

## U.S.A. Imports of ANHYDROUS AMMONIA

### Definition

This report covers an analysis of U.S.A. Imports of ANHYDROUS AMMONIA. The report is prepared on data up to and including August 2009.

### Harmonised Code Tree Structure

#### 2814100000 ANHYDROUS AMMONIA

2 Digit	28 - Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-
4 Digit	- 2814 Ammonia, anhydrous or in aqueous solution
6 Digit	- 281410 Anhydrous ammonia
10 Digit	- 2814100000 ANHYDROUS AMMONIA

### Key Statistics

#### ANHYDROUS AMMONIA

	Up to August				
	2005	2006	2007	2008	2009
Quantity (Metric Tons)	7,930,612	7,197,780	7,939,605	7,318,754	3,610,860
Value FOB \$US*	\$2,218,550,215	\$2,128,407,709	\$2,418,322,866	\$4,091,296,860	\$850,329,177
Value CIF \$US**	\$2,695,928,081	\$2,562,883,561	\$2,954,573,574	\$4,645,714,358	\$1,058,044,777

#### Major Supply Countries - Quantity (Metric Tons)

	2005	2006	2007	2008	2009
Trinidad and Tobago	4,493,478	4,070,623	4,354,542	3,809,753	2,461,214
Canada	1,337,683	1,010,383	920,269	932,602	547,497
Russia	425,971	670,201	1,642,208	1,437,882	288,411
Ukraine	1,163,197	975,975	347,374	553,482	15,494
Venezuela	148,329	252,447	271,617	213,479	157,560
Qatar	51,007	35,451	48,692	75,077	11,000
Latvia	117,740	-	74,817	26,862	-
Saudi Arabia	24,870	18,579	-	84,138	27,800
Colombia	35,985	31,174	21,360	19,852	17,508
Oman	23,459	4,409	48,852	48,196	-

#### Major Supply Countries - Value CIF \$US \*

	2005	2006	2007	2008	2009
Trinidad and Tobago	\$1,366,566,797	\$1,279,603,190	\$1,387,601,366	\$2,136,543,310	\$538,338,220
Canada	\$451,071,544	\$389,399,154	\$399,964,802	\$735,470,084	\$257,525,265
Russia	\$136,351,534	\$217,081,281	\$559,712,905	\$826,642,120	\$82,139,017
Ukraine	\$349,126,566	\$305,159,632	\$111,062,158	\$339,051,309	\$3,927,211
Venezuela	\$44,771,628	\$76,563,198	\$94,216,474	\$116,594,521	\$36,877,596
Qatar	\$15,970,678	\$10,280,671	\$19,175,136	\$55,032,090	\$2,760,000
Latvia	\$33,449,570	\$0	\$26,391,928	\$12,322,667	\$0
Saudi Arabia	\$7,834,004	\$7,558,343	\$0	\$35,036,789	\$7,974,477
Colombia	\$10,694,849	\$8,704,030	\$4,701,985	\$11,974,680	\$3,323,719
Oman	\$8,919,653	\$1,556,840	\$13,581,377	\$26,334,665	\$0

\* FOB \$US = Free on Board - so does not include insurance or freight costs

\*\* CIF \$US = Cost Insurance and Freight - so includes insurance and freight costs

**Summary**

USA imports of Anhydrous Ammonia amount to between 7 and 8 million tonnes a year. Trinidad and Tobago are the main supplier countries followed by Canada and Russia.

