



Global intelligence that moves your business

2011 U.S. Chemical Import Report:

*An overview of trends and import figures for
the inorganic chemical industry*



About our 2011 "U.S. Chemical Import Report":

As the most innovative and advanced U.S. trade intelligence provider, Zepol has created this report for importers, distributors, customs brokers, and trade professionals in the chemical industry to gain a better understanding of the trends in 2011. The report mainly focuses on the U.S. import market, however some export statistics have been included in the overview.

Zepol hopes that the information in this report will be informative and helpful in better understanding where the U.S. chemical market has been and where it is headed in the future.

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Report note:

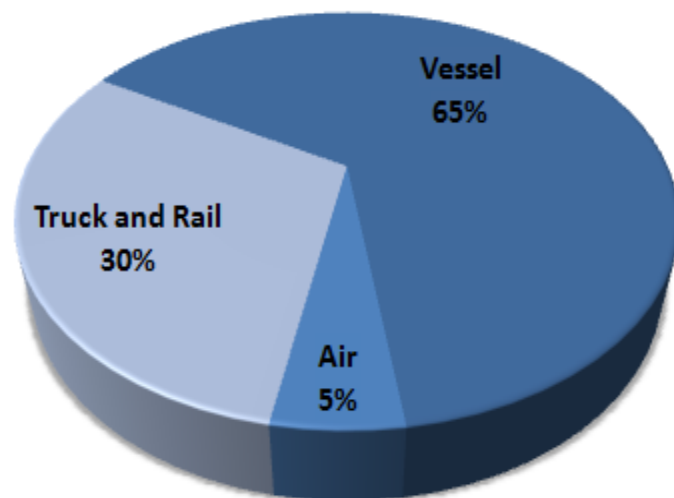
This report is based on data collected from U.S. Customs and the U.S. Census Bureau. Data from the Automated Manifest System excludes Freight Remaining on Board (FROB) as well as Empty containers. This data represents the information as it is recorded by government sources; it may include data anomalies.

PART I: SUMMARY OF INORGANIC CHEMICALS

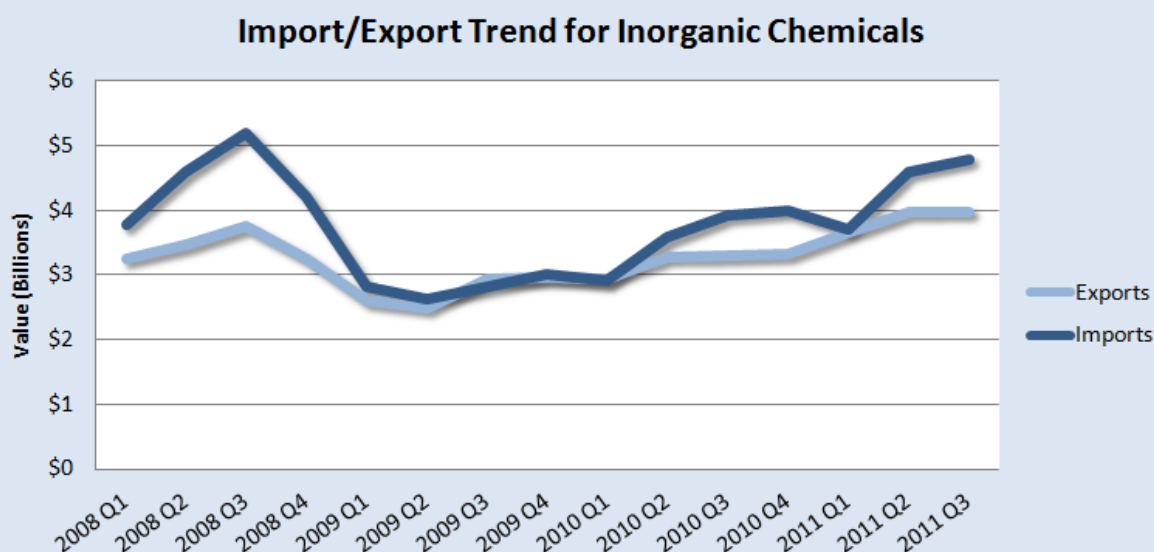
Overview:

U.S. import values of inorganic chemicals continued a steady climb thus far in 2011. Imports took a steep dive in 2008 and 2009, but have since shown a healthy recovery. Exports have also followed a similar trend for the past several years (as shown in the graph below). Most recently, in Q3 of 2011, the U.S. trade balance for inorganic chemicals widened, reaching -\$812 million, increasing from -\$625 million in Q2. In addition, Q3 posted the highest import values seen in three years.

