Nitrogen Outlook

2005 Fertilizer Outlook
and Technology Conference
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Ken Nyiri

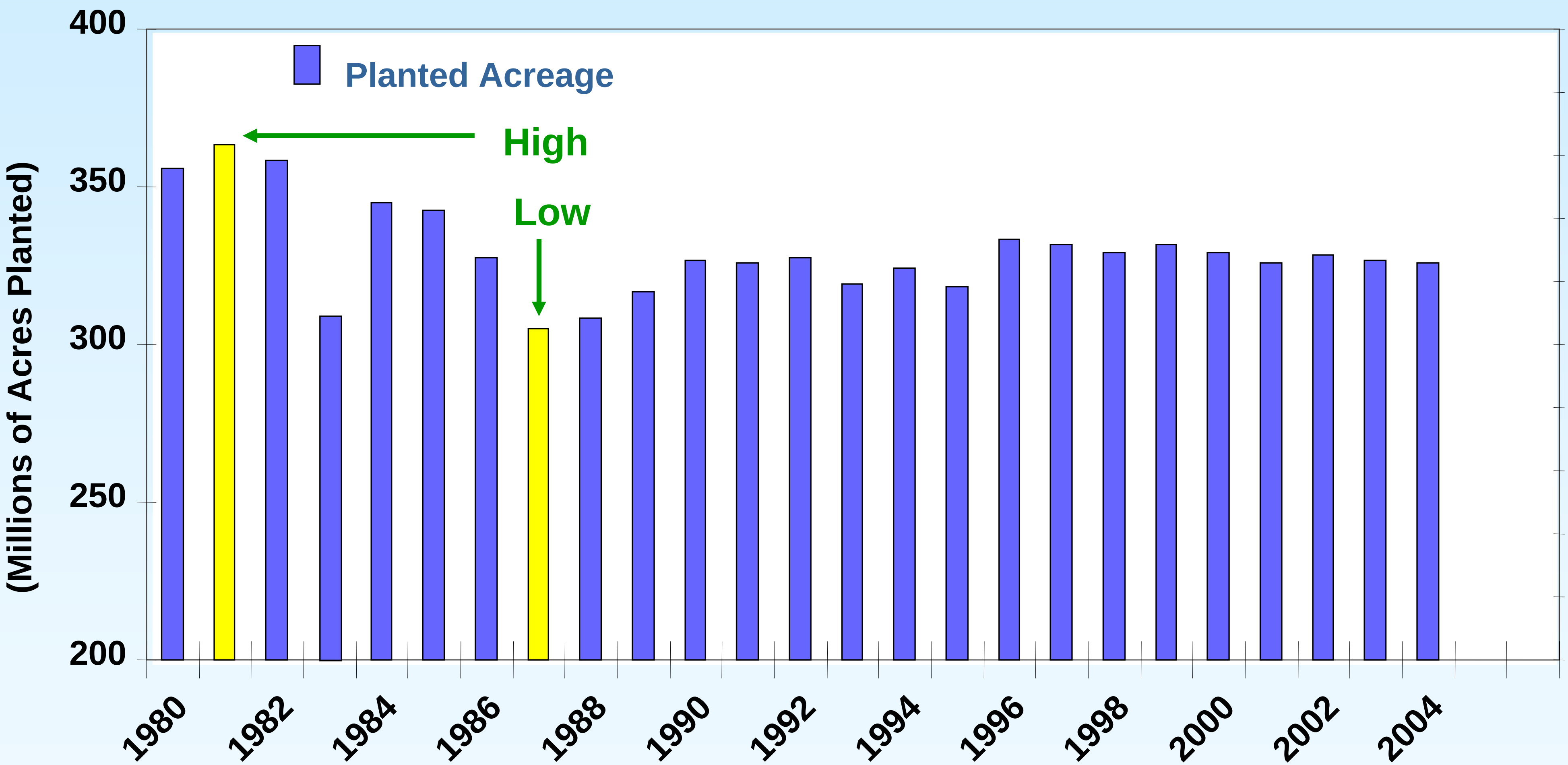
British Sulphur Consultants

Wake Forest, N.C.

Tel: 919-570-0864

Email: ken.nyiri@crugroup.com

U.S. Planted Acreage



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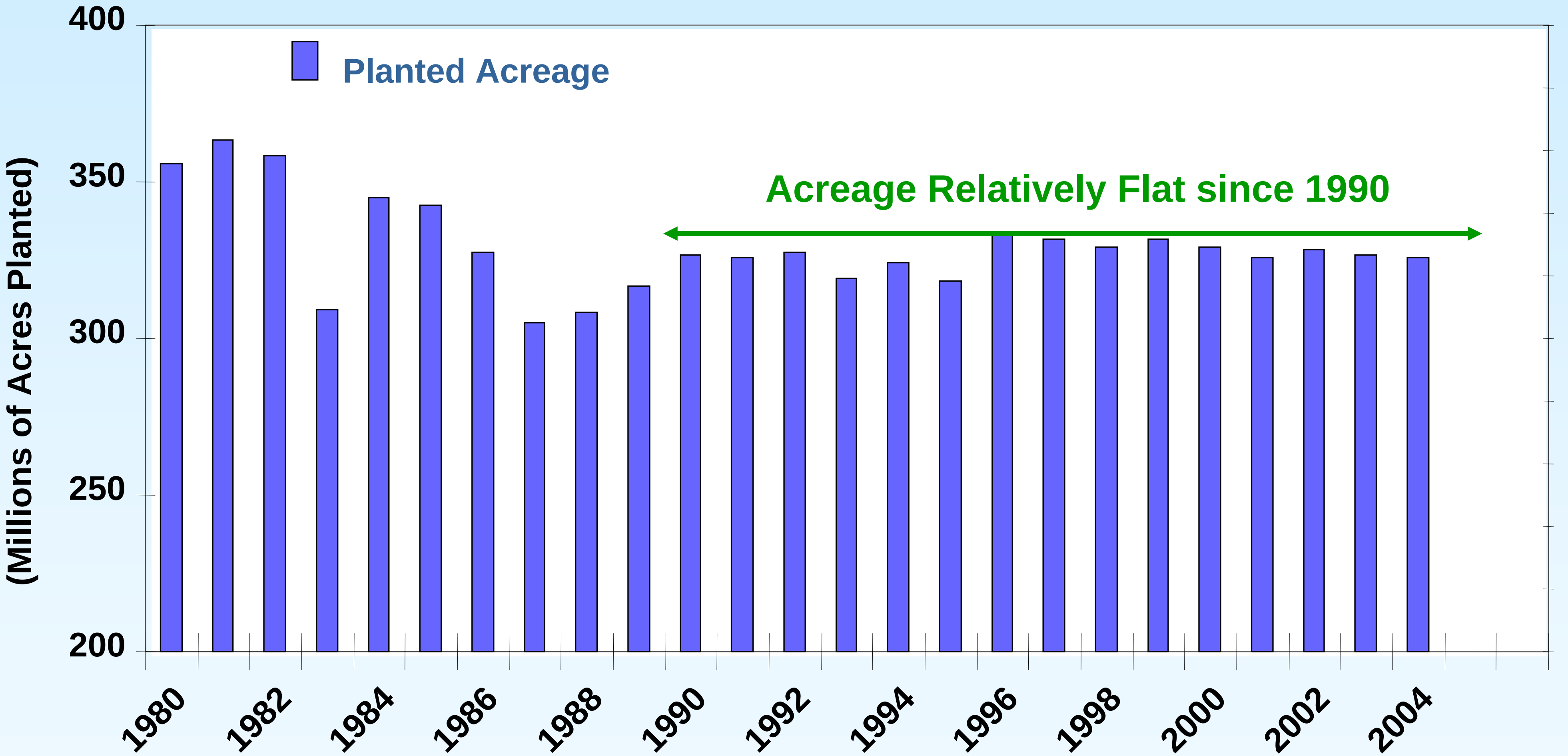
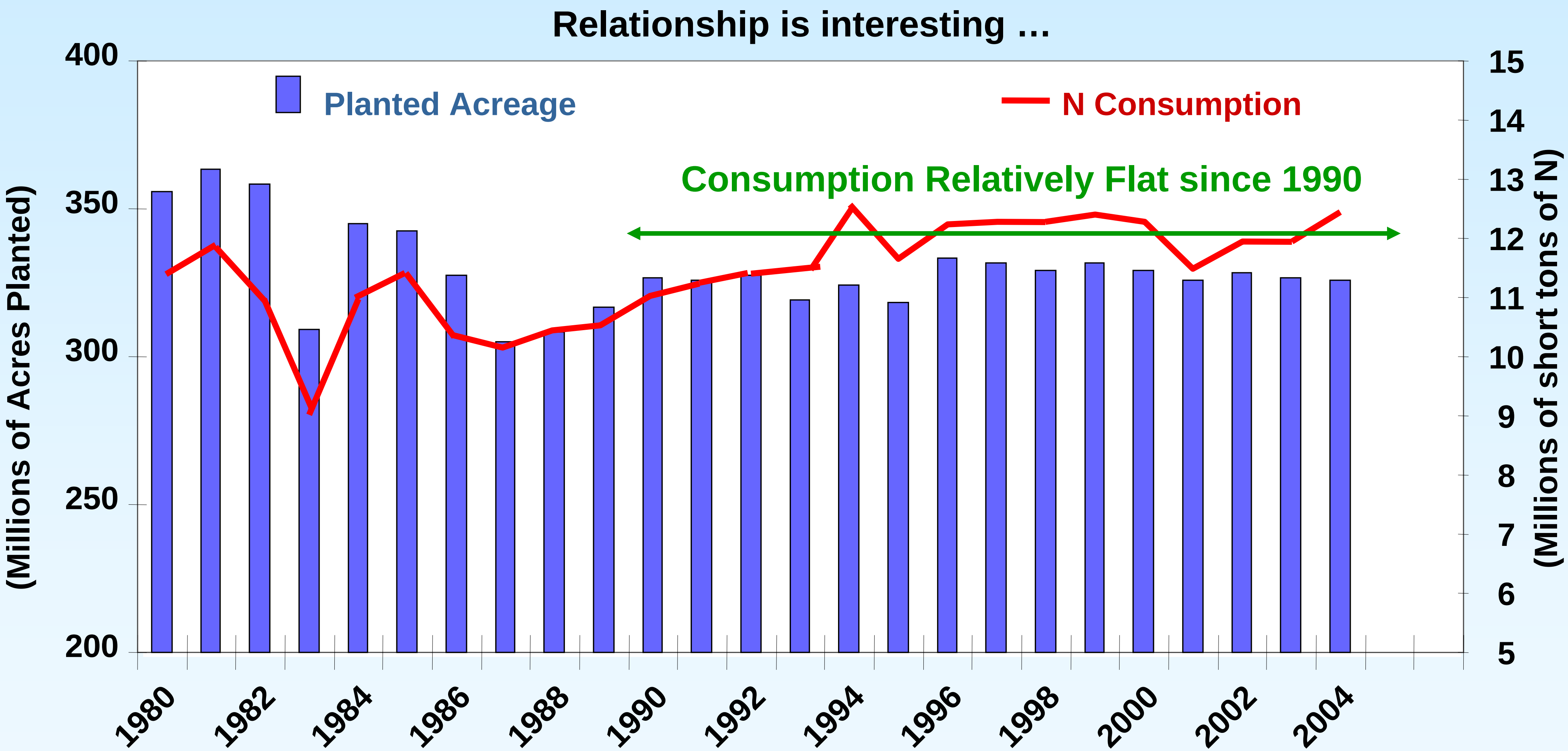


