

# BUSINESS AND FINANCE

## London firm reviews world nitrogen situation . . . 14% increase in U. S. consumption expected this year

**T**HE WORLD-WIDE NITROGEN PICTURE has undergone a complete change since last March, according to Aikman (London) Ltd. in its annual report on the nitrogen industry. Heavy demand in the latter part of the season ending last June reduced stocks considerably. Last March, Aikman anticipated that June would see 1,135,000 metric tons of nitrogen in manufacturers and dealers hands. However, the company said in its latest report that stocks on June 30 could not have been more than 985,000 metric tons, 450,000 tons in Europe and 535,000 tons in the U. S. and other countries.

On the matter of prices, Aikman says that heavier demand in the second quarter of last year gave the market a healthier tone, with export prices of ammonium sulfate rising to about \$45 a ton, f.o.b. European ports. U. S. prices of ammonium sulfate remained firm at about \$49 a metric ton. Recently European export prices have advanced still further to about \$47 and very little of it is available until June. In the U. S., Aikman says stocks are beginning to accumulate because of the delay in buying for mixtures and there is some pressure to sell, especially by-product ammonium sulfate at \$47 to \$48 in bulk.

New construction has proceeded in the U. S. according to expectations. In Europe, two new plants are being constructed in France and one in Poland. The new Sindri plant is in operation in India and a 50,000 ton plant is under construction in Pakistan. Although a considerable increase was expected in Chilean production, Aikman now expects that production will be about the same as last year, because of strikes. Present Chilean sodium nitrate prices, of about \$42 a ton, make it a little more competitive with respect to synthetic nitrogen, now that prices of the latter are higher. However, after ocean freight is added, the price per unit of nitrogen is still higher than synthetic.

Far Eastern demand for nitrogen continues to be for the ammonium sulfate material and 1953-54 consumption in China, Formosa, and Korea is expected to be around 300,000 tons of this material, compared with 260,000 tons in 1952-53. About 100,000 tons of this will come from Japan, a 10,000 ton increase over the previous Japanese contribution. In Europe and Egypt, Aikman estimates that consumption increased 9% last year, in the U. S. by 20%, in Asia by 26%, and in other countries by 4%. Aikman puts 1953-54 increases at 6% for Europe and Egypt, 14% for the U. S., 13% for Asia, and 3% for other countries.

Aikman's production and consumption figures (excluding U.S.S.R.) for the past year and the next two years are shown below in thousands of metric tons.

### General Mills Profits Up in First Half

General Mills ended the first half of its 1954 fiscal year on Nov. 30 with profits at \$5,399,560, an increase of more than \$1 million over the similar period of the previous fiscal year.

Sales were totaled at \$251,865,875, compared with \$239,581,069 for the first half of the previous year.

### Dow's Sales Down

The Dow Chemical Company today reported net earnings of \$16,763,554 for the six months period ended Nov. 30, 1953, as compared with \$17,224,023 for the corresponding period in 1952.

After provision for preferred stock dividends this amounted to 71 cents per share of common stock against 77 cents per share for the preceding year.

Dow's sales for the half year were \$212,698,400, and earnings before taxes were \$34,103,966. In 1952 sales and pretax earnings were \$204,944,652 and \$47,136,657 respectively.

U. S. and Canadian income taxes de-

clined from \$29,912,634 to \$17,340,412, but depreciation and amortization increased from \$22,279,700 to \$32,555,472.

Dow reported declines both in sales and earnings before and after taxes for the second quarter of its fiscal year. For the three months ended Nov. 30, 1953, sales were \$102,194,625, as compared with \$111,006,628 for the same period in 1952. Its quarterly earnings after taxes declined from \$9,284,134 to \$7,000,597, while pretax earnings dropped from \$27,113,030 to \$11,871,746.

### Continental Can Reports Best Year in History

Continental Can Co.'s consolidated sales and net income for 1953 were at new record levels in spite of substantial losses in December, resulting from the strike called by the United Steelworkers of America, according to a preliminary statement.

Consolidated net income of \$15,680,953 compared with \$14,387,839 in 1952. After preferred dividends this was equivalent to \$4.29 per share against \$4.22 per share on 3,172,240 shares at the end of 1952.

Sales and operating revenues increased for the 12th consecutive year and for the first time crossed the half billion dollar mark, amounting to \$554,436,982, compared with \$476,884,615 in 1952, an increase of \$77,552,367 or 16%. Net income of \$31,430,983 before taxes on income compared with \$27,767,839 in 1952.

### USDA to Study African Vegetable Oils and Oilseeds

Volorous H. Hougen, commodity specialist of USDA's Foreign Agricultural Service, has been sent to Africa to obtain information on the exportable production there of vegetable oils and oilseeds. He is expected to study palm oil, palm kernels, peanuts, other fats and oils which compete with U. S. products in world markets, and tropical oils needed in this country.

The study will include investigations of transportation facilities and costs, marketing facilities and methods, grading, storing, processing, and developments in crops production, culture, and harvesting. Government policies relating to fats and oils will also be studied.

Countries to be studied include British West Africa, French West Africa, Liberia, Portuguese Guinea and Angola, French Equatorial Africa, and the Belgian Congo.

	PRODUCTION		CONSUMPTION	
	For Agriculture	For Industry	For Agriculture	For Industry
1952-53	4880	930	4860	930
1953-54	5315	1040	5310	1040
1954-55	5600	1100	5600	1100