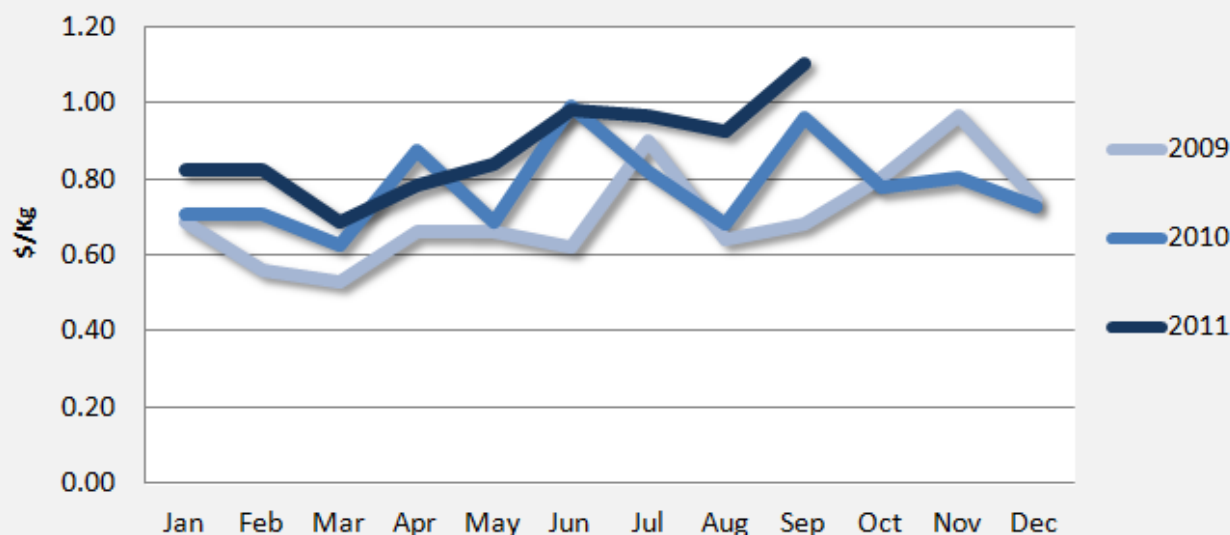
The majority of inorganic chemical imports enter the United States through vessel, truck, and rail, which accounts for 95% of the imports. The remaining 5% enter by air, mostly from Germany and Canada (the graph above illustrates the break-down by transportation type). Conversely, nearly 15% of exports utilize air transportation and about 20% are exported by truck and rail.



