BUSINESS AND FINANCE

Fertilizer supplies increased over 1952–53 . . . Anhydrous ammonia output sets record at above 2 million tons

IF TRADE REPORTS are correct the new fertilizer season is getting off to a good start. Ammonium sulfate, nitrogen solutions including anhydrous ammonia, and potash are all meeting with active demand. Bulk of these materials usually moves into agricultural consuming areas during the spring.

Supplies will probably be adequate to meet demands in 1954, and on the basis of industry estimates, these are expected to surpass last season's supply by some 11%.

The total supply of nitrogen of all makes is estimated at slightly more than 2 million tons, also 11% higher than the 1952–53 supply.

Both domestic and imported ammonium sulfate came in for improved demand during January, but unlike some other nitrogen materials this product is still somewhat in liberal supply. Major reason for large stocks in hands of producers and sellers, according to trade reports, is a greater carryover tonnage than usual from last year. This resulted from reduced fall demands in which drought conditions in farm areas was responsible.

Anhydrous Ammonia Outputs Greater

With nitrogen fertilizers being based increasingly on anhydrous ammonia, it is interesting to find that production of the latter reached new monthly highs during the second half of 1953. With November and December estimated, anhydrous production for the full year probably set a record for the industry of 2,281,661 tons, as may be seen in the table.

Synthetic Anhydrous Ammonia

(Production, Short Tons)

	1952	1953
Jan.	158,848	188,882
Feb.	151,632	173,857
March	172,099	189,644
April	172,032	188,173
May	165,105	192,424
June	160,034	185,194
July	168,630	185,515
Aug.	174,360	193,932
Sept.	172,986	195,484
Oct.	184,319	198,556
Nov.	178,562	192,000
Dec.	193,507	198,000
Total	2,052,114	2,281,661

Bureau of the Census. November and December totals are trade estimates.

Trend to Liquid Nitrogen Products

It is of equal interest to learn that solid material will account for 60% of the total nitrogen supply in 1953–54, and liquids and solutions for the remainder. Last season the solids were 62% of total nitrogen supplies. Notwithstanding, the trend toward industry use of solutions and direct application of ammonia in the soil is expected to continue.

Just when everyone in the industry was convinced that the day of organic fertilizers from animal waste sources was over, and that use of guano and similar organics had gone the way of bustles and the Stanley Steamer, manifest listings report the importation of 25 tons of guano from Peru. The shipment, said to be experimental, was consigned to Woodward and Dickerson, Philadelphia.

Another talking point in fertilizer trade circles is an early and more active call for potash, most of it for delivery at an early date. This is gratifying to potash producers whose problem it is to try to spread out deliveries as much as possible so as to avoid shipping jams during the active spring season.

High Concentrates Favored in Phosphate

Agriculture Department recently figured the supply of fertilizer phosphate in terms of P_2O_5 at 2.6 million tons, in contrast to the 2.4 million produced in 1952–53. The important aspect of this report is the estimate that there will be an increase of some 37% in supplies of triple and other types of superphosphates. Supplies of the normal grade are only expected to gain some 2.5%.

Superphosphate figures in a barter arrangement that has been concluded between the Commodity Credit Corp. and a New York export-import company. Various commodities owned by the Federal agency will be exchanged for 5400 metric tons of superphosphate and 30,000 tons of ammonium sulfate, both to arrive from Western Europe.

Both fertilizers will be earmarked for export to Korea. Commodities being acquired from Commodity Credit will be marketed in Europe.

Armour's Profits Up

Armour & Co. boosted its earnings in the fiscal year ended Oct. 31 to $10,339,-164 from about $7.1 million a year ago, according to the company's annual report. Chief cause of the increased profits, said company president Frederick W. Specht, was increased cattle slaughter last year. The increase amounted to 31% on an industry-wide basis, it was said.

As a result of the increase, per unit costs were reduced. The 10% reduction in hog kill, however, was a drag on profits.

Profits amounted to $1.81 a share, up 79 cents from a year ago. Sales were over $2 billion, compared with almost $2.2 billion in the previous year, a decline in dollar volume of 4.36%. Tonnage sales increased, however, by 5.62%.

Armour has launched a $10 million program to realign its meat processing operations at the Chicago plant and expects to complete the change in 1956.

The annual report notes that the company is negotiating with the Atomic Energy Commission to erect a plant for extracting uranium from phosphates at its Bartow, Fla., phosphate fertilizer plant. The company has had a pilot plant in operation there for several years.

Hercules Reviews 1953

In a review of its year, Hercules Powder noted a constantly increasing variety of end uses for its more than 800 chemical products, reflecting, said the company, the changing pattern of American life.

In the fields of food and agriculture, several developments were cited. Increased sales of frozen foods showed up in the greater demand for rosin size which makes paper and paperboard resistant to water penetration.

In agriculture, Hercules noted the expansion of its anhydrous ammonia facilities at Hercules, Calif., by 50%, virtually all of which was taken by agriculturalists.

Infestations of armyworms in many sections of the country during the 1953 growing season produced a large demand for toxaphene formulations to halt the invasion. In the third quarter of this year the company put a full complement of pathologists and biologists to work on its new agricultural chemicals laboratory at the company's experiment station. Research is aimed at developing insecticides, fungicides, defoliants, and other plant response chemicals.