U.S Planted Acreage & N Consumption



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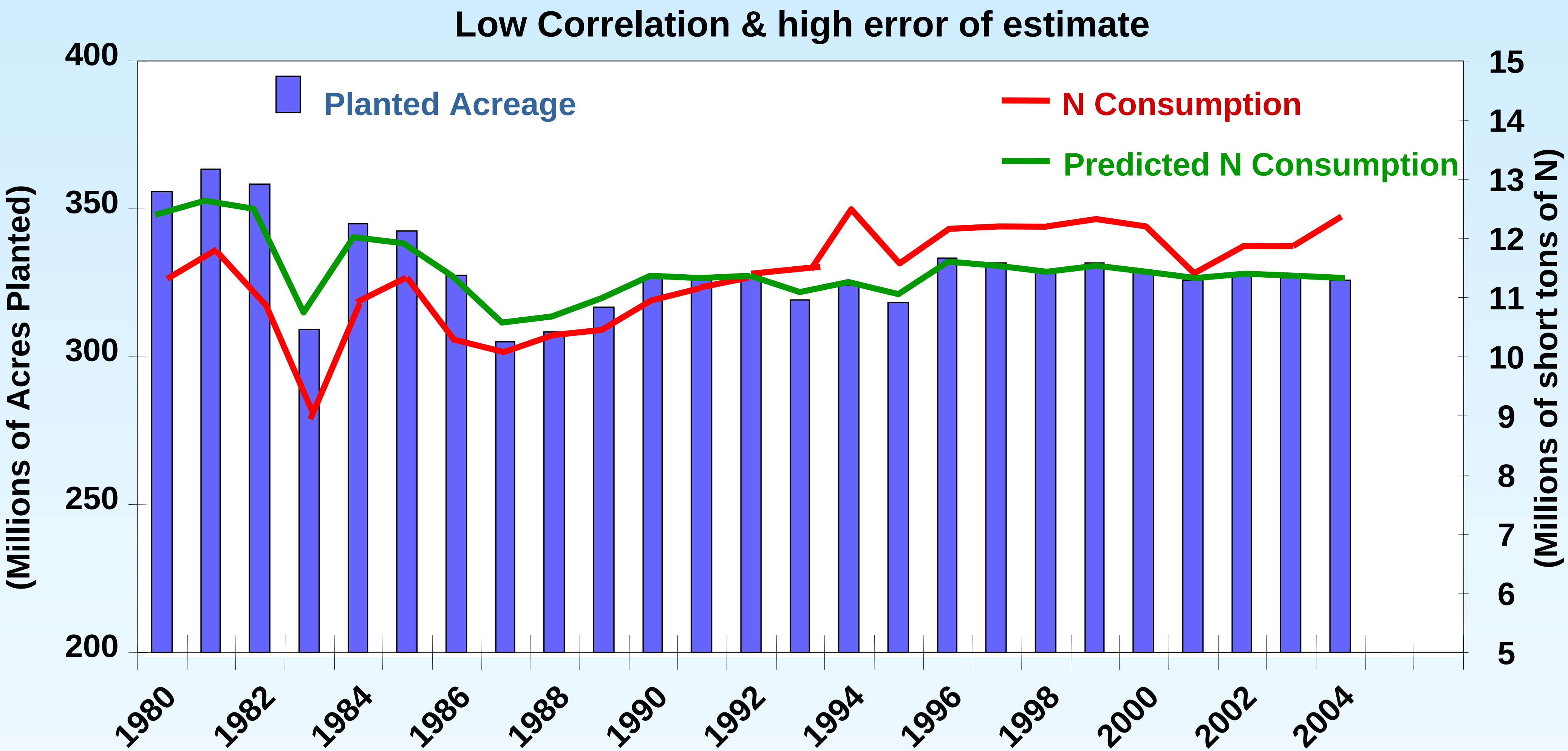

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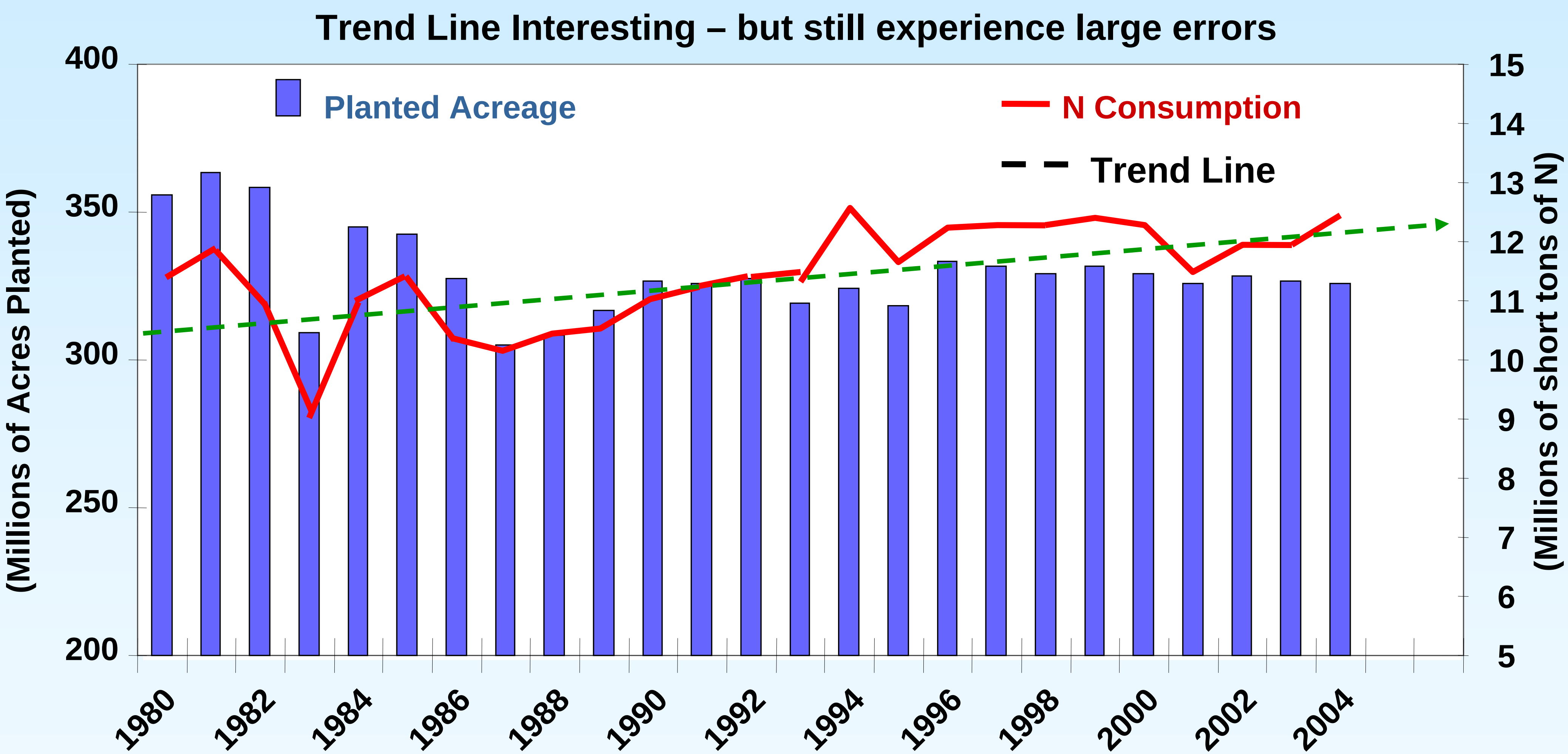