Inorganic chemical imports by mode of transportation, January-September 2011

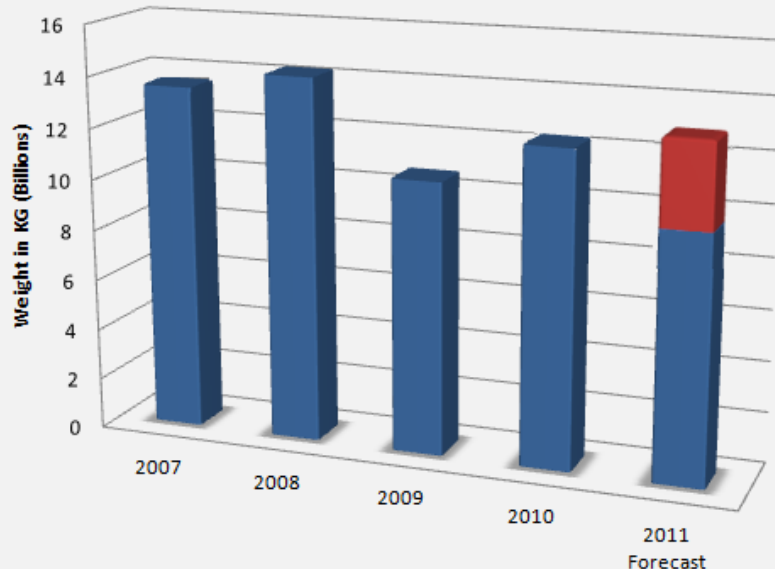


\$/Kg of Inorganic Chemical Imports, by Vessel



The average price per kilogram of inorganic chemical imports by vessel is \$0.88 year-to-date in 2011. This figure is up 12% from the same time period in 2010 and up 33% from 2009. As the graph above illustrates, September of 2011 posted the highest monthly price per kilo for the past three years, reaching \$1.10. The amount of imports has been rising since a low point in 2009 and has come close to reaching pre-recession levels. The graph to the right shows this trend and sheds light upon what we can expect for the last quarter of 2011.

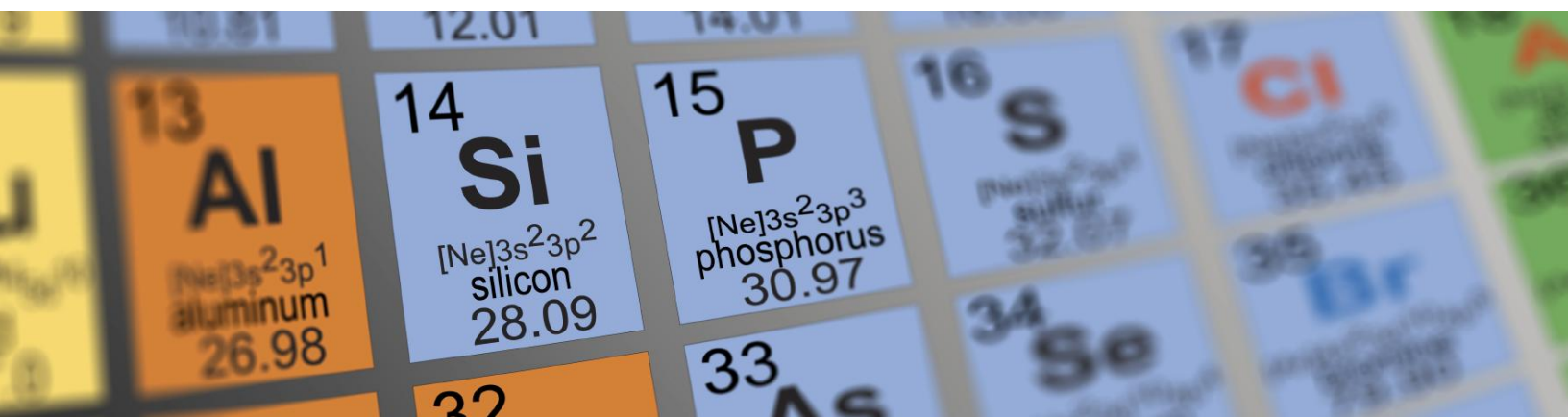
Vessel Weight of U.S. Inorganic Chemical Imports



Most Popular Product Imports:

Anhydrous ammonia is the top inorganic chemical product imported to the U.S. for 2011 and the import value shows an increase of nearly 60% from last year. Uranium and its compounds are second on our list with \$2.4 billion already imported from January through September of 2011, however the product is the only one on our list that posted a decrease from last year. The top two products combined account for nearly 40% of all inorganic chemical imports.

