

CF Industries (CF)

\$78.75 (Stock Price as of 12/15/2025)

Price Target (6-12 Months): **\$90.00**

Long Term: 6-12 Months | **Zacks Recommendation:** **Neutral**
(Since: 09/03/25)
Prior Recommendation: Outperform

Short Term: 1-3 Months | **Zacks Rank:** (1-5) **3-Hold**
Zacks Style Scores: VGM: A
Value: A | Growth: A | Momentum: B

Summary

CF Industries' third-quarter earnings beat the Zacks Consensus Estimate while sales missed. It is well-placed to capitalize on the rising nitrogen fertilizer demand in major markets. Nitrogen demand is expected to be strong in North America, supported by healthy corn acres in the United States. Increased planted acres should also drive demand in Brazil. This, along with higher nitrogen prices, is expected to support the company's margins. Nitrogen prices are supported by higher global energy costs. The company also remains committed to reducing debt and boosting shareholder value by leveraging strong cash flows. However, higher natural gas prices are expected to weigh on the company's margins. Weak industrial demand across Europe and Asia is another concern.

Data Overview

52 Week High-Low	\$104.45 - \$67.34
20 Day Average Volume (sh)	2,370,950
Market Cap	\$12.4 B
YTD Price Change	-7.2%
Beta	0.68
Dividend / Div Yld	\$2.00 / 2.5%
Industry	Fertilizers
Zacks Industry Rank	Top 39% (95 out of 243)

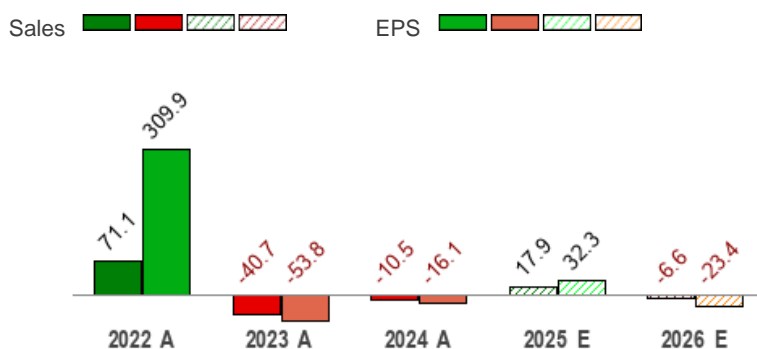
Last EPS Surprise	6.3%
Last Sales Surprise	-0.3%
EPS F1 Est- 4 week change	-0.5%
Expected Report Date	02/18/2026
Earnings ESP	-9.2%

P/E TTM	9.5
P/E F1	8.8
PEG F1	13.2
P/S TTM	1.8

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1,685 E	1,739 E	1,410 E	1,605 E	6,542 E
2025	1,663 A	1,890 A	1,659 A	1,728 E	7,001 E
2024	1,470 A	1,572 A	1,370 A	1,524 A	5,936 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1.99 E	1.90 E	0.83 E	1.62 E	6.83 E
2025	1.85 A	2.37 A	2.19 A	2.35 E	8.92 E
2024	1.03 A	2.30 A	1.55 A	1.89 A	6.74 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/15/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 11/14/2025.

Overview

CF Industries Holdings, Inc., headquartered in Deerfield, IL, is one of the largest manufacturers and distributors of nitrogenous fertilizer and other nitrogen products globally. The company's principal nitrogenous fertilizer products are ammonia, granular urea, urea ammonium nitrate solution (UAN) and ammonium nitrate (AN).

CF Industries is a leading nitrogen fertilizer producer in North America. The company operates two of the largest fertilizer complexes in North America, one in Donaldsonville, Louisiana, United States and the other in Medicine Hat, Alberta, Canada.