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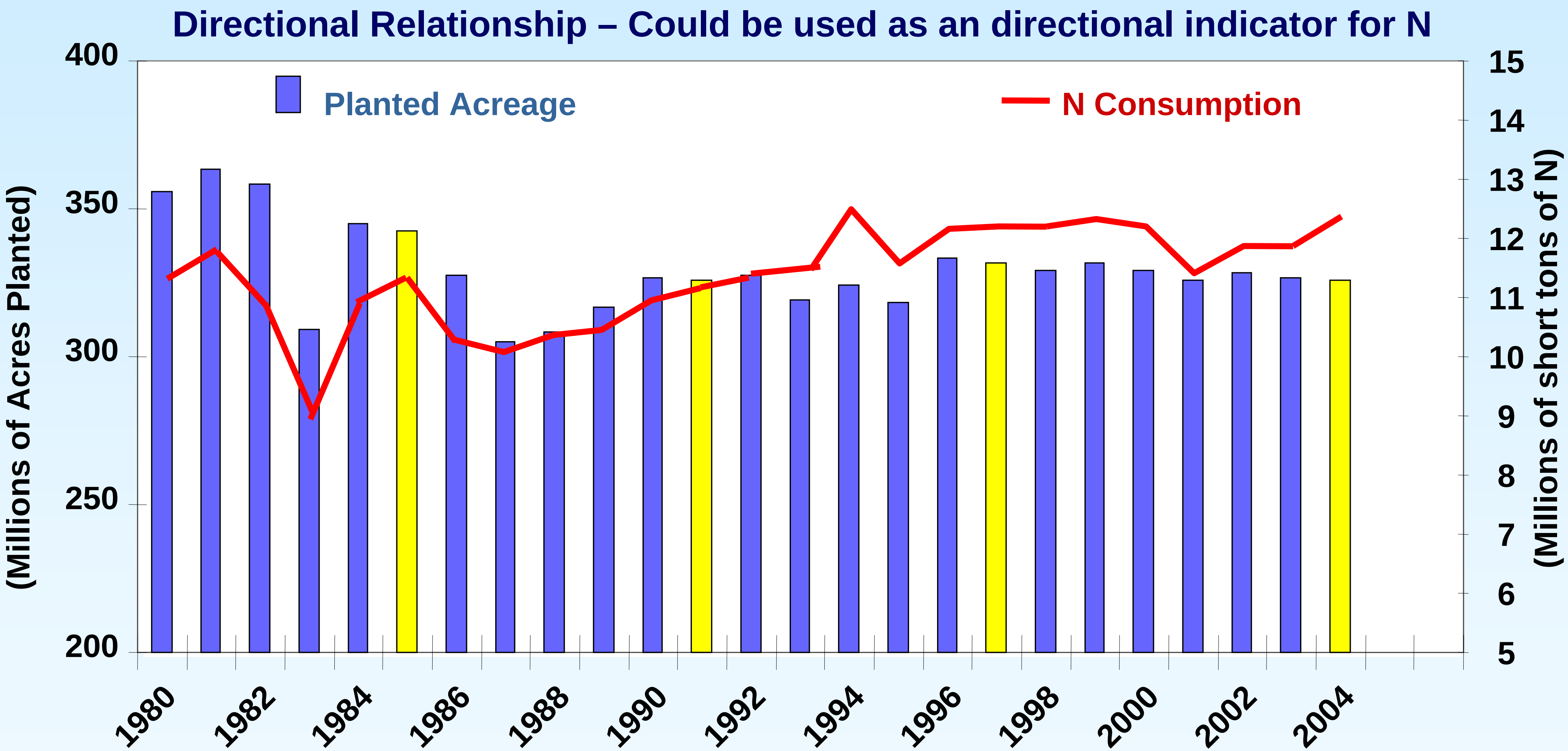

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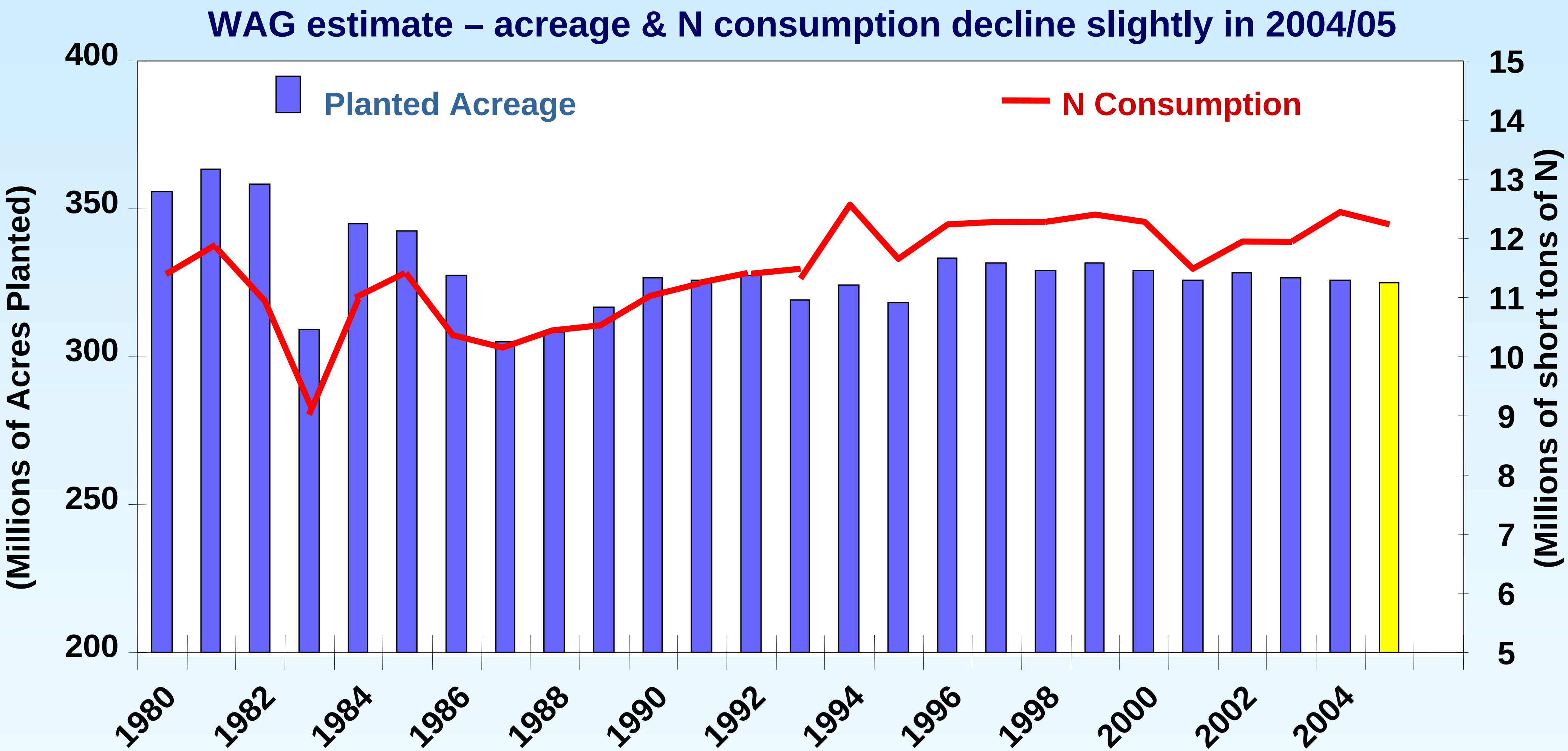

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U.S. Nitrogen Apparent Consumption Declines in 2004/05

U.S. Nitrogen Apparent Consumption

(millions of tons of Nitrogen)

	2001/02	2002/03	2003/04	2004/05(f)	Change
Ammonia	6.3	6.5	7.5	7.0	- 0.5
Urea	3.8	3.9	4.1	4.1	- -
N. Solutions	3.2	3.2	3.2	3.2	- -
Am. Nitrate	1.4	1.5	1.5	1.4	- 0.1
Am. Sulphate	0.5	0.6	0.6	0.6	- -
DAP	0.8	0.9	0.9	0.8	- 0.1
MAP	0.3	0.3	0.3	0.3	- -
Total Nitrogen	16.3	16.9	18.1	17.4	- 0.7

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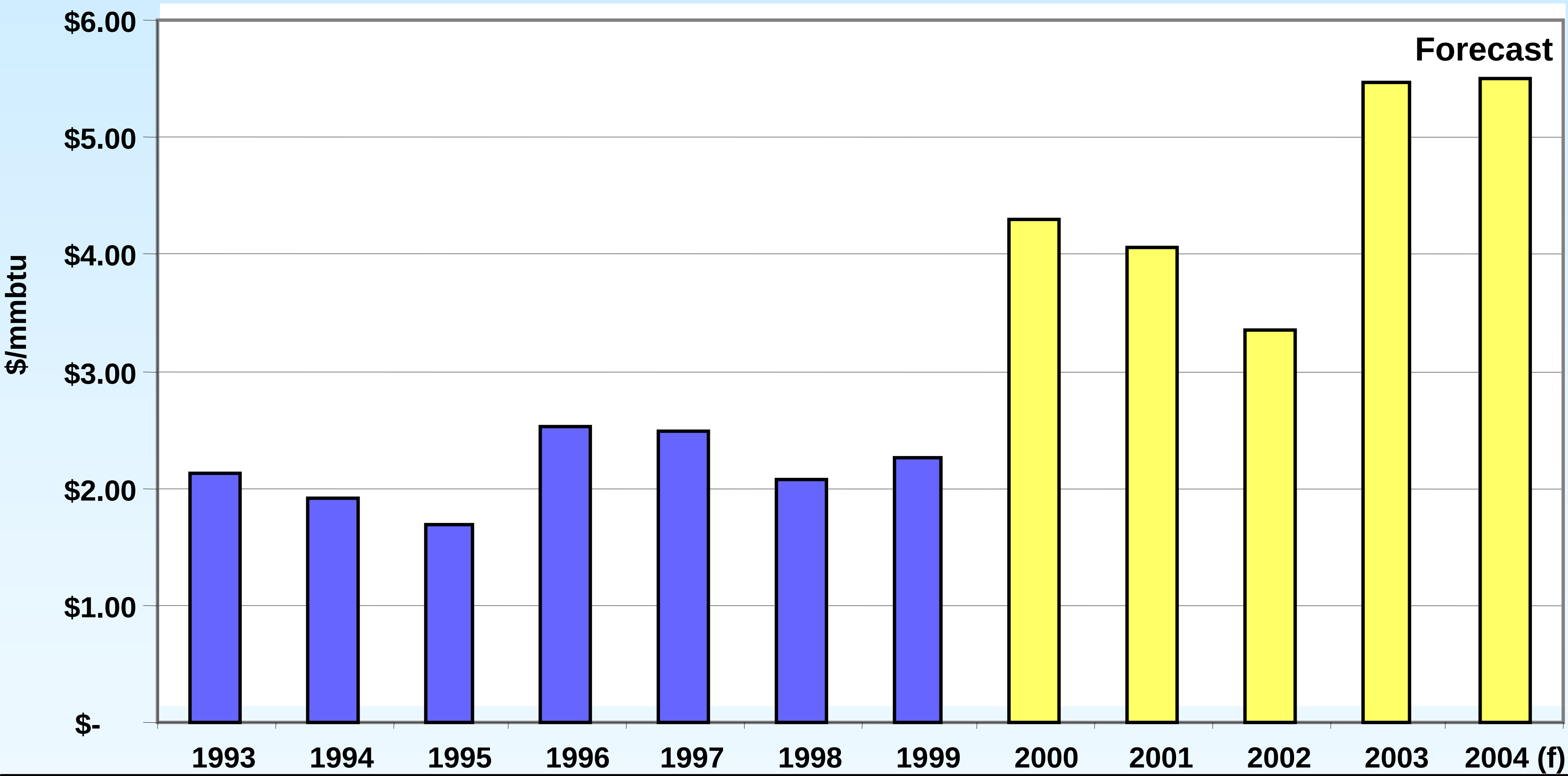
U.S. Nitrogen Production Declines again in 2004/05