Product HTS Code - Description	2011 Values January-September	2010 Values January-September	% Change
2814.10 - Anhydrous Ammonia	\$2,693,554,933	\$1,698,077,451	58.62%
2844.20 - Uranium and its compounds enriched In U235; Plutonium and its compounds; Alloys and other products containing enriched Uranium or Plutonium	\$2,448,716,120	\$3,087,479,569	-20.69%
2844.10 - Natural Uranium And Its Compounds; Uranium Alloys, Dispersions, Ceramic Products And Mixtures Containing Natural Uranium Or Natural Uranium Compounds	\$698,237,343	\$352,974,608	97.82%
2818.20 - Aluminum Oxide, Except Artificial Corundum, Nesoi	\$667,056,293	\$424,676,476	57.07%
2846.90 - Compounds, Inorganic Or Organic, Of Rare-earth Metals, Of Yttrium Or Of Scandium, Or Of Mixtures Of These Metals, Nesoi	\$450,641,700	\$97,136,025	363.93%
2804.69 - Silicon, Containing By Weight Less Than 99.99% Of Silicon	\$449,879,454	\$314,191,086	43.19%
2804.61 - Silicon, Containing By Weight Not Less Than 99.99% Of Silicon	\$261,787,997	\$221,377,772	18.25%
2815.12 - Sodium Hydroxide (caustic Soda), In Aqueous Solution (soda Lye Or Liquid Soda)	\$258,937,979	\$152,624,634	69.66%
2844.40 - Radioactive Elements, Isotopes And Compounds, Nesoi; Alloys, Other Products And Mixtures Having These Elements, Isotopes, Etc.; Radioactive Residues	\$220,688,051	\$201,446,361	9.55%
2803.00 - Carbon, Nesoi (including Carbon Black)	\$204,804,335	\$151,273,334	35.39%



Key U.S. Ports of Entry:

The Port of Baltimore is the top U.S. port for inorganic chemical imports for the fourth consecutive year. The majority of these imports are categorized as uranium and originate in Russia and the Netherlands. The Port of New Orleans is second on our list and posted an increase of 46% so far in 2011. The Port of Detroit, ranked third, increased import values by almost 140% from 2010 to 2011. The increase is due to a jump in natural uranium hexafluoride imports from Canada. The top five ports combined bring in almost half of all inorganic chemical imports.

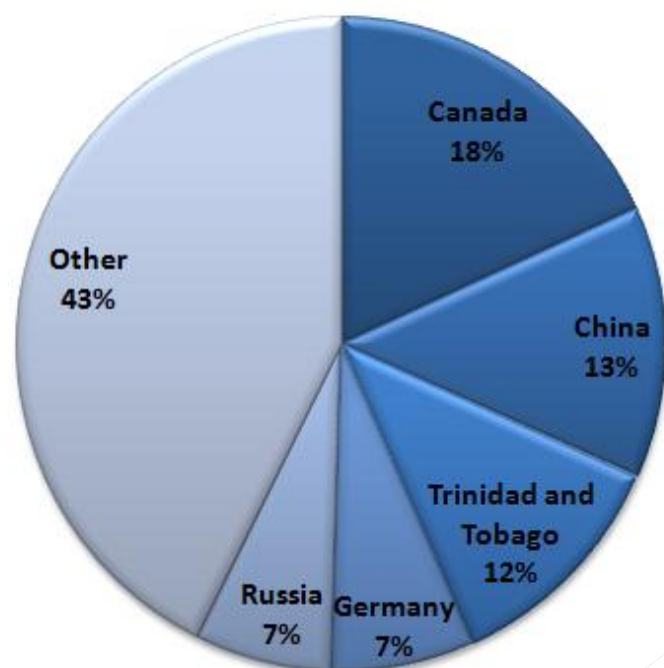
Most of the ports posted significant import value increases from 2010, however in terms of weight the increases are not as significant. Therefore, as discussed on page 3, the overall price per kilogram has shown an increase from last year. The Port of New Orleans, for example, imported an average price per kilogram of \$0.49 in 2010, while in 2011 this figure has already risen to \$0.64. Many of the other ports show similar trends.

U.S. District Port	2011 Values January-September	2010 Values January-September	% Change
Baltimore, Maryland	\$2,033,110,413	\$2,145,685,629	-5.25%
New Orleans, Louisiana	\$1,325,930,221	\$907,489,231	46.11%
Detroit, Michigan	\$1,273,963,942	\$534,414,677	138.38%
Ogdensburg, New York	\$878,466,500	\$1,031,129,413	-14.81%
Tampa, Florida	\$729,134,025	\$476,571,494	53.00%
Houston-Galveston, Texas	\$700,017,255	\$461,875,193	51.56%
New York City, New York	\$631,072,230	\$500,458,762	26.10%
Pembina, North Dakota	\$526,019,550	\$397,895,188	32.20%
Los Angeles, California	\$422,709,381	\$213,330,488	98.15%
Charleston, South Carolina	\$410,918,782	\$264,866,463	55.14%