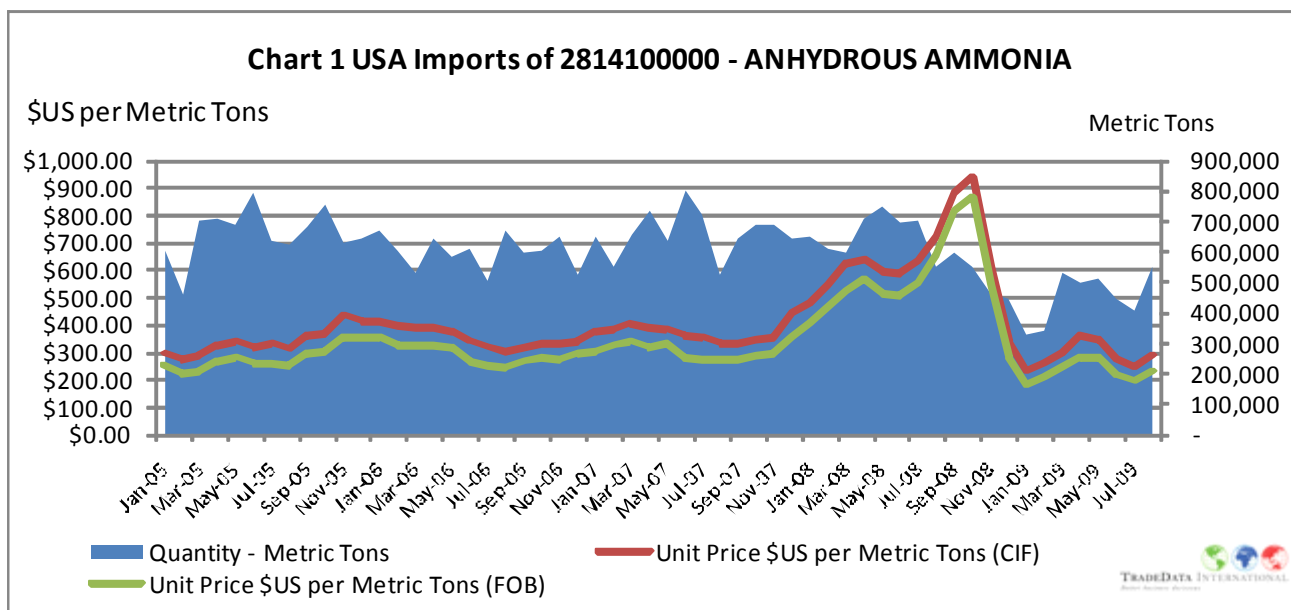
This was a fairly stable import sector until late in 2007. Throughout most of 2008 import prices increased very strongly and with the onset of the USA recession late in 2008 both import volumes and particularly prices fell substantially. Throughout 2009 prices have remained relative low and volumes have picked up modestly.

**Price and Quantity**

Chart 1 shows USA imports of Anhydrous Ammonia were fairly stable at around 625,000 tonnes a month until the middle of 2008. Average import prices (CIF prices) were also fairly stable around \$US 325 per tonne until late in 2007 after which they started to increase sharply. The price increases continued to a maximum of \$US 904 per tonne in October 2008. After this prices collapsed to a low of \$209 per tonne in January 2009. Since then prices have moved back up to \$320 in April and back down to \$US260 by August 2009.