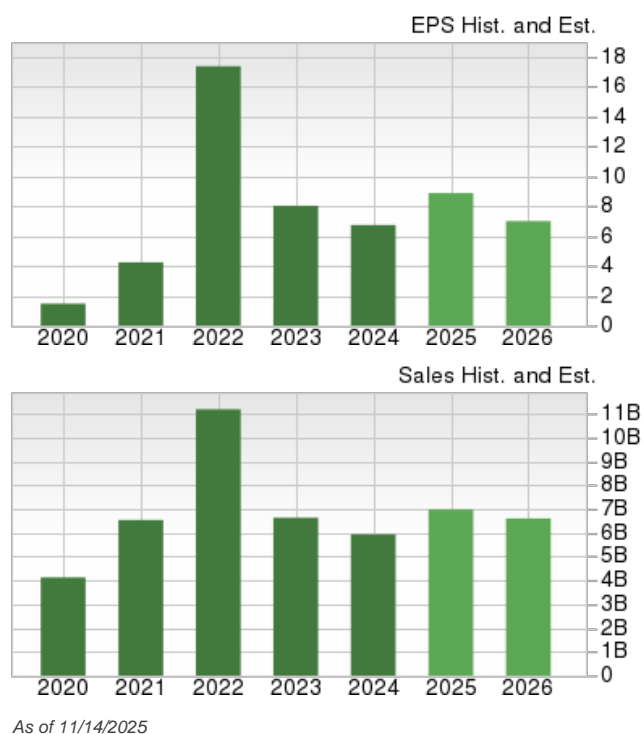
Roughly 29%, 28%, 27% and 7% of its total sales in 2024 came from its Ammonia, UAN, Granular Urea and AN segments, respectively, while the "Other" segment accounted for the balance. The company completed the divestment of its phosphate unit to The Mosaic Company in March 2014.

The company became the global leader in the nitrogen fertilizer industry and expanded geographically with the acquisition of rival Terra Industries in April 2010.

CF Industries, in October 2013, signed a definitive agreement to sell its phosphate mining and manufacturing business to fertilizer producer Mosaic for \$1.4 billion in cash (including \$200 million to fund CF Industries' asset retirement obligation escrow). The transaction was closed in March 2014.

Under the deal, CF Industries disposed the Hardee County phosphate rock mine, the Plant City phosphate complex, an ammonia terminal, phosphate warehouse and dock at the Port of Tampa and the site of the former Bartow phosphate complex to Mosaic.

CF Industries and Mosaic also entered into a long-term ammonia supply agreement, under which, the former agreed to supply ammonia to Mosaic from its Donaldsonville, LA, nitrogen complex and its 50% owned Point Lisas Nitrogen Ltd. (PLNL) facility in the Republic of Trinidad and Tobago.



Reasons To Buy:

- ▲ CF Industries should benefit from the rising global demand for nitrogen fertilizers, driven by significant agricultural demand. Global demand for nitrogen is expected to remain strong through 2025. Global demand is expected to remain strong in the near future due to recovering industrial demand and farmer economics. High levels of corn planted acres in the United States should drive the demand for nitrogen this year. Demand in North America is also expected to be fueled by favorable farm economics. CF Industries also sees strong demand for urea from Brazil and India. Demand for urea is also likely to remain strong in Brazil on higher corn plantings. Demand in India is expected to be driven by low inventory levels.
- ▲ Rising nitrogen prices have contributed to a boost in CF Industries' revenues. In the third quarter, net sales rose roughly 21% year over year to roughly \$1.66 billion. The average selling prices for most of the company's core products increased compared to the prior year, driven by higher global energy costs, supply disruptions and strong global nitrogen demand. Looking ahead, CF is expected to continue benefiting from favorable pricing trends.
- ▲ The company remains committed to boosting shareholders' value by leveraging strong cash flows. CF Industries repurchased 18.8 million shares for \$1.51 billion in 2024. It returned \$445 million to shareholders in the third quarter of 2025 and around \$1.3 billion in the first nine months of 2025. The company completed the \$3 billion share repurchase program in October 2025. Its board authorized a new \$2 billion share repurchase program in May 2025, effective through 2029. In early 2024, the company also announced a 25% increase in its quarterly dividend to 50 cents per share.
- ▲ CF Industries is taking action to de-leverage its balance sheet. The company achieved its long-term gross debt target of \$3 billion in April 2022, with the repayment of the final \$500 million of its 2023 notes. Its long-term debt was roughly \$2.97 billion at the end of third-quarter 2025, flat sequentially. The company's cash and cash equivalents were roughly \$1.8 billion at the end of the quarter. Its total debt-to-total capital ratio was 27.9 as of Sept. 30, 2025, lower than 31.8 for its industry. As such, it has a lower default risk.

CF Industries is well-placed to benefit from higher nitrogen demand in major markets. It should also gain from higher nitrogen prices. The company is also committed to cutting debt and boosting shareholder value.