Top Countries of Origin:

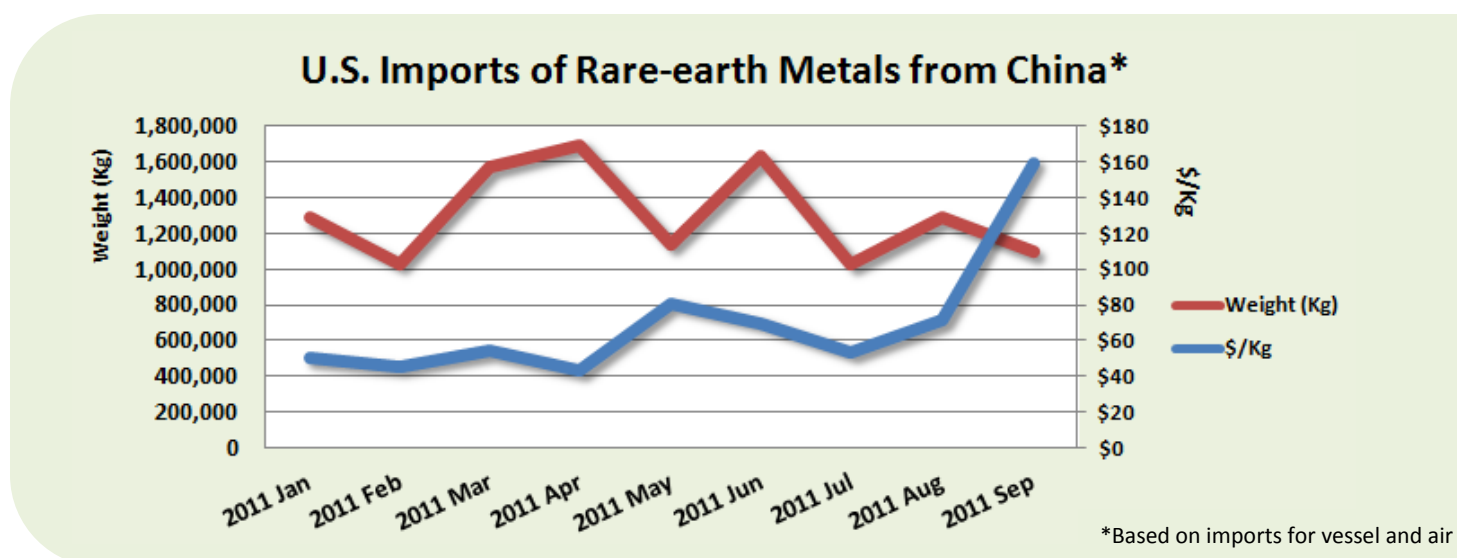
Country of Origin	2011 Values January-September	2010 Values January-September	% Change
Canada	\$2,379,658,504	\$1,576,903,916	50.91%
China	\$1,765,638,898	\$862,607,000	104.69%
Trinidad and Tobago	\$1,526,540,251	\$1,134,024,041	34.61%
Germany	\$937,088,095	\$843,200,860	11.13%
Russia	\$899,435,365	\$920,585,225	-2.30%
United Kingdom	\$843,447,021	\$1,218,767,850	-30.80%
Netherlands	\$597,657,952	\$698,478,368	-14.43%
Mexico	\$420,268,035	\$351,625,224	19.52%
Japan	\$392,614,675	\$315,104,447	24.60%
Brazil	\$363,727,955	\$28,4271,402	27.95%
Other	\$2,969,852,199	\$2,200,991,319	34.93%
Total	\$13,095,928,950	\$10,406,559,652	25.84%

Inorganic Chemical Imports by Country of Origin



Import values of inorganic chemicals from Canada, accounting for 18% of all imports, rose 50% from 2010 to 2011. Of the countries listed above, China saw the largest increase in import value, rising over 100% from 2010 and accounting for 13% of all imports. Trinidad and Tobago, ranked third on our list, is the largest supplier of Ammonia to the U.S. for the fifth consecutive year, bringing in over 3 million metric tons from January through September of 2011. The United Kingdom posted the largest decrease in import value due to the drop in imports of uranium.

