



FANWOOD CHEMICAL, INC.

219 MARTINE AVENUE, NORTH • P.O. BOX 159 • FANWOOD, NEW JERSEY 07023-0159
(908) 322-8440 • FAX (908) 322-8494 • e-mail: info@fanwoodchemical.com

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September Agrochemical Notes

Hot off of the press: Those with an interest in **Paraquat or NBPT** were surprised by the fact that USTR extended the current exemptions until December 31, 2023.

Special Note: As you know the MTB has not yet been enacted. This means that some of the granularity that had been the norm in the census statistics is still missing which makes pulling the necessary data for this report more difficult. At this point in time, while the new Chairman of the House Ways & Means Committee's subcommittee on Trade has signaled his support for this legislation, there is no apparent vehicle for getting this done.

Imports of Glyphosate, as acid, for the period September through August for the last 6 years appear to be as shown below:

| | 22-23 | 21-22 | 20-21 | 19-20 | 18-19 | 17-18 |
|-----------|-----------|------------|-----------|-----------|-----------|-----------|
| August | 1,266 MT | 6,507 MT | 7,847 MT | 4,611 MT | 5,997 MT | 3,364 MT |
| July | 1,179 MT | 8,414 MT | 9,178 MT | 7,985 MT | 2,735 MT | 6,562 MT |
| June | 1,736 MT | 11,592 MT | 8,972 MT | 6,749 MT | 3,495 MT | 6,333 MT |
| May | 344 MT | 12,420 MT | 10,110 MT | 9,029 MT | 4,542 MT | 12,307 MT |
| April | 2,295 MT | 16,267 MT | 8,067 MT | 5,584 MT | 3,241 MT | 9,836 MT |
| March | 8,142 MT | 12,334 MT | 7,302 MT | 2,927 MT | 6,656 MT | 10,711 MT |
| February | 4,177 MT | 11,768 MT | 2,311 MT | 1,636 MT | 3,235 MT | 8,601 MT |
| January | 10,704 MT | 8,908 MT | 5,660 MT | 8,950 MT | 6,100 MT | 6,081 MT |
| December | 4,358 MT | 7,006 MT | 5,200 MT | 3,800 MT | 8,900 MT | 7,477 MT |
| November | 8,521 MT | 9,809 MT | 4,700 MT | 8,000 MT | 6,000 MT | 5,900 MT |
| October | 4,713 MT | 9,417 MT | 3,200 MT | 8,000 MT | 8,100 MT | 3,800 MT |
| September | 4,018 MT | 10,661 MT | 4,000 MT | 4,700 MT | 8,600 MT | 4,298 MT |
| Total | 51,451 MT | 125,103 MT | 76,547 MT | 71,971 MT | 57,511 MT | 85,270 MT |

At this time, it appears that total imports for the year will be significantly less than 52,000 MT, 41% of what they were last year, and well below the levels of 2018-2019. Some are speculating that there might be enough Glyphosate in current stocks in the USA to last well into 2024.

Two more indications of the slowdown are demonstrated by the following charts. The first looks at the total number of kilos imported as reported monthly in our big report that attempts to trace all imports of agrochemicals into the USA.