Reasons To Sell:

- ▼ The company faces headwinds from higher natural gas prices, a key feedstock for nitrogen fertilizer. It has seen a significant rise in natural gas costs during the first nine months of 2025. The average cost of natural gas increased to \$2.96 per MMBtu (million metric British thermal unit) in the third quarter from \$2.10 per MMBtu a year ago. The same for the first nine months increased to \$3.34 per MMBtu from \$2.38 per MMBtu in the year-ago period. Natural gas prices have increased in Europe and Asia due to constrained supply availability, triggered by the Russia-Ukraine conflict. Higher gas costs are expected to weigh on its margins in 2025.
- ▼ CF Industries faces challenges from softer industrial demand. Demand for ammonia for industrial applications remains weak. Soft economic activities, elevated energy prices and geopolitical issues have led to a slowdown in industrial demand. Fears of a recession have contributed to the curtailment of industrial demand across Europe and Asia.
- ▼ As part of its actions to restructure its U.K. operations, the company has ceased operations at its Ince plant due to high energy costs. High natural gas prices in the U.K. also affected operating rates at its Billingham facility. The company ceased operations of the ammonia plant at the Billingham facility in 2023. These restructuring actions may impact production as well as overall sales volumes.

Higher natural gas prices are expected to weigh on the company's margins. Weak industrial demand across Europe and Asia is another concern.

Last Earnings Report

CF Industries' Q3 Earnings Surpass Estimates on Higher Prices

CF Industries reported third-quarter 2025 earnings of \$2.19 per share, up from \$1.55 in the year-ago quarter. The figure surpassed the Zacks Consensus Estimate of \$2.06.

Net sales rose around 21.2% year over year to \$1,659 million in the quarter, missing the Zacks Consensus Estimate of \$1,665 million.

In the third quarter, average selling prices increased from the same period in 2024, driven by strong global nitrogen demand, supply disruptions due to geopolitical issues, and higher global energy costs. However, sales volumes were lower year over year, mainly due to lower beginning inventories.

Segment Review

Net sales in the Ammonia segment increased 29.5% to \$457 million in the reported quarter, beating our estimate of \$368.3 million. The adjusted gross margin per ton for ammonia rose in the first nine months of 2025 from the year-ago period, mainly due to higher average selling prices and reduced maintenance costs, though this was partly offset by increased realized natural gas costs.

Sales in the Granular Urea segment rose 9% year over year to \$423 million, outpacing our estimate of \$363.5 million. The adjusted gross margin per ton for granular urea increased in the first nine months of 2025 from the year-ago period, mainly driven by higher average selling prices, though partly offset by higher realized natural gas costs.

Sales in the UAN segment rose around 27.3% year over year to \$517 million, beating our estimate of \$377.4 million. The adjusted gross margin per ton for UAN increased in the first nine months of 2025 compared with that of the previous year, mainly due to higher average selling prices, partially offset by higher realized natural gas costs.

Sales in the AN segment rose around 15% year over year to \$122 million, beating our estimate of \$82.7 million. The adjusted gross margin per ton for AN rose in first nine months of 2025 from a year ago, primarily due to increased average selling prices, though this was partly offset by higher realized natural gas costs.

Financials

As of Sept. 30, 2025, CF Industries' cash and cash equivalents were \$1.84 billion, down 2.08% year over year. Long-term debt was roughly \$2.97 billion, flat year over year.

Net cash provided by operating activities was \$1.06 billion in the reported quarter, up nearly 14.3% year over year.

The company repurchased 4.3 million shares for \$364 million in the third quarter of 2025.

Outlook

The global nitrogen outlook remains positive through 2025 and beyond, supported by strong demand and tight supply. India, Brazil, and North America are driving robust fertilizer consumption, while inventories remain below average despite resumed Chinese exports, per the company. Supply constraints from high energy costs and limited gas availability continue to pressure producers in Europe and Asia. Growing demand for low-carbon ammonia further strengthens the market. With energy cost advantages favoring North American producers and limited new capacity additions, the global nitrogen balance is expected to tighten, supporting firm pricing and margins in the years ahead.

FY Quarter Ending **12/31/2024**

Earnings Reporting Date	Nov 05, 2025
Sales Surprise	-0.34%
EPS Surprise	6.31%
Quarterly EPS	2.19
Annual EPS (TTM)	8.30

Valuation

CF Industries' shares are down 1.6% over the trailing 12-month period. Over the past year, the Zacks Fertilizers industry and the Zacks Basic Materials sector are up 12.9% and up 13.9%, respectively.

The S&P 500 index is up 17.5% in the past year.

The stock is currently trading at 5.35X trailing EV/EBITDA, which compares to 5.07X for the Zacks sub-industry, 13.52X for the Zacks sector and 18.59X for the S&P 500 index.

Over the past five years, the stock has traded as high as 10.35X and as low as 2.33X, with a 5-year median of 6.19X.

Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$90 price target reflects 1.85X tangible book value.