U.S. Nitrogen Production

(millions of tons of Nitrogen)

	2001/02	2002/03	2003/04	2004/05(f)	Change
Ammonia	11.5	10.7	9.9	9.6	- 0.3
Urea	2.3	2.3	1.7	1.5	- 0.2
N. Solutions	2.5	2.8	2.7	2.7	- -
Am. Nitrate	1.1	1.2	1.1	1.1	- -
Am. Sulphate	0.6	0.7	0.7	0.7	- -
DAP	2.1	2.0	2.1	2.1	- -
MAP	0.5	0.6	0.6	0.6	- -

Henry Hub Natural Gas Costs more than Double since 1999



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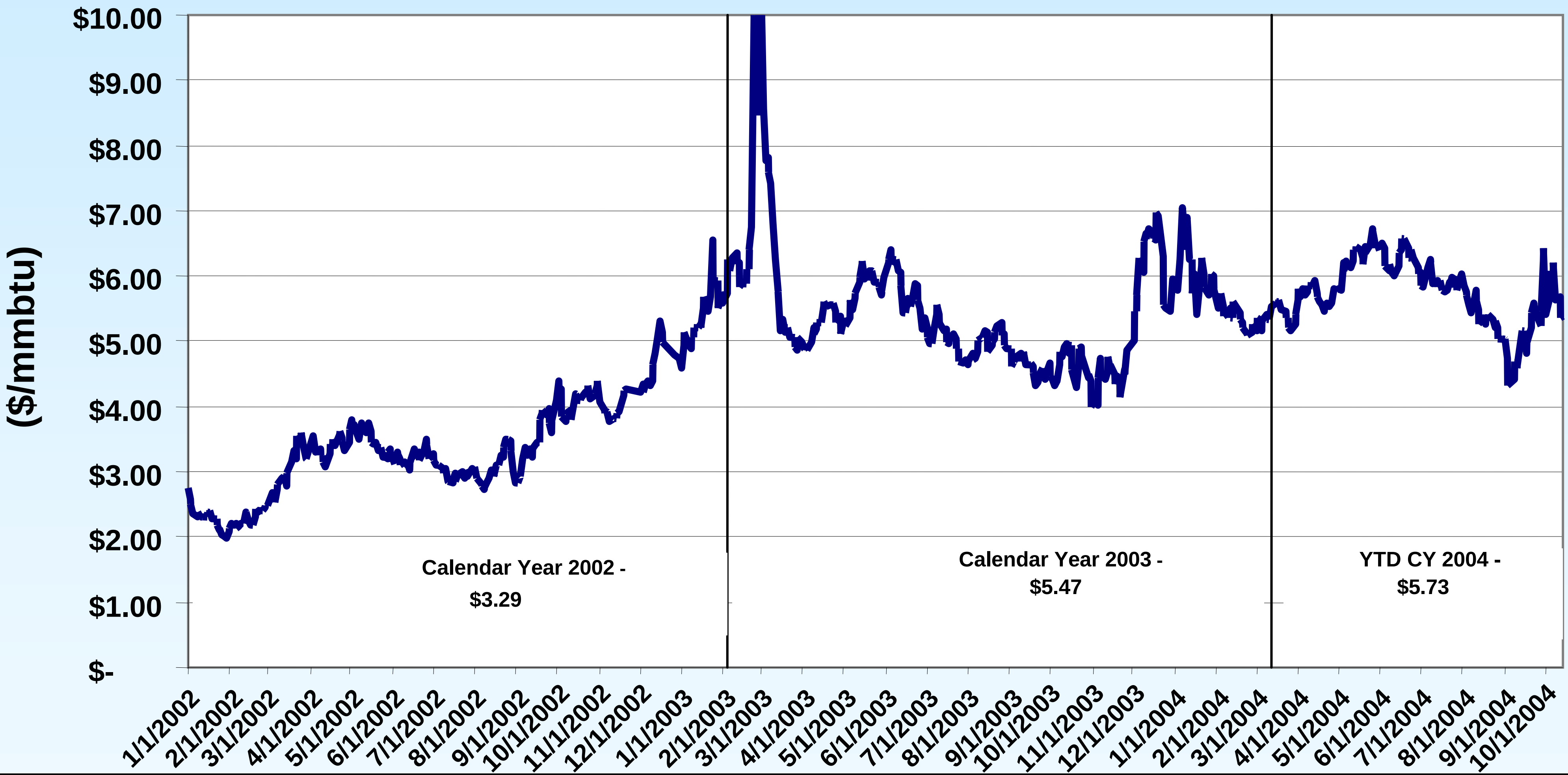
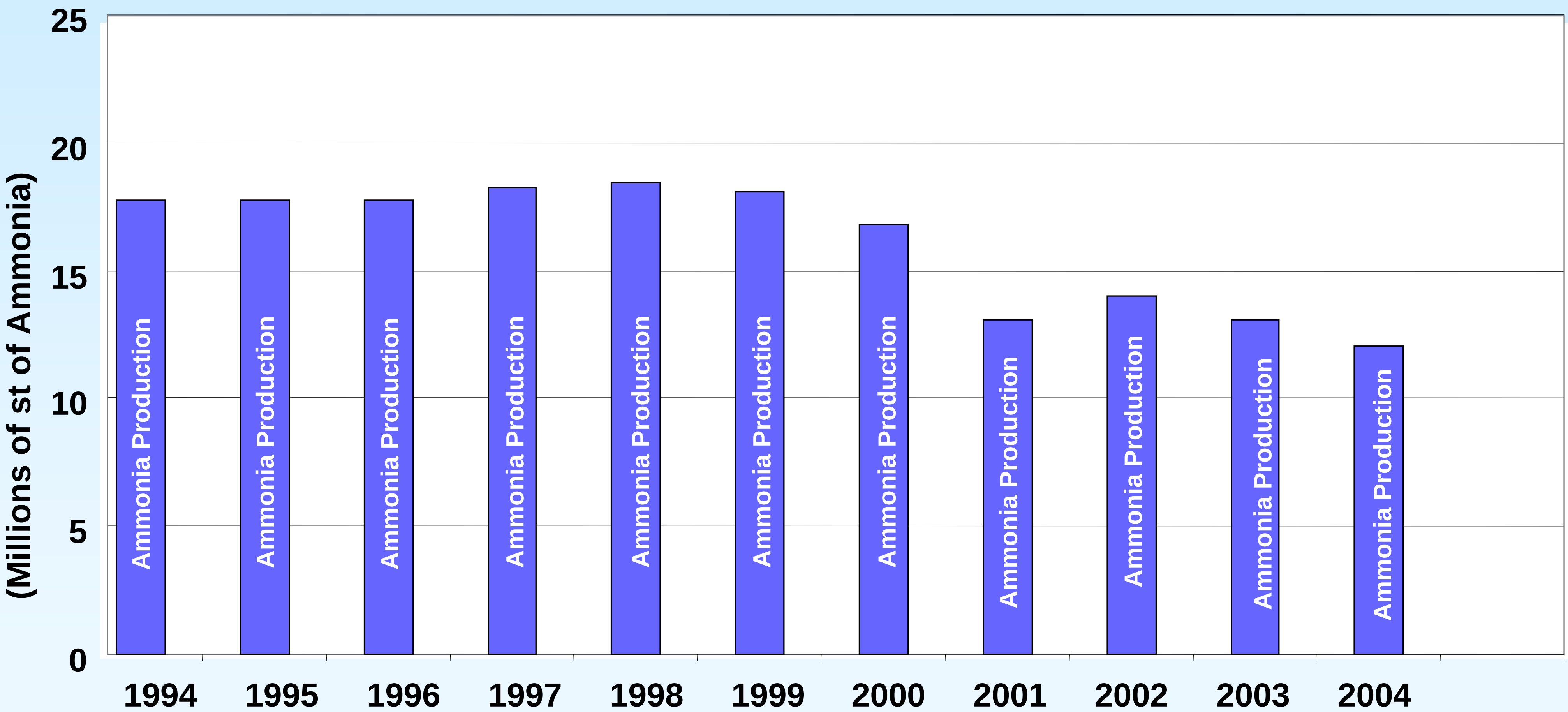
Henry Hub Natural Gas Prices



U.S Ammonia Production Cut 30%
6 million tons Since 1999/00



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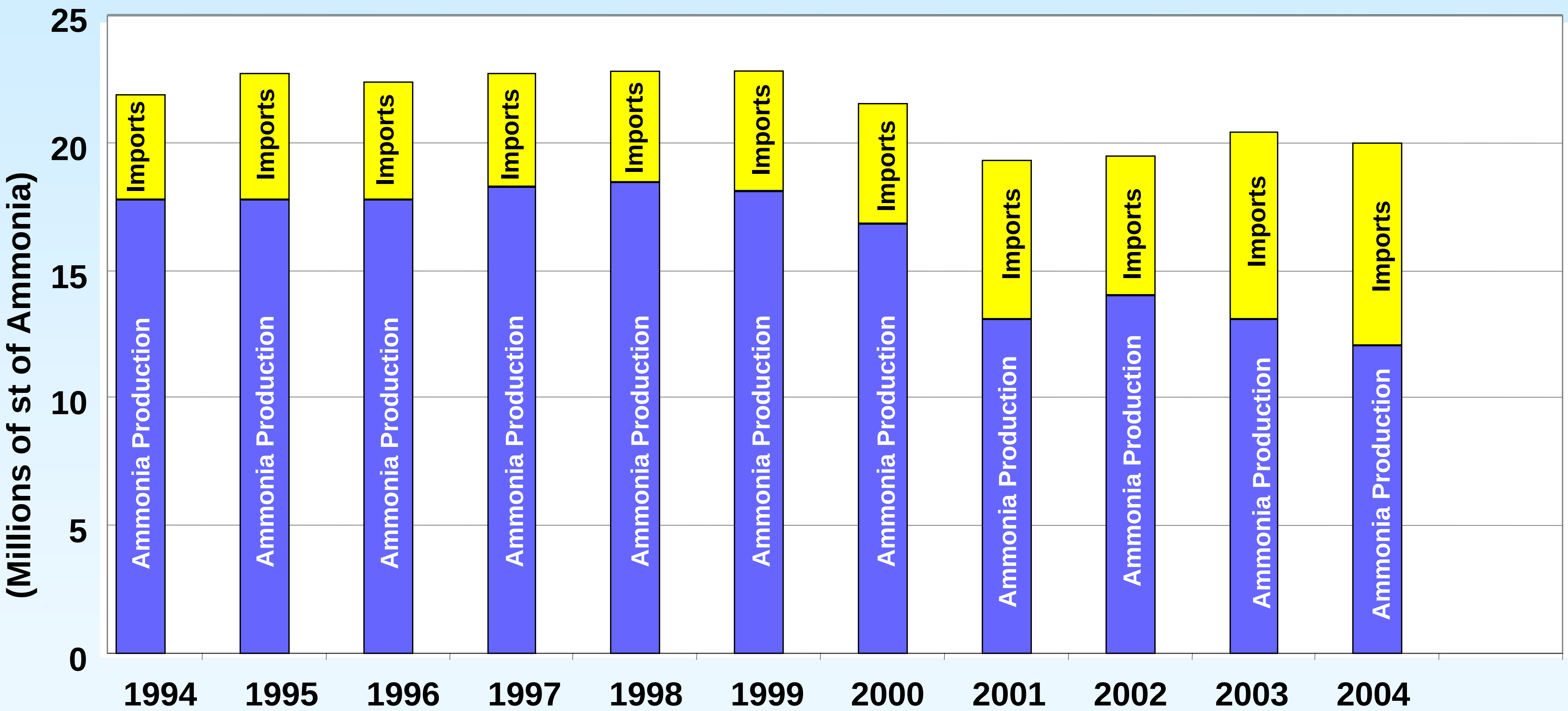
U.S Ammonia Imports Increased 70% or 3.3 million tons to satisfy demand