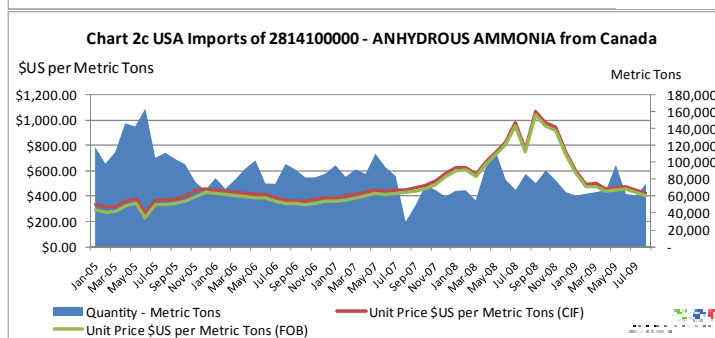
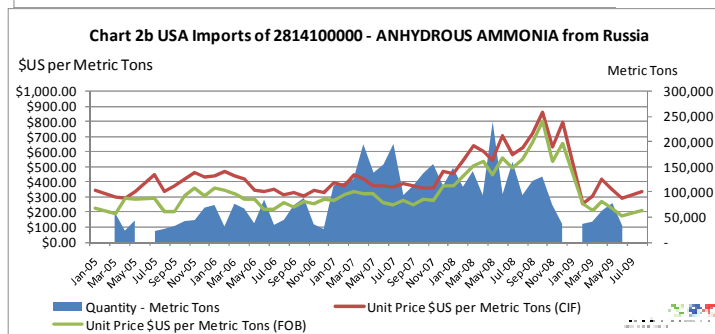
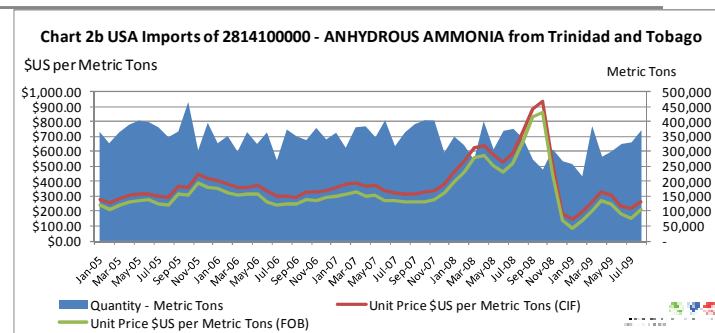
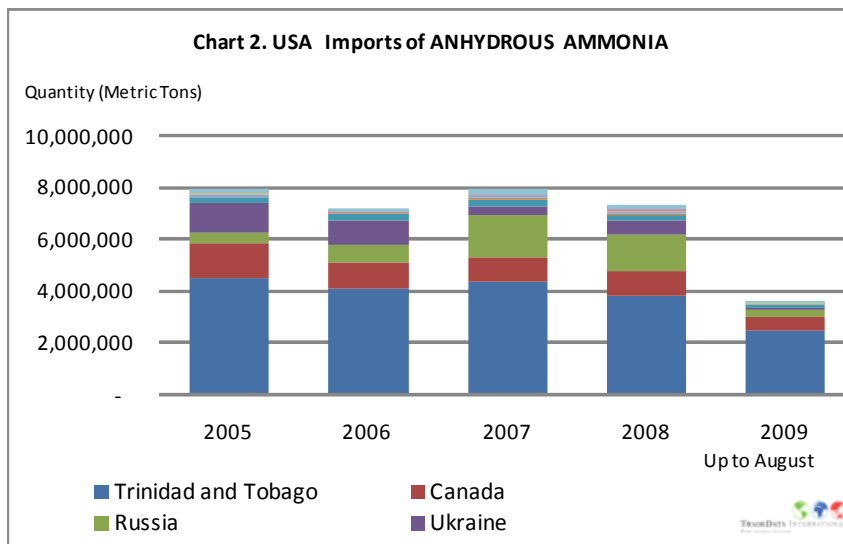
Import volumes have also fallen from a peak of 747 thousand tonnes in May 2008 to 328 thousand tonnes by January 2009 and have subsequently increased again to 550 thousand tonnes by August 2009.

There is no duty applied to this product. On average transport and insurance costs comprise 9.5% of CIF prices.



