

Mineral Industry Surveys

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MARKETABLE PHOSPHATE ROCK IN OCTOBER 2004

U.S. marketable phosphate rock production in October was 2.69 million metric tons (Mt), which was 16% higher than in the previous month, according to the U.S. Geological Survey (USGS). Cumulative production for the first 10 months of 2004 was 3% higher than for the same period in 2003.

Total domestic phosphate rock sold or used in October was withheld to avoid disclosing company proprietary data for Western producers. Phosphate rock sold or used in the Florida-North Carolina region increased by 27% from 1.88 Mt in September to 2.39 Mt, because of the return to near-normal production rates following the hurricane-related closures of phosphate rock and fertilizer plants in Florida that occurred in September. Phosphate rock sold or used for January to October in the Florida-North Carolina region was unchanged from the same period in 2003. U.S. producer stocks at the end of October decreased slightly from those in the prior month.

Some phosphate rock import data for Morocco, the largest supplier, were suppressed by the U.S. Census Bureau. In addition, Census trade data are not available for the current month. Based on Census figures and data from the Moroccan producer, the USGS estimates that imports of phosphate rock have averaged 200,000 tons per month in 2004.

Initial estimates indicate that domestic consumption in 2004 could be 37.3 Mt, using annualized sales and use data and trade estimates. Apparent domestic consumption for 2003 was 37.8 Mt.

The merger of Cargill Crop Nutrition and IMC Global Inc. was approved by IMC shareholders on October 20. The new entity, The Mosaic Company, began operations on October 22. Mosaic will continue to operate all former Cargill and IMC mines and plants in Florida and Louisiana (The Mosaic Company, 2004).

Prior to the merger, IMC Global terminated its phosphate rock sales agreement with US Agri-chemicals Corp., (a subsidiary of Sinochem Corp. of China), which operates a fertilizer facility in Green Bay, FL. The sales agreement will end on October 1, 2007, because the original contract, which was signed in 1994 and extended in 1999, required a 3-year notice. Mosaic has not publicly commented on the pending cancellation (Green Markets, 2004).

The Florida Phosphate Council was reduced from five members to one, following the merger of Cargill and IMC and the departures of CF Industries, Inc., PCS Phosphate Co., Inc., and US Agri-chemicals. That has left Mosaic as the only member. The council, located in Tallahassee, FL, was formed in 1965 by Florida phosphate producers to represent the industry (Lakeland Ledger, 2004^{§1}).

References Cited

- Green Markets, 2004, IMC to end phos rock contract with U.S. Agri-Chem: Green Markets, v. 28, no. 40, October 4, p. 11.
Mosaic Company, The, 2004, The Mosaic Company formed with the closing of IMC Global, Cargill Crop Nutrition combination: Minnetonka, MN, Mosaic Company press release, October 22, 1 p.

Internet Reference Cited

- Bouffard, Kevin, 2004 (November 5), Council of one, Lakeland (FL) Ledger, accessed November 8, 2004, via URL <http://www.theledger.com>.

¹A reference that includes a section mark (§) is found in the Internet Reference Cited section.

TABLE 1
U.S. PHOSPHATE ROCK STATISTICS, BY REGION¹

(Thousand metric tons)

Period	Marketable production			Sold and/or used			Ending stocks ²		
	Florida and North Carolina	Idaho and Utah	U.S. total	Florida and North Carolina	Idaho and Utah	U.S. total	Florida and North Carolina	Idaho and Utah	U.S. total
2003:									
January-October	24,000	4,300	28,300	25,000	4,300	29,300	XX	XX	XX
October	2,650	430	3,080	2,720	369	3,090	5,430	2,110	7,540
November	2,450	348	2,800	2,610	496	3,100	5,260	2,080	7,340
December	2,690	343	3,030	2,610	413	3,020	5,320	2,020	7,330
January-December	29,100	4,990	34,100	30,200	5,210	35,400	XX	XX	XX
2004:									
January	2,720	335	3,060	2,660	424	3,080	5,390	2,000	7,390
February	2,580	343	2,920	2,420	454	2,870	5,530	1,820	7,350
March	2,860	339	3,200	2,550	434	2,980	5,750	1,720	7,470
April	2,600	335	2,940	2,640	415	3,050	5,720	1,640	7,360
May	2,700	525	3,220	2,720	384	3,110	5,680	1,780	7,460
June	2,550	524	3,070	2,470	338	2,800	5,750	1,840	7,590
July	2,700	466	3,160	2,810	426	3,210	5,750	1,880	7,630
August	2,120	542	2,660	2,480	505	2,980	5,430	1,920	7,340
September	1,760	549 [†]	2,310 [†]	1,880	406 [†]	2,280 [†]	5,150	2,060	7,210
October	2,170	527	2,690	2,390	W	W	W	W	7,180
Total	24,800	4,490	29,200	25,000	W	W	XX	XX	XX

[†]Revised. W Withheld to avoid disclosing company proprietary data. XX Not applicable.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Includes inventory adjustments.

TABLE 2
U.S. IMPORTS OF PHOSPHATE ROCK^{1,2}

(Thousand metric tons and thousand dollars)

Period	Quantity	Value
2003:		
January-October	1,030	36,600
October	63	1,690
November	93	3,990
December	88	2,430
January-December	1,270	44,700
Total year ³	2,400	84,000
2004: ⁴		
January	174	5,950
February	100	3,680
March	145	5,580
April	28	760
May	180	6,650
June	146	5,700
July	63	1,720
August	157	6,030
September	118	4,990
Total	1,110	41,100

¹Cost, insurance, and freight values at U.S. ports.

²Data are rounded to no more than three significant digits; may not add to totals shown.

³Includes an estimate for data suppressed by the U.S. Census Bureau.

⁴Data for the current month were not available at time of publication.

Source: U.S. Census Bureau; data on the majority of phosphate rock imports from Morocco were suppressed by Census.

TABLE 3
COMPARATIVE U.S. PHOSPHATE ROCK STATISTICS

(Million metric tons, unless otherwise specified)

	2002	2003	2004 ^{e,1}
Marketable production:			
Florida and North Carolina	31.1	29.1	29.7
Idaho and Utah	5.0	5.0	5.4
Total ²	36.1	34.1	35.1
Sold or used by producers:			
Florida and North Carolina	29.8	30.2	30.0
Idaho and Utah	4.9	5.2	4.9
Total ²	34.7	35.4	34.9
Yearend stocks	8.9	7.3	7.2
Exports	(3) ⁴	W	--
Average value per ton	W	W	NA
Imports for consumption ^e	2.7	2.4	2.4
Average value per ton	\$41.45	\$35.55	NA
Apparent consumption ^{e,5}	37.4	37.8	37.3

^eEstimated. NA Not available. W Withheld to avoid disclosing company proprietary data. -- Zero.

¹Annualized data.

²Data may not add to totals shown because of independent rounding.

³Less than 1/2 unit.

⁴Source: U.S. Census Bureau.

⁵Calculated as domestic sold or used plus imports minus exports.