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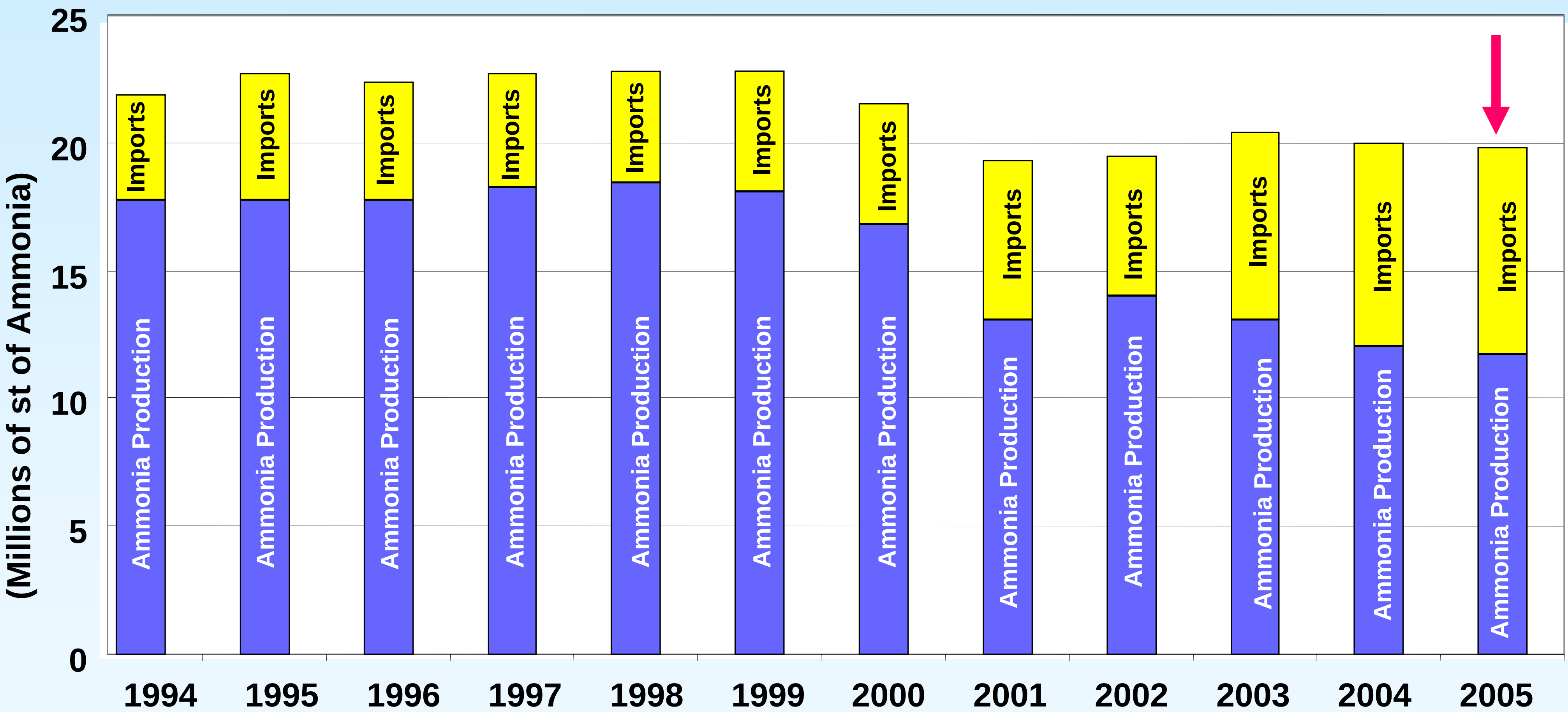
Ammonia Production Down & Imports Up in 2004/05



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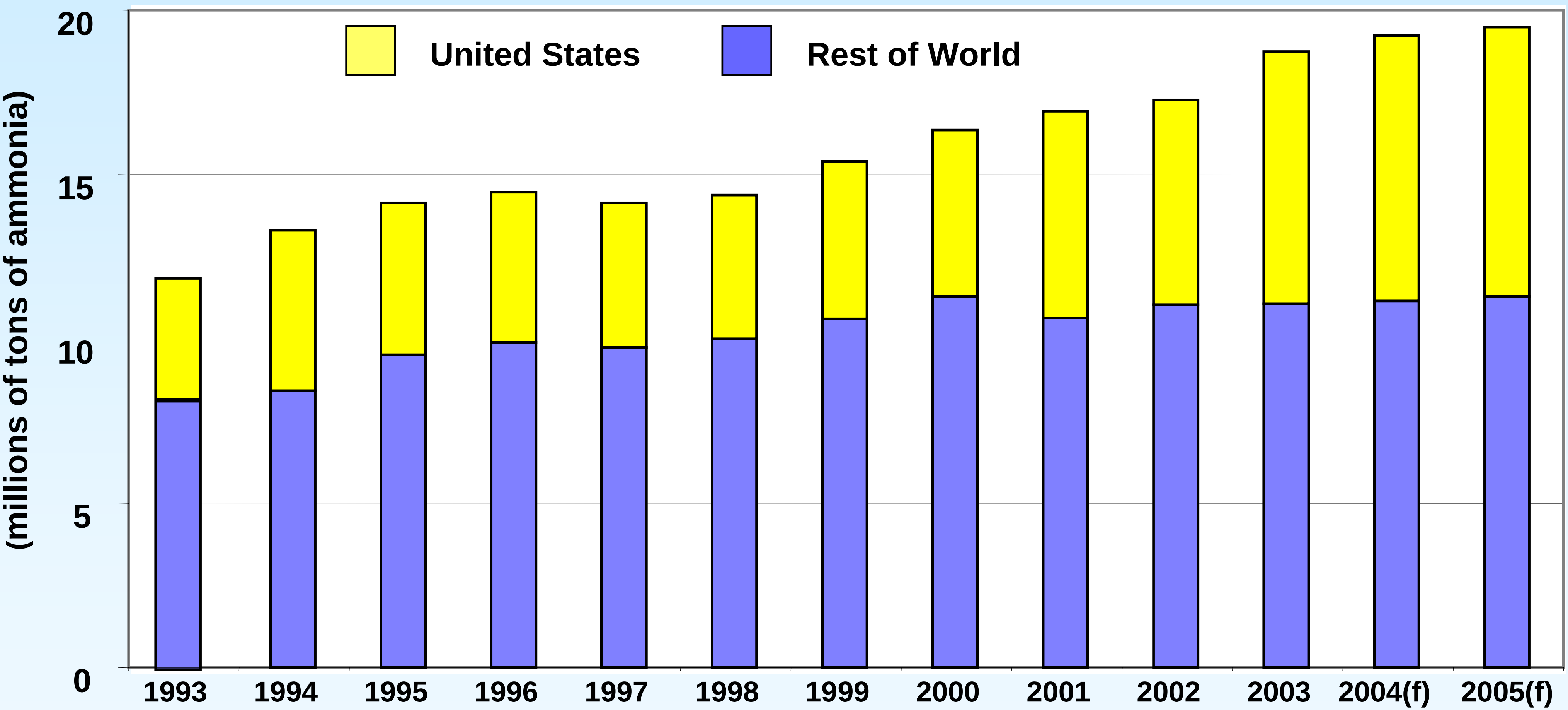
U.S. Represents more than 40% of World Ammonia Imports