The table below shows summary valuation data for CF:

Valuation Multiples - CF					
		Stock	Sub-Industry	Sector	S&P 500
P/B TTM	Current	1.73	0.53	2.82	8.39
	5-Year High	3.89	4.59	4.25	9.19
	5-Year Low	1.26	0.51	2.18	6.62
	5-Year Median	1.88	2.32	3	8.04
EV/EBITDA TTM	Current	5.35	5.07	13.52	18.59
	5-Year High	10.35	18.05	14.69	22.36
	5-Year Low	2.33	4.55	5.81	13.97
	5-Year Median	6.19	10.42	11.01	18.08
P/S F12M	Current	2.02	0.78	2.67	5.41
	5-Year High	2.86	2.76	3.08	5.52
	5-Year Low	1.41	0.77	1.75	3.84
	5-Year Median	2.15	1.98	2.41	5.06

As of 11/13/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 39% (95 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Bunge Global SA (BG)	Outperform	1
BASF SE (BASFY)	Neutral	3
ICL Group Ltd. (ICL)	Neutral	3
Intrepid Potash, Inc (IPI)	Neutral	3
The Mosaic Company (MOS)	Neutral	3
Nutrien Ltd. (NTR)	Neutral	3
The Scotts Miracle-G... (SMG)	Neutral	3
Sociedad Quimica y M... (SQM)	Neutral	3

Industry Comparison⁽¹⁾ Industry: Fertilizers

	CF	X Industry	S&P 500	IPI	MOS	NTR
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	3	3
VGM Score	A	-	-	A	A	C
Market Cap	12.35 B	4.98 B	39.38 B	364.14 M	8.32 B	30.38 B
# of Analysts	6	3.5	22	1	6	7
Dividend Yield	2.53%	2.68%	1.41%	0.00%	3.36%	3.47%
Value Score	A	-	-	A	A	A
Cash/Price	0.15	0.09	0.04	0.21	0.02	0.02
EV/EBITDA	4.80	8.05	14.60	14.74	6.90	9.44
PEG Ratio	13.25	0.66	2.23	NA	0.63	0.68
Price/Book (P/B)	1.62	1.14	3.35	0.74	0.64	1.21
Price/Cash Flow (P/CF)	6.43	6.55	15.20	10.45	4.60	7.66
P/E (F1)	8.88	11.69	19.78	22.23	9.71	13.67
Price/Sales (P/S)	1.83	1.23	3.06	1.31	0.70	1.14
Earnings Yield	11.21%	8.81%	4.99%	4.50%	10.30%	7.32%
Debt/Equity	0.39	0.30	0.57	0.00	0.26	0.39
Cash Flow (\$/share)	12.31	2.92	8.99	2.59	5.70	8.21
Growth Score	A	-	-	A	D	F
Hist. EPS Growth (3-5 yrs)	22.97%	-4.26%	8.16%	-40.92%	-6.83%	-3.25%
Proj. EPS Growth (F1/F0)	32.34%	36.50%	8.57%	NA	36.36%	32.56%
Curr. Cash Flow Growth	-11.62%	-13.67%	6.75%	-6.39%	-20.32%	-7.89%
Hist. Cash Flow Growth (3-5 yrs)	10.46%	3.50%	7.43%	-6.60%	2.44%	5.61%
Current Ratio	2.27	1.73	1.19	5.24	1.14	1.41
Debt/Capital	27.88%	24.50%	38.01%	0.39%	20.68%	28.15%
Net Margin	20.47%	6.79%	12.78%	-70.24%	10.33%	6.79%
Return on Equity	18.14%	7.54%	17.00%	2.32%	6.46%	7.54%
Sales/Assets	0.49	0.51	0.53	0.46	0.50	0.51
Proj. Sales Growth (F1/F0)	17.90%	7.70%	5.77%	16.20%	11.30%	3.40%
Momentum Score	B	-	-	B	A	A
Daily Price Chg	0.67%	0.67%	-1.07%	-1.49%	4.05%	3.02%
1 Week Price Chg	1.68%	1.68%	-0.63%	7.15%	11.01%	4.14%
4 Week Price Chg	-6.88%	0.61%	1.39%	3.51%	0.61%	5.84%
12 Week Price Chg	-6.93%	0.00%	2.45%	-4.00%	-22.87%	11.01%
52 Week Price Chg	-11.52%	3.60%	12.83%	7.79%	-2.17%	30.43%
20 Day Average Volume	2,370,950	125,902	2,728,366	125,902	7,078,213	2,509,650
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	-0.47%	0.00%	0.00%	0.00%	2.40%	2.09%
(F1) EPS Est 12 week change	5.31%	3.23%	0.69%	3.39%	-14.92%	3.07%
(Q1) EPS Est Mthly Chg	5.88%	1.26%	0.00%	0.00%	2.64%	2.53%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	A
Growth Score	A
Momentum Score	B
VGM Score	A

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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