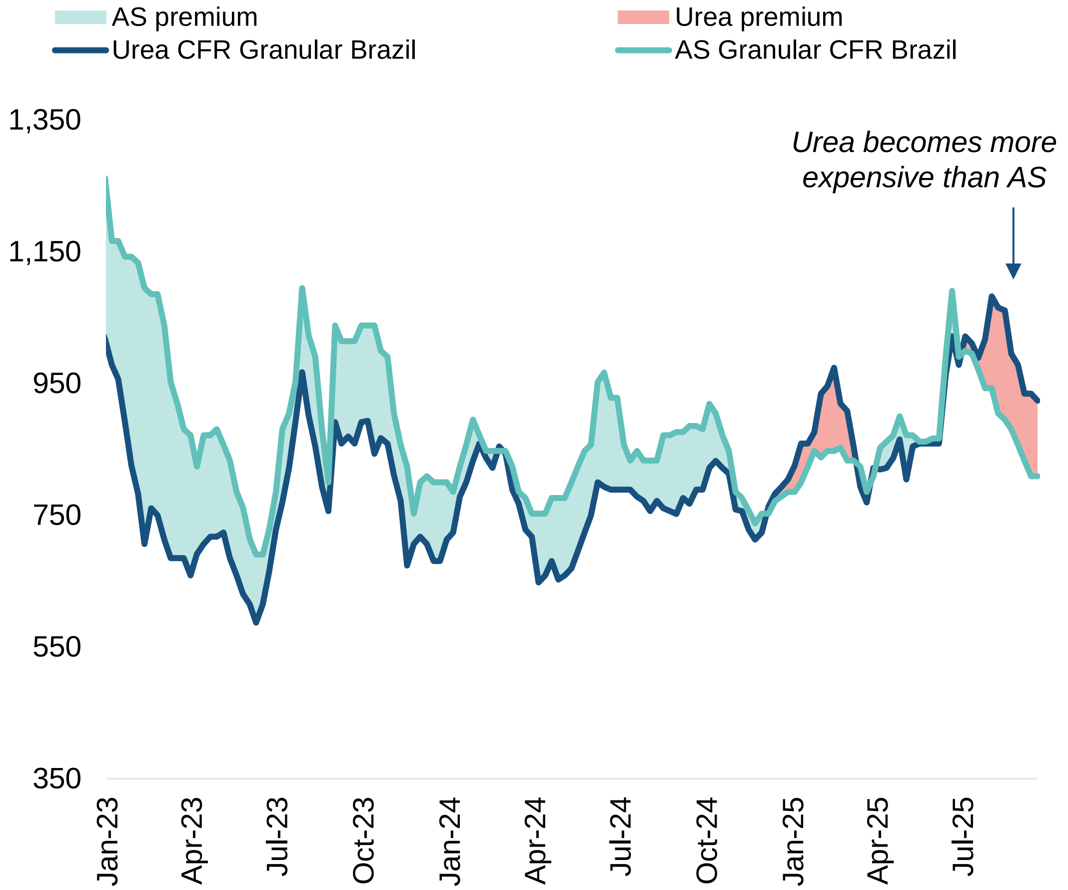


AS imports ramp up as urea affordability worsens in 2025

Urea and AS imports, Mt



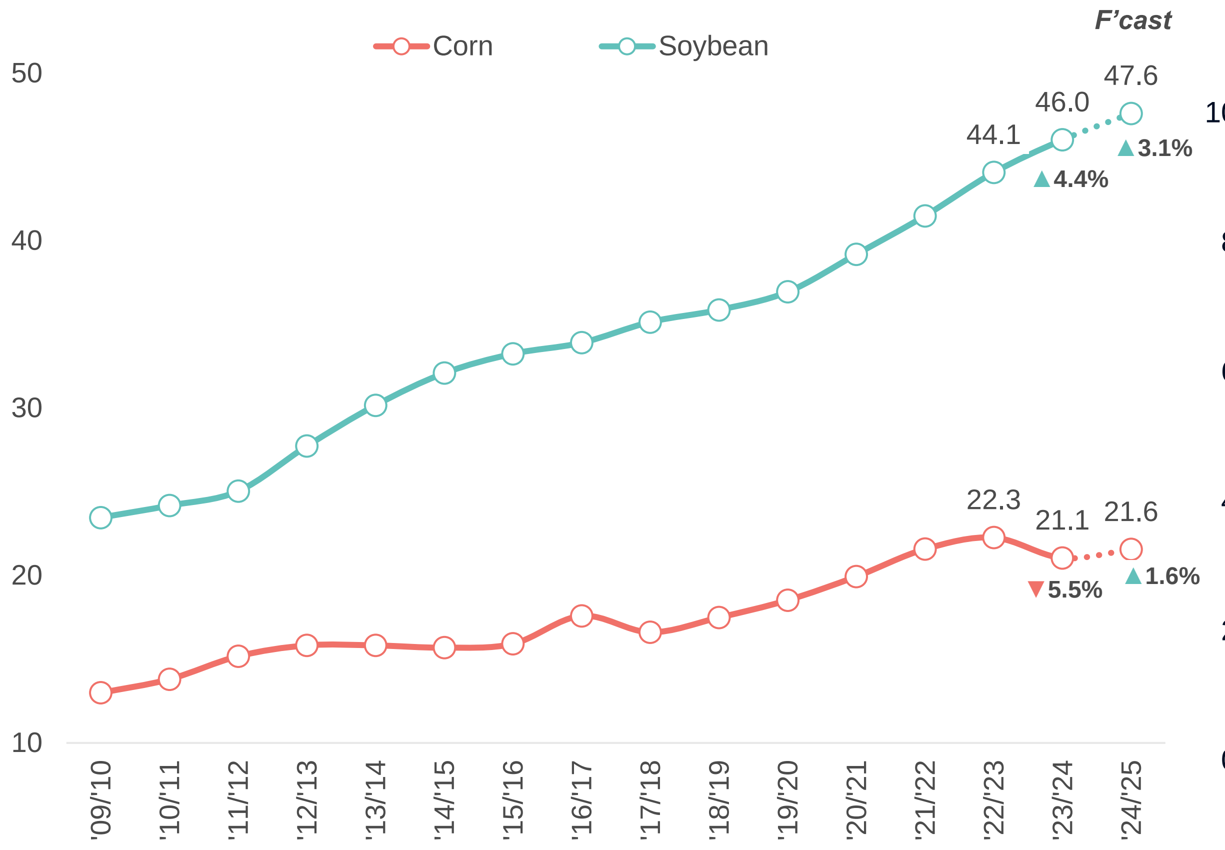