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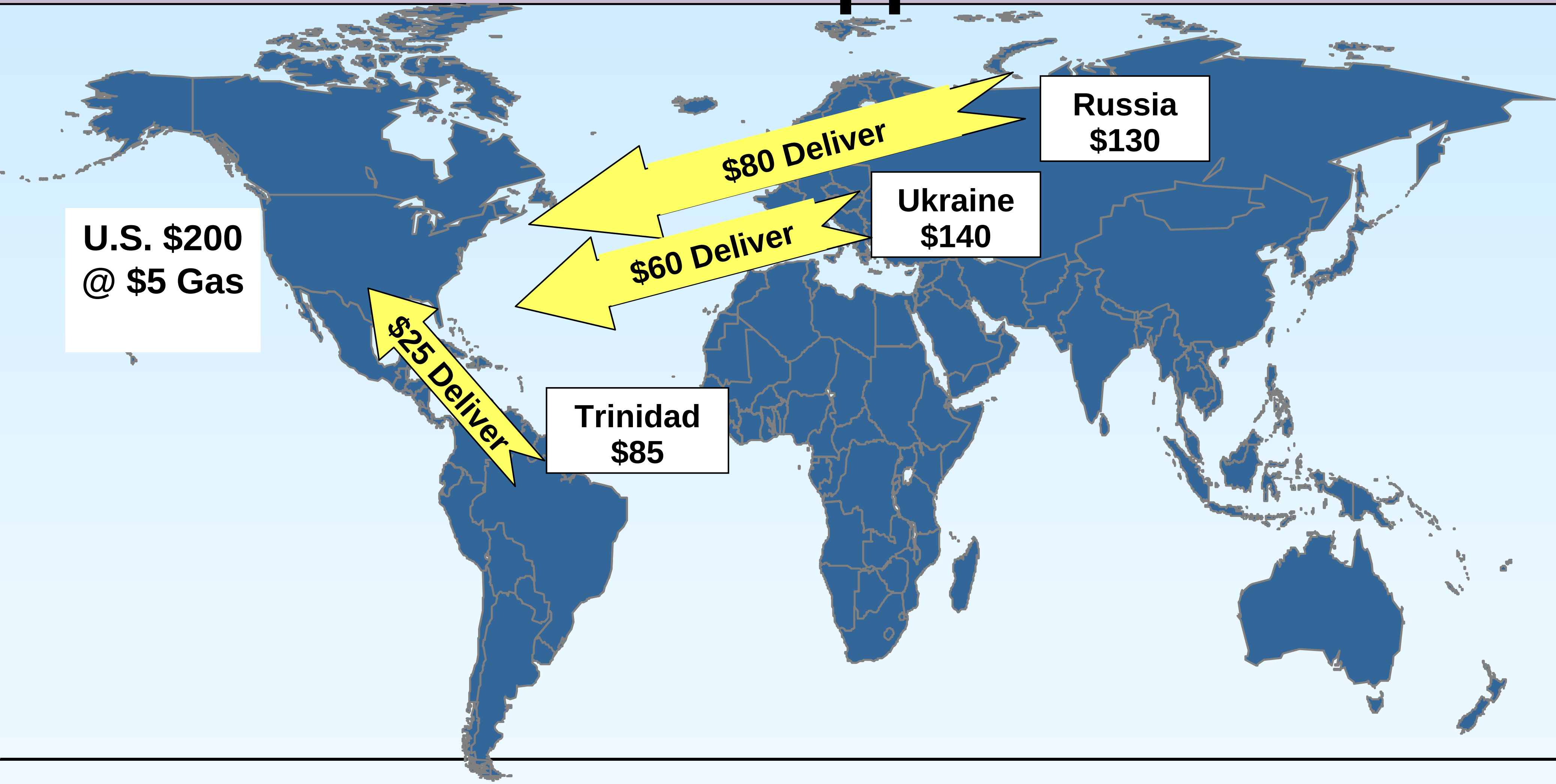
Estimated Ammonia Costs Delivered To Mississippi River



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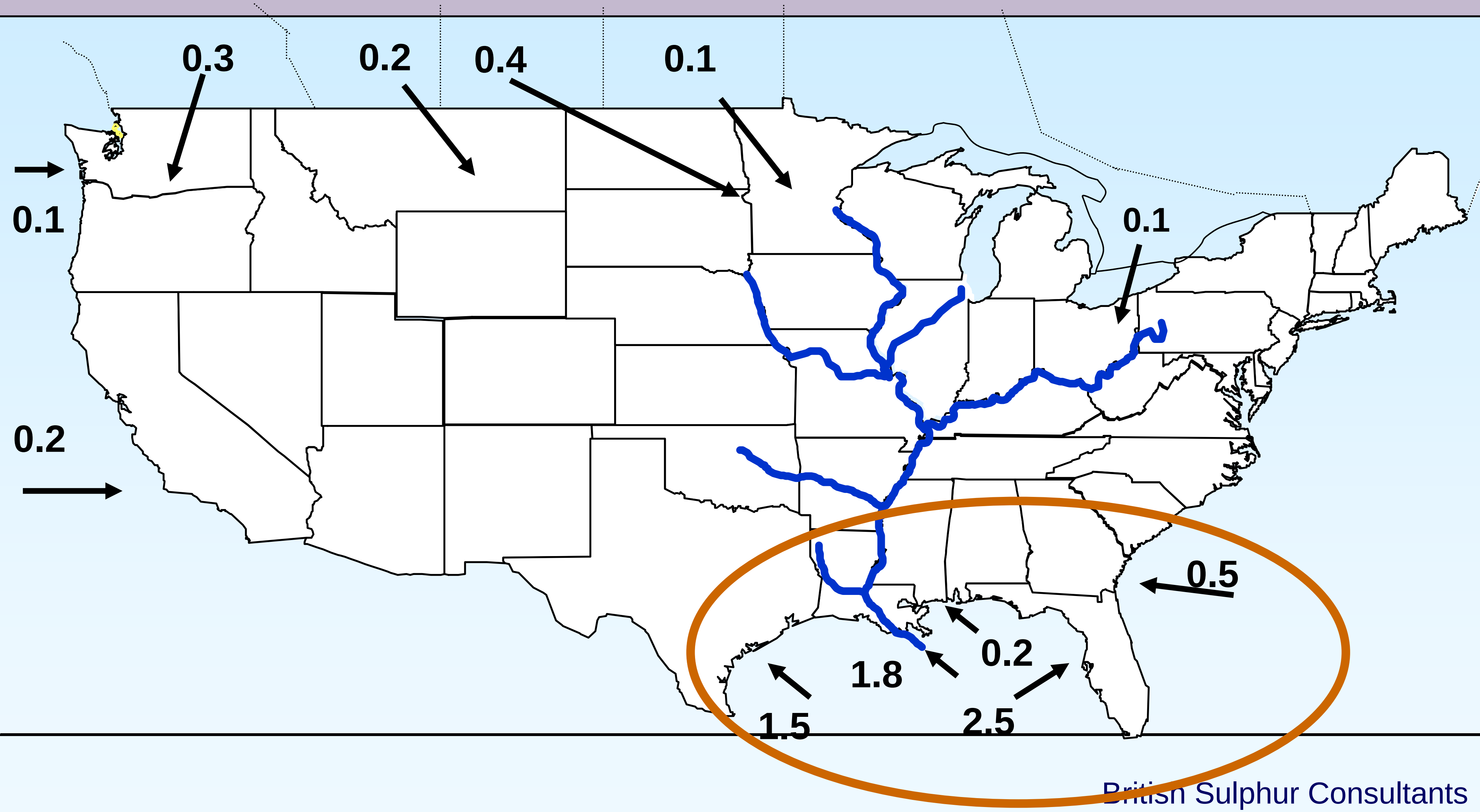
Source: BSC

Ammonia Imports Along Gulf Coast

(Fertilizer Year 2003/04– 7.9 million tons)



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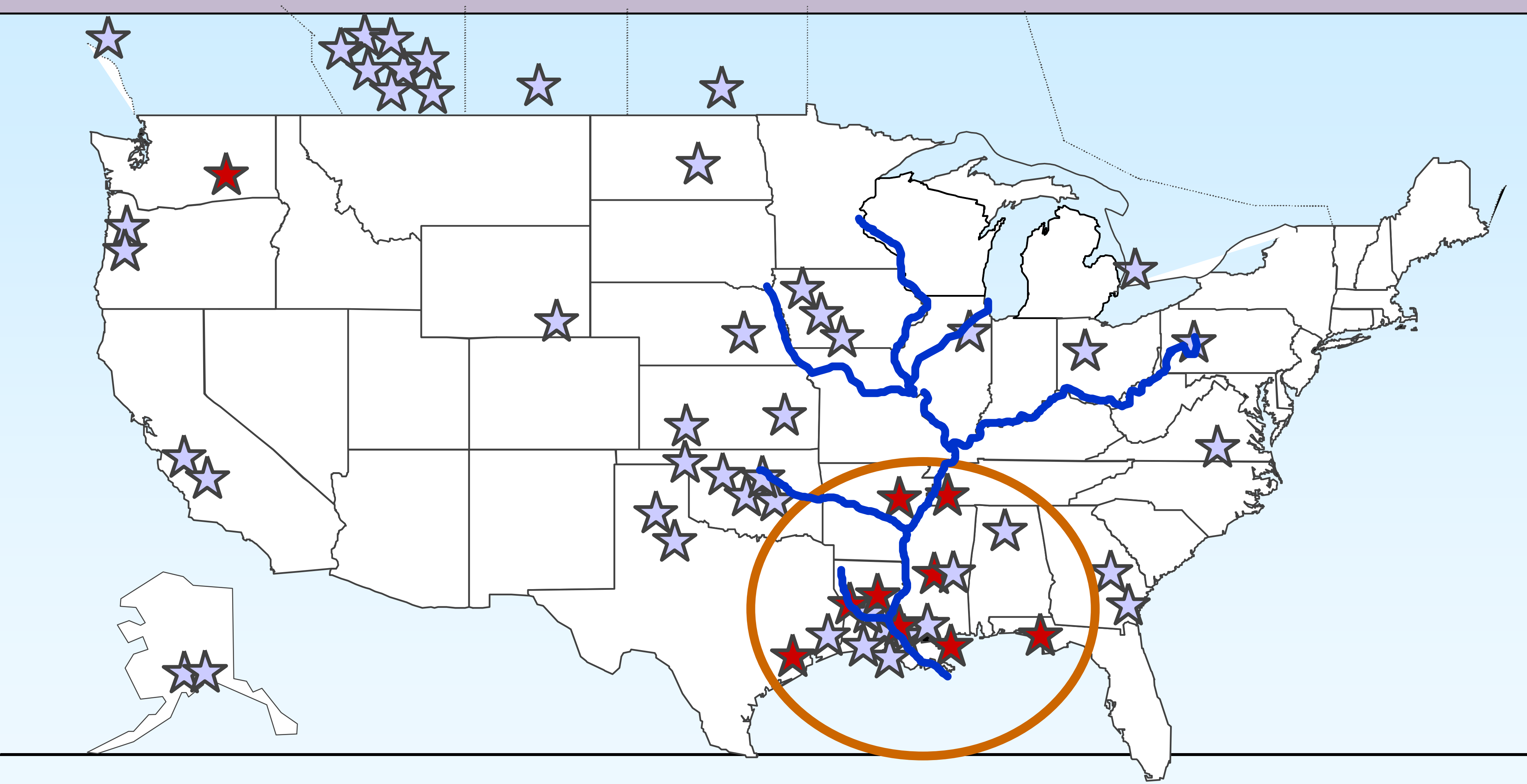
North American Ammonia Plants



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U.S Ammonia Imports

(million's of tons of ammonia)

	2002/03	2003/04	2003/04 Share
Trinidad	3.8	4.2	53 %
FSU	1.7	1.7	21 %
Canada	1.3	1.3	17 %
Venezuela	0.3	0.3	4 %
Middle East	0.1	0.1	1 %
Others	0.1	0.3	4 %
Total	7.3	7.9	100 %