Rare-earth Metals:



Rare-earth metals from China, in terms of import value, increased in 2011 when compared to 2010, however, in terms of weight, imports have decreased significantly. Huh? These two trends have pushed the price per kilogram up over 600% in just one year. In 2010, nearly 80% of all vessel and air imports of rare-earth metals, in terms of weight, came from China. This figure in 2011 has decreased to just slightly above 50%. Some importers have turned to other countries for the products and others have been forced to cut back on the imports. The figures are evidence of the simple supply and demand game that China has been playing as of late.

U.S. Imports of Rare-earth Metals, by Country of Origin

Country	2011 (Jan-Sep)			2010 (Jan-Dec)		
	Vessel/Air Value	Vessel/Air Weight	\$/Kg	Vessel/Air Value	Vessel/Air Weight	\$/Kg
China	\$295,348,738	4,673,914	\$63.19	\$112,016,633	13,385,810	\$8.37
Japan	\$55,577,663	1,673,960	\$33.20	\$26,111,132	1,074,104	\$24.31
France	\$38,629,530	402,132	\$96.06	\$17,814,966	605,168	\$29.44
Vietnam	\$28,407,500	644,580	\$44.07	-	-	-
Other	\$74,497,423	1,822,977	\$40.87	\$16,846,428	1,959,290	\$8.60
Total	\$492,460,854	9,217,563	\$53.43	\$172,789,159	17,024,372	\$10.15

Anhydrous Ammonia:

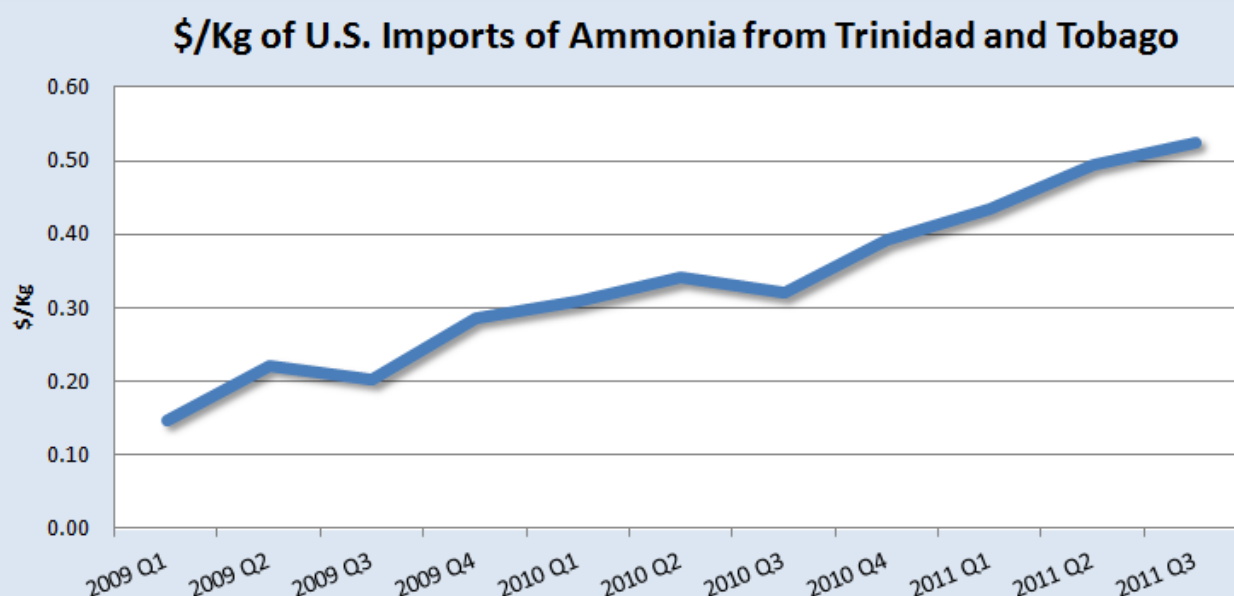
As mentioned previously, Trinidad and Tobago supplies the U.S. with the majority of ammonia imports and, in fact, about 66% of imports came from the country in 2011, up from 63% in 2010 (in terms of metric tons). Russia and Ukraine are also major suppliers to the U.S. of ammonia. Like many other chemical products, ammonia's average price per kilogram from Trinidad and Tobago has more than doubled since 2009 (as shown in the graph below). Top U.S. importers as well as top foreign suppliers from Trinidad and Tobago are listed to the right.