Brazil N relative valuation, $/tN



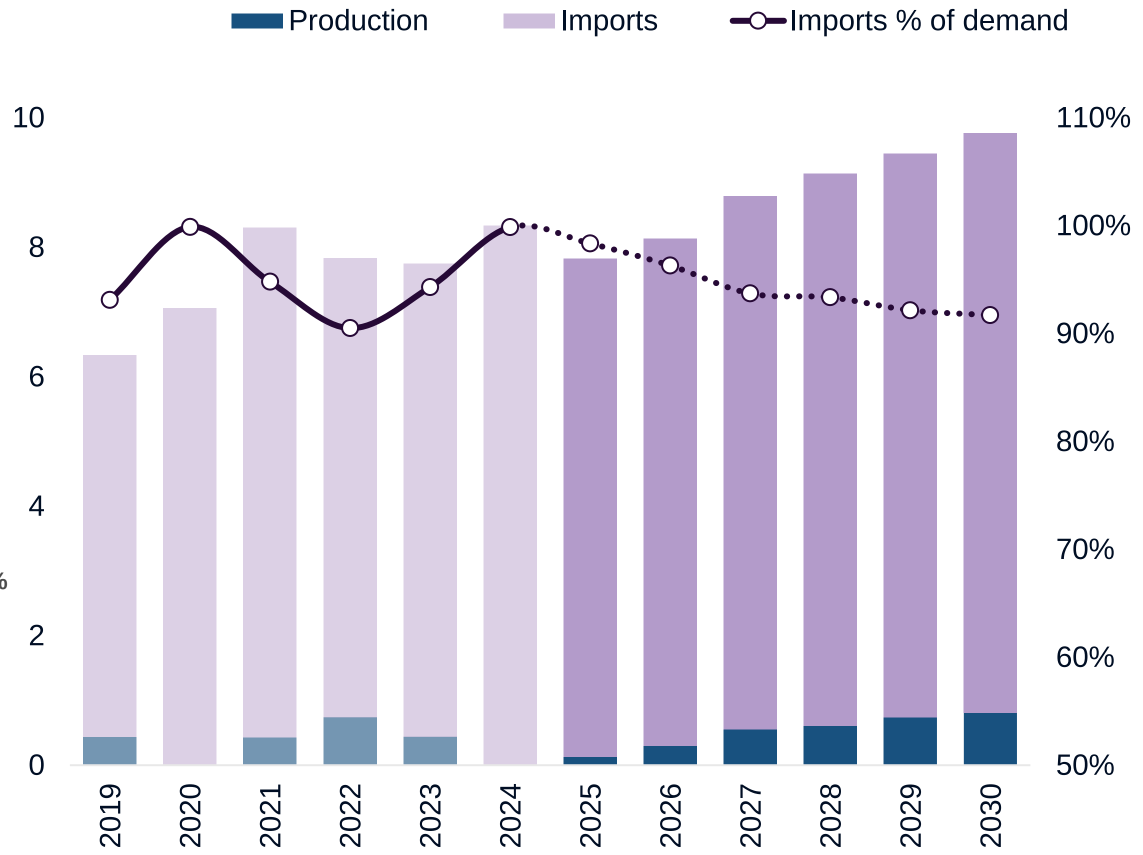
DATA : CRU, GTT

Strong Brazilian imports on the back of rising crop acreages and low production