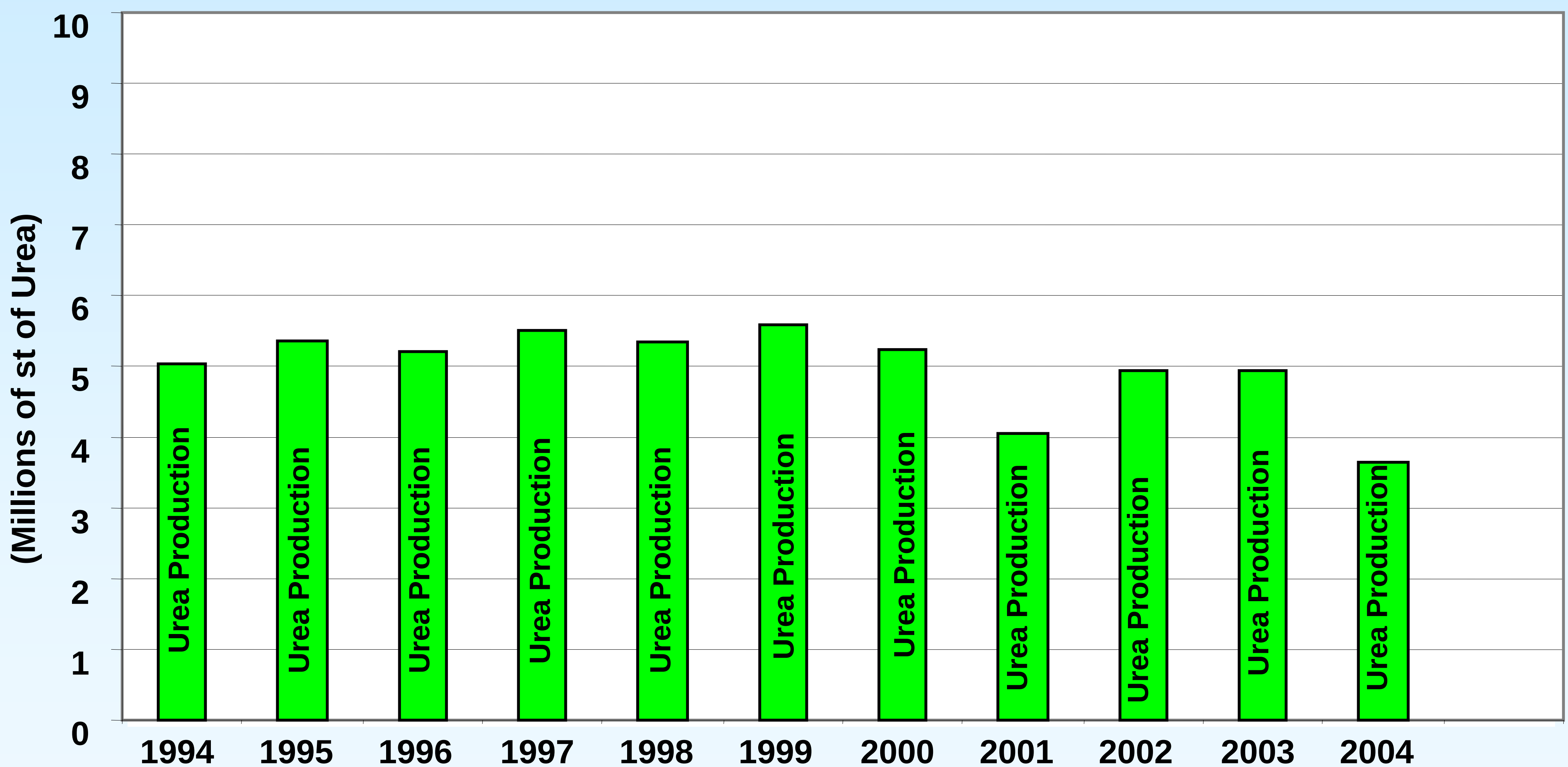
Source: USDC

U.S Urea Imports

(million's of tons of urea)

	2002/03	2003/04	2003/04 Share
Middle East	1.7	2.0	34 %
Canada	1.9	1.9	32 %
China	0.0	0.5	9 %
Venezuela	0.2	0.5	9 %
Trinidad	0.4	0.4	8 %
Others	0.3	0.5	8 %
Total	4.5	5.8	100 %

U.S Urea Production Cut 35%
1.6 million tons since 1999/00



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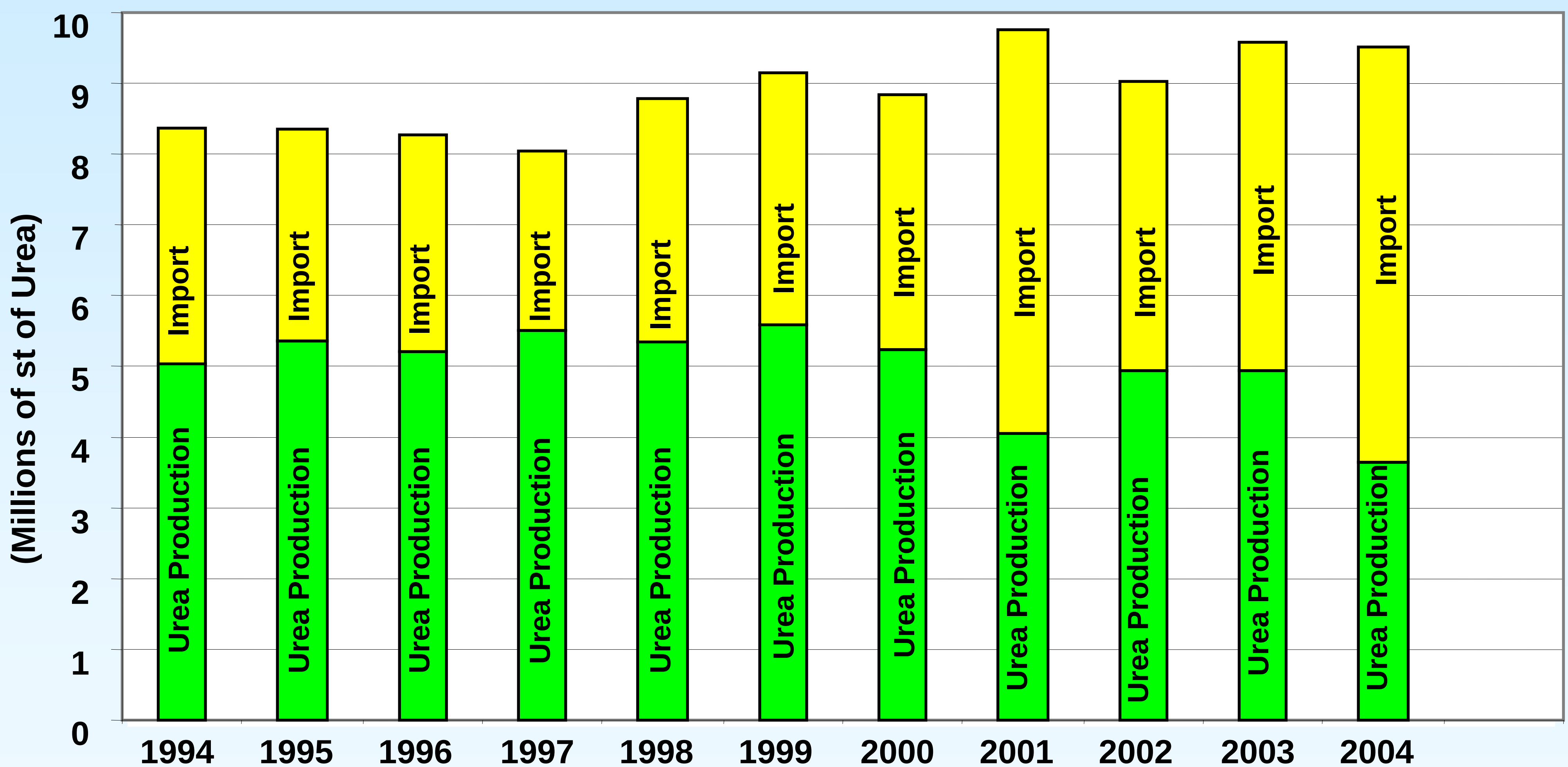
U.S Urea Imports Increased 65% or 2.3 million tons to satisfy demand



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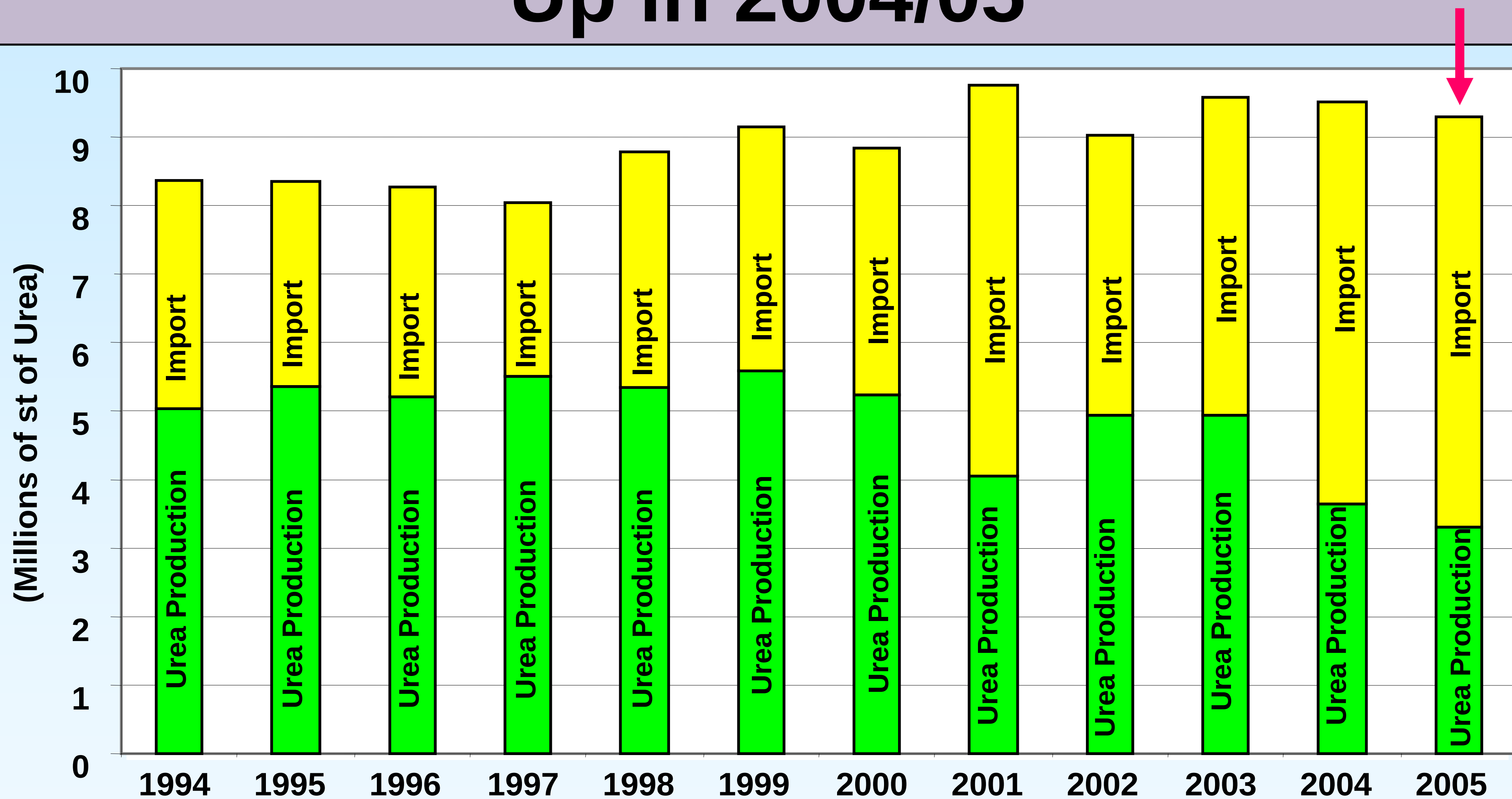
Urea Production Down & Imports Up in 2004/05