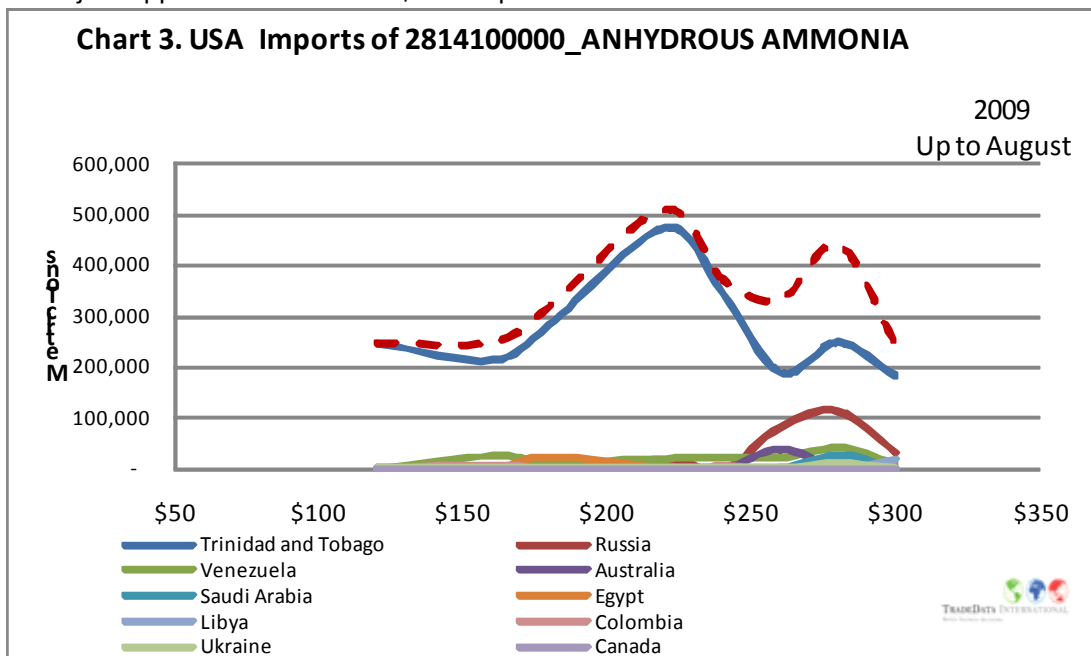
**Major Supply Countries**

USA imports of Anhydrous Ammonia amount to between 7 and 8 million tonnes a year. Trinidad and Tobago are the main supplier countries with just more than 50% of the market. Canada and Russia and to a lesser extent the Ukraine are also principal suppliers to the USA. Russia substantially increased its share of the market in 2007 at the expense of Canada and the Ukraine.



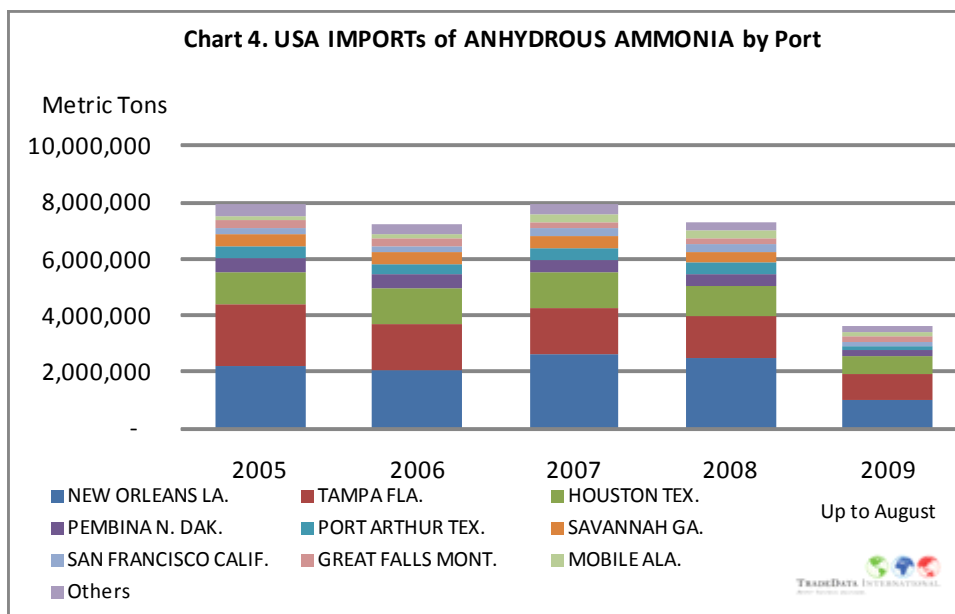
**Product Price Segments (CIF Prices)**

Chart 3 list the principal price points during 2009 at which USA imports of Anhydrous Ammonia arrive. Trinidad and Tobago – the largest supplier sell at \$US 450 per tonne and at prices between \$US 130 and \$US 300 per tonne. Russia another major supplier sells at around \$US280 per tonne.



**Customs Districts of Unloading**

Chart 4 lists the customs districts in the US where the product is unloaded. Entry points into the USA are widespread with the major locations being New Orleans (28%), Tampa (26%) and Houston (16%). In recent years New Orleans has become more important and Tampa less important entry points.