Brazil planted area by crop, Mha



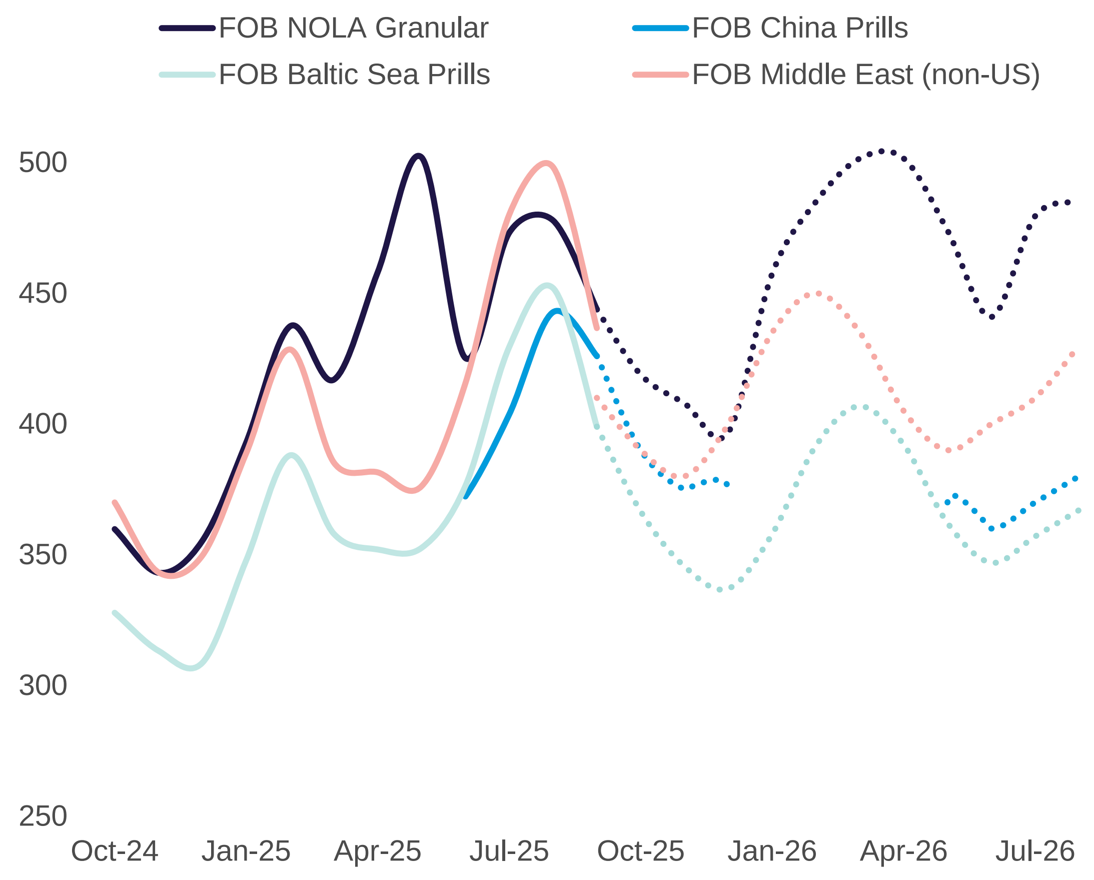
LHS : Brazil imports and production, Mt
RHS : Imports as a % of demand, %