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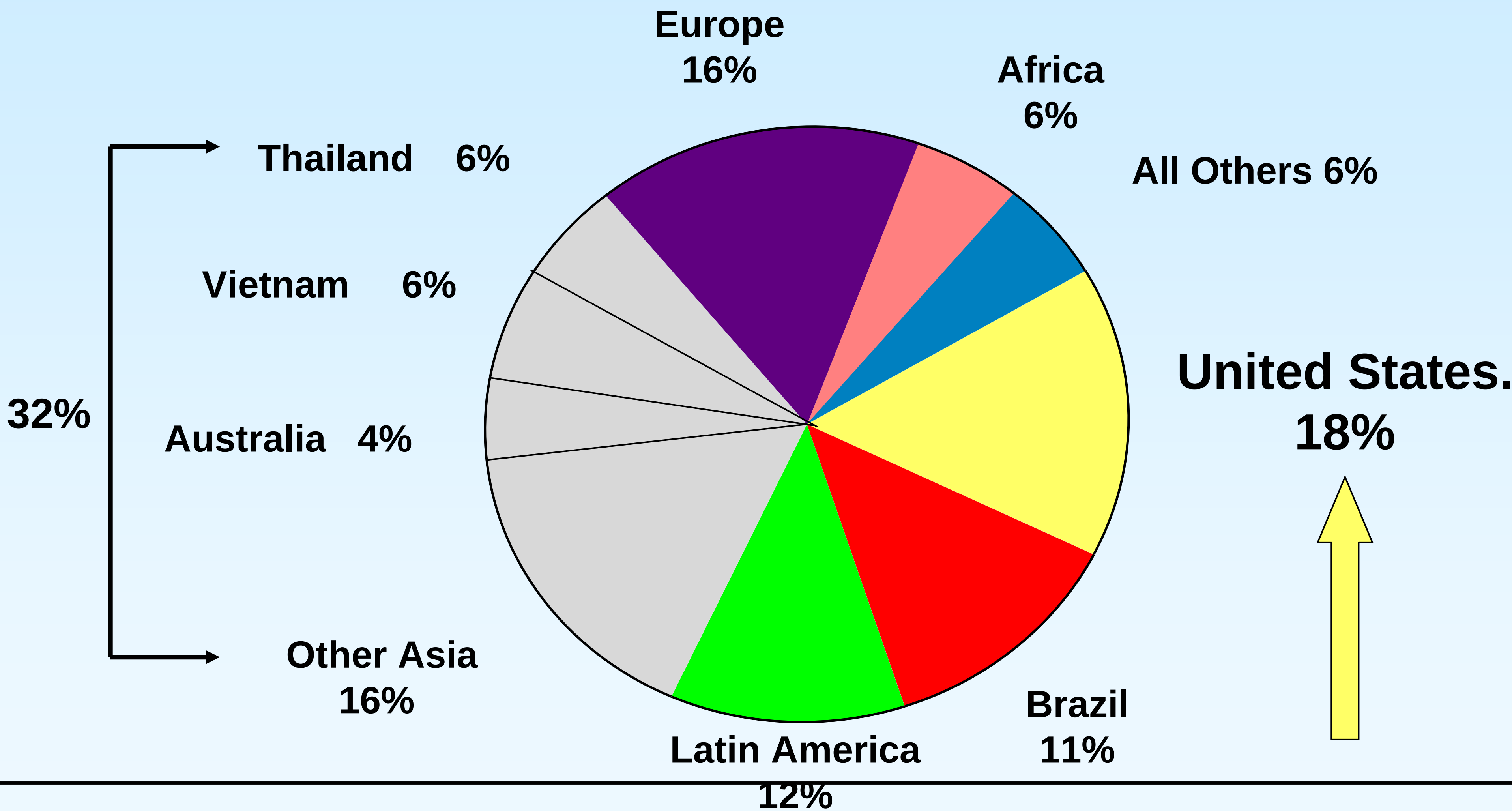
U.S. Largest Urea Importer

(World Total - 28 million metric tonnes in CY 2003)



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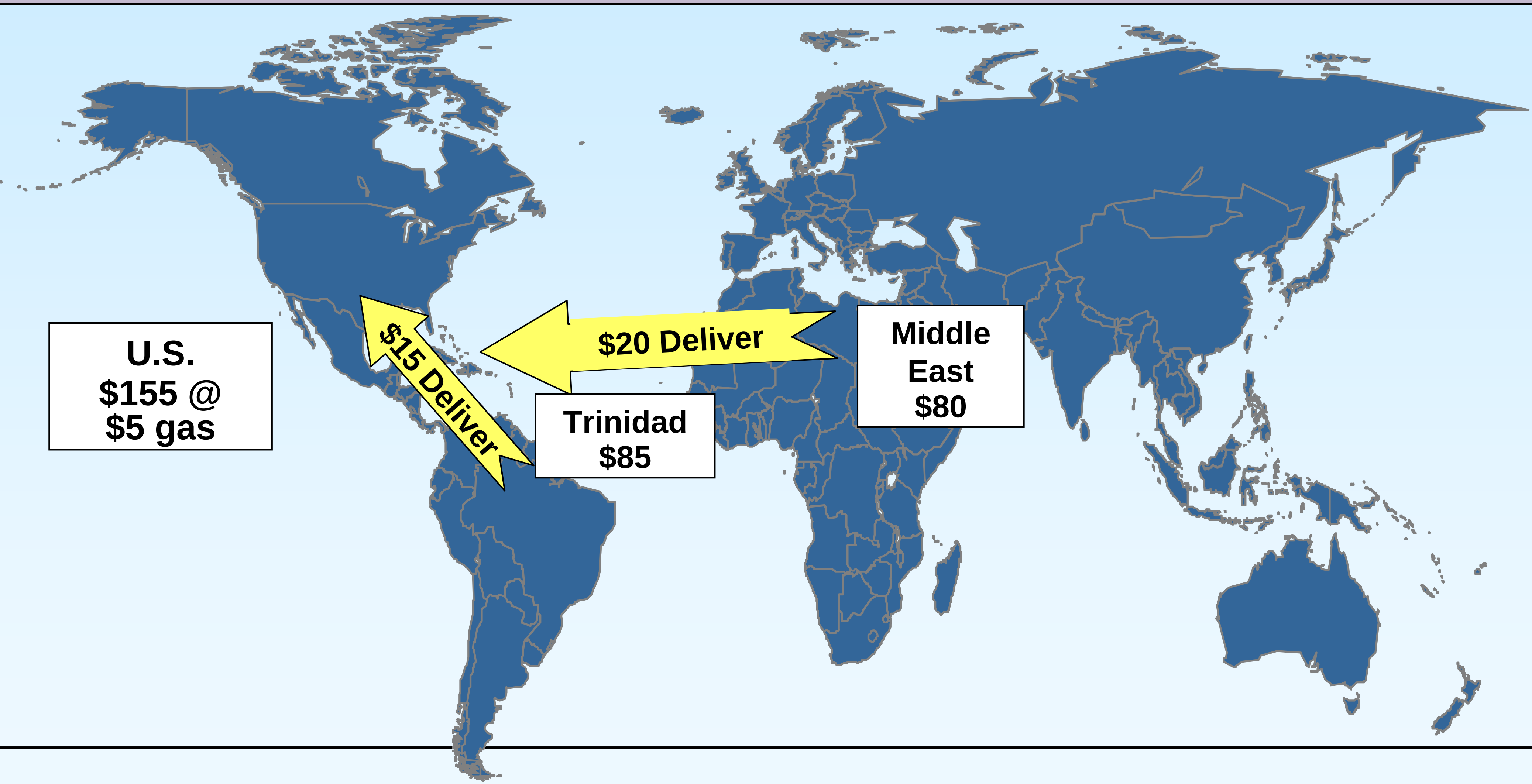
Source: BSC

Estimated Urea Costs Delivered To Miss River



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Source: BSC

U.S UAN Imports

(million's of tonnes of UAN)

	2002/03	2003/04	2003/04 Share
FSU	0.2	0.9	42 %
Canada	0.3	0.4	16 %
Romania	0.2	0.2	12 %
Poland	0.3	0.2	9 %
Algeria	0.1	0.1	6 %
Others	0.4	0.3	15 %
Total	1.5	2.1	100 %

U.S. Nitrogen Outlook

- **U.S. gas prices will remain volatile & unpredictable - U.S. Ammonia and urea production declining in 2004/05 in favor of imports.**

- **Increased imports, primarily into the U.S., were responsible for the recent price cycle, both going up and going down.**

- **The nitrogen business is cyclical: high prices stimulate investment, which eventually leads to over-capacity and weak prices down the road.**