Top U.S. Importers of Ammonia from Trinidad and Tobago

Importer	Metric Tons Imported January-October 2011
Pcs Nitrogen Fertilizer	716,423
Mosaic Fertilizer	516,658
Transammonia Inc	279,054
Invista Sarl	112,753
Other	1,570,084
Total	3,194,972

Top Shippers of Ammonia from Trinidad and Tobago

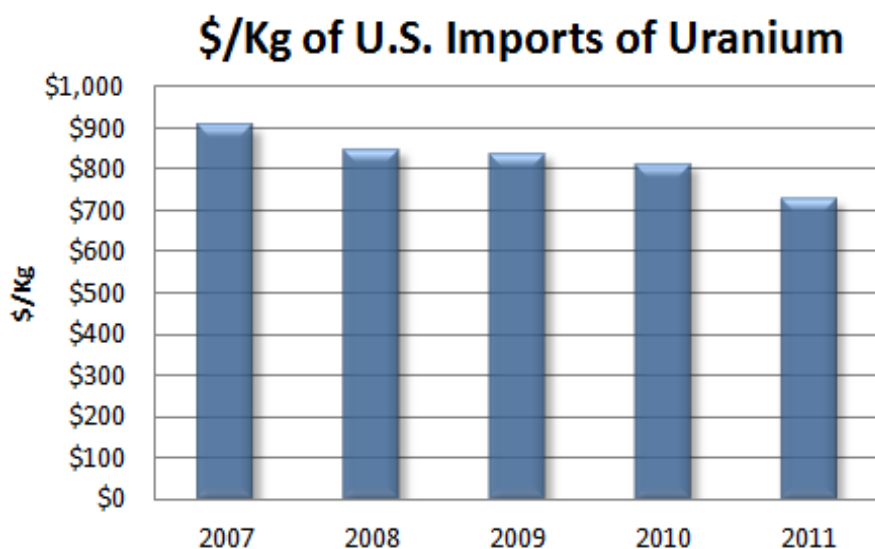
Shipper	Metric Tons Shipped January-October 2011
Pcs Nitrogen Trinidad	1,148,338
Nitrogen 2000 Unlimited	272,460
Trinidad Nitrogen	222,862
Point Lisas Nitroge	195,673
Other	1,355,639
Total	3,194,972



Uranium:

While most other inorganic chemical products have seen significant increases in the price per kilogram for the last couple of years, uranium has actually dropped in price. In fact, from 2007 to 2011 the price per kilogram decreased by 20%, as illustrated in the graph to the right.

Import values have continuously decreased in the last several years, while imports in terms of weight have mostly stayed constant. The majority of uranium imports come from the United Kingdom, Russia, and the Netherlands. Below are key importers and foreign suppliers of U.S. imports of uranium.