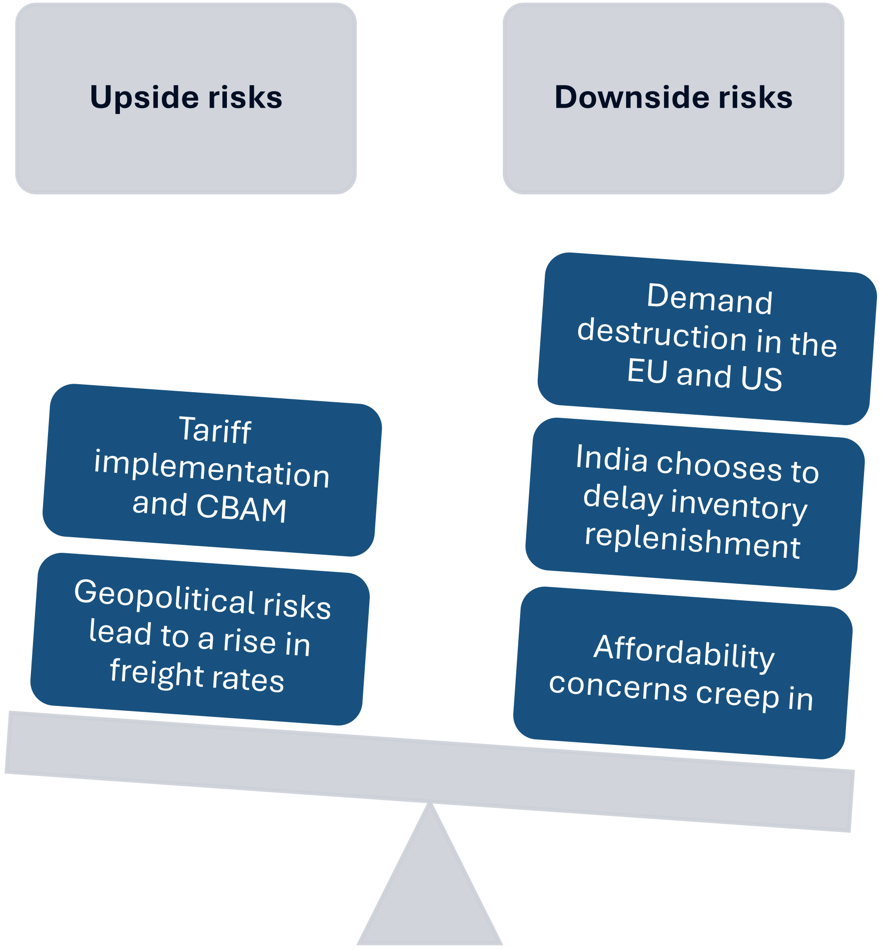
DATA : CRU, CONAB

Urea prices to face downturn before seasonal rush in 2026 Q1

Urea prices, $/t



DATA : CRU



Key takeaways

1 **India back at the helm of global price movements**

Sustained higher import volumes and continuous tenders are central to defining the path of global prices

2 **Aim to achieve self-sufficiency is a distant future**

Divergence between domestic production and consumption is projected to continue as capacity additions taper off

3 **Positive growth in Brazil's N consumption**

But abundant and unhindered flow of AS amid highly volatile and unaffordable urea pose a risk to demand for urea

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