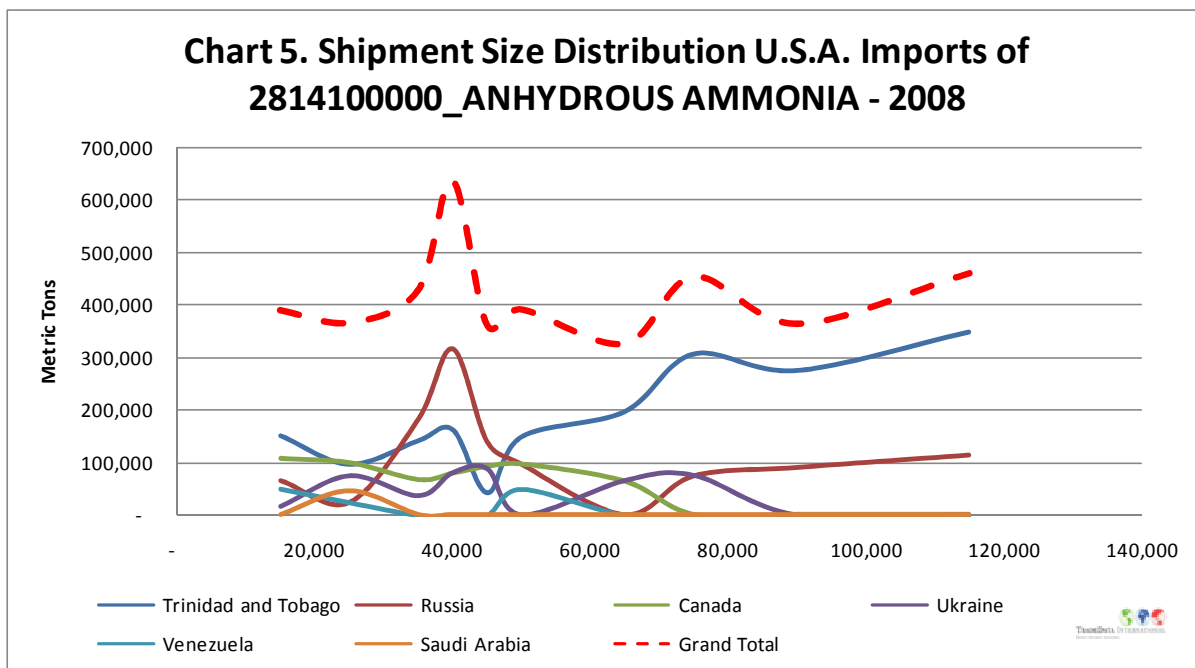
**Volatility Rating**

USA imports of Anhydrous Ammonia are moderately volatile in terms of the volume of imports and highly volatile in terms of average prices.

<b>Volatility</b>		<b>Volatility Rating</b>	
	<b>Per Cent</b>	Not Volatile	less than 10%
<b>Volume - Metric Tons - Moderately Volatile</b>	17.2%	Moderately Volatile	10% - 20%
<b>CIF Price - Metric Tons - Volatile</b>	38.5%	Volatile	20% - 40%
		Highly Volatile	over 40%

**Shipment Size Distribution**

Shipment size occurs at two principal size points – 40,000 tons and between 80,000 to 120,000 tons. Russia is the major supplier at the lower size point and Trinidad and Tobago the major supplier at the larger size point. Although both countries supply at the other size points.



<b><u>Shipment Size Distribution 2008</u></b>		
<b>ANHYDROUS AMMONIA</b>		
<b>Metric Tons</b>	<b>Quantity</b>	<b>Per Cent</b>
<b>Less than 30000</b>	1,821,915	24.9%
<b>Between 30000 and 50000</b>	1,870,180	25.6%
<b>More than 50000 and less than = 120000</b>	2,914,885	39.8%
<b>More than 120000</b>	711,774	9.7%

### **Potential Data Errors**

Data errors can occur at the collection point and can show themselves as exceeding large/small unit prices. For example if a quantity has been incorrectly entered as a tonne instead of a kilogram the associated unit price will be one thousand times larger/smaller than it should be. This study has analysed all transactions related to this report and has concluded that potential errors are small and equate to much less than 1 per cent of quantity in any particular year.

<b>Estimated Potential Errors</b>		
	<b>% Observations</b>	<b>% Quantity</b>
<b>2005</b>	2.2%	0.558%
<b>2006</b>	3.4%	0.365%
<b>2007</b>	1.4%	0.259%
<b>2008</b>	0.7%	0.618%
<b>2009</b>	0.0%	0.000%

### **Acknowledgements**

This report was prepared by TradeData International Pty Ltd and sourced using statistics from the US Census Bureau covering the period from January 2005 to August 2009.

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