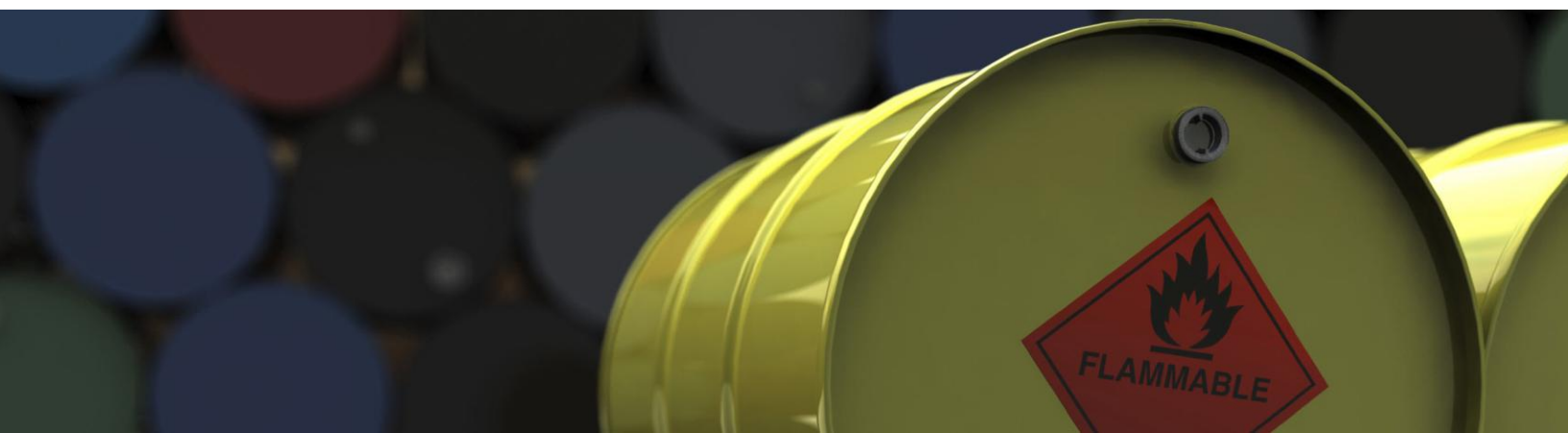


Key U.S. Importers of Uranium

Importer	Metric Tons Imported January-October 2011
Timco	2,400
Transport Logistics Int'l	741
Areva	712
Westinghouse	438
Other	8,199
Total	12,768

Key Foreign Shippers of Uranium

Shipper	Metric Tons Shipped January-October 2011
Bhp Billiton	2,405
Plataforma Internacional	2,400
Betpak Dala	1,741
Urenco Nederland	568
Other	5,654
Total	12,768



Import Compliance and the Chemical Industry:

As many in the international trade industry know, staying up-to-date on trade compliance information is an important step in ensuring your company does not face penalties for noncompliance. From January through October of 2011, there were 25 U.S. Customs Rulings for the inorganic chemical industry. Additionally, 21 antidumping and countervailing duty letters were also released in that same time frame. The following information was generated by Zepol's Compliance**Monitor™**, a tool that alerts users on import compliance changes for specific HTS codes.

U.S. Customs Ruling Letters

HTS Code	Number of Ruling Letters (since 1990)	Latest Ruling Letter Date
2836.99.5000	9	10/12/2011
2835.29.5100	1	10/3/2011
2853.00.0095	5	9/30/2011
2825.90.1500	3	9/26/2011
2835.31.0000	9	9/2/2011

U.S. Antidumping and Countervailing Duties

HTS Code	Number of ADD/CVD Letters (Since 1991)	Latest ADD/CVD Letter Date
2834.10.1000	20	10/19/2011
2835.39.1000	13	9/2/2011
2835.24.0000	13	9/2/2011
2835.31.0000	13	9/2/2011
2811.19.6090	18	8/25/2011
2844.20.0030	95	4/19/2011

More import compliance information, such as tariff rates, quotas, ITA letters, and U.S. Census Bureau trade statistics are available for specified HTS codes.

About Zepol:

At Zepol, we provide innovative, online trade databases that generate real competitive advantages for businesses. With our products, Trade**IQ**™, Trade**View**™, and Compliance**Monitor**™, subscribers have access to vital trade data, developed entirely from U.S. government sources that offer insights into the global supply chain. Trade professionals use our databases to create smarter business strategies, new sales leads, and tactical market advantages. Don't take our word for it; see what our subscribers have to say:

“ Zepol's Trade Intelligence tools have allowed my company to locate new products, suppliers, and customers. Zepol makes it easy to spot trends and is innovative in helping refine steps to get the information we need for success. I have been a Zepol customer for 4 years and look forward to many more years to come. Our market is constantly changing and the information that Zepol supplies helps drive our success. ”

Vice President
Chemical Distributor

“ Zepol's TradeIQ™ has become an invaluable tool for our business. The timely, informative, and accurate import data has allowed us to precisely identify and target numerous potential customers and has had a noticeable impact on our bottom line. I would highly recommend TradeIQ™ to anybody who has a need to know what is really going on in the global marketplace. ”

Vice President of Marketing
Chemical Import and Export Trading Company

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