| | Year 2016 | Year 2017 | Year 2018 | Year 2019 | Year 2020 | Year 2021 | Year 2022 | Year 2023 | | |
|--------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------|--------|-----------------|
| Month | Weight Kg | Weight Kg | Weight Kg | Weight Kg | Weight Kg | Weight Kg | Weight Kg | Weight kgs | Year | Annual Total Kg |
| January | 40,213,490 | 39,074,978 | 47,025,882 | 50,559,509 | 35,056,982 | 37,228,934 | 47,765,277 | 55,475,702 | 2016 | 435,124,764 |
| February | 28,800,899 | 39,742,566 | 46,920,118 | 37,226,379 | 29,116,986 | 33,564,569 | 46,569,850 | 44,331,592 | 2017 | 487,554,147 |
| March | 38,037,672 | 48,594,493 | 46,296,445 | 48,757,167 | 35,891,510 | 46,823,304 | 54,373,531 | 41,898,608 | 2018 | 508,067,245 |
| April | 35,956,632 | 43,755,832 | 51,509,163 | 36,189,349 | 38,629,829 | 63,123,004 | 63,625,500 | 33,096,040 | 2019 | 422,556,177 |
| May | 39,779,840 | 41,125,690 | 49,466,568 | 35,142,349 | 38,139,985 | 41,438,200 | 47,613,241 | 24,504,392 | 2020 | 400,873,145 |
| June | 43,293,272 | 45,363,443 | 42,117,243 | 35,115,497 | 37,947,097 | 47,900,882 | 40,898,908 | 21,245,936 | 2021 | 515,490,654 |
| July | 35,422,162 | 34,925,178 | 33,738,962 | 33,741,616 | 30,838,209 | 36,680,478 | 47,170,285 | 22,301,427 | 2022 | 583,520,554 |
| August | 31,459,517 | 35,514,699 | 28,324,438 | 27,520,075 | 25,392,032 | 36,482,202 | 39,948,799 | | 23-Jun | 220,552,270 |
| September | 30,417,507 | 32,847,644 | 41,628,907 | 25,232,387 | 27,108,350 | 42,824,249 | 41,617,635 | | | |
| October | 38,581,127 | 33,075,039 | 37,643,767 | 28,995,036 | 28,888,643 | 42,925,701 | 57,217,519 | | | |
| November | 31,166,481 | 45,200,134 | 37,832,006 | 32,948,320 | 29,386,961 | 43,019,132 | 48,755,836 | | | |
| December | 41,996,165 | 48,334,451 | 45,563,746 | 31,128,493 | 44,476,562 | 43,480,000 | 47,964,173 | | | |
| Total | 435,124,764 | 487,554,147 | 508,067,245 | 422,556,177 | 400,873,145 | 515,490,654 | 583,520,554 | | | |

The second table shown below looks at the gross number of lines that were added to this table, month by month:

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---------------------|--------------|---------------|---------------|--------------|--------------|---------------|--------------|--------------|
| December | | 1,238 | 1,242 | 934 | 835 | 1,028 | 1,029 | 783 |
| November | | 1,259 | 1,192 | 743 | 644 | 786 | 944 | 579 |
| October | | 1,106 | 1,173 | 677 | 592 | 652 | 668 | 597 |
| September | | 1,054 | 1,043 | 632 | 583 | 726 | 658 | 519 |
| August | | 1,097 | 929 | 559 | 575 | 651 | 665 | 557 |
| July | 749 | 1,143 | 898 | 688 | 694 | 645 | 677 | 602 |
| June | 683 | 1,127 | 919 | 797 | 633 | 789 | 762 | 695 |
| May | 849 | 1,205 | 860 | 745 | 820 | 946 | 789 | 758 |
| April | 1,027 | 1,582 | 995 | 898 | 866 | 1,145 | 857 | 804 |
| March | 1,176 | 1,420 | 1,253 | 909 | 1,024 | 978 | 885 | 837 |
| February | 1,147 | 1,285 | 837 | 759 | 878 | 968 | 694 | 699 |
| January | 1,288 | 1,386 | 985 | 805 | 1,003 | 1,082 | 736 | 824 |
| Annual Total | 6,919 | 14,902 | 12,326 | 9,146 | 9,147 | 10,396 | 9,364 | 8,254 |

News:

There is not much “trade news” to report this month. However, the main topic of discussion is the continuing release of poor earnings reports as more companies post their quarterly results, the latest being Syngenta.

Other news:

Surprisingly, while the **Syngenta IPO** has supposedly been “green lighted” by the Shanghai Stock Exchange, there still is nothing we can find on the public record suggesting a date for it to occur. Syngenta’s recent financial reports were also not very enticing, following along with the trend from the rest of the industry, so perhaps this may not be an ideal time to accomplish this task!

As previously reported, the Biden Administration has now published a proposal for placing restrictions on U.S. private investments in certain countries. These rules, as drafted, would not appear to inhibit a U.S. citizen or company from investing in this IPO.

Taiwan: No update

IPEF: No update

USMCA – Mexico – GMO Corn & Glyphosate: A panel has been set though we have not seen dates for it to meet to try to resolve this issue. December 31, 2023, is quickly approaching!

China section 301 tariffs (25% surtaxes): USTR continues to diligently work on their review of this program. There is no definitive date for the review’s conclusion, though now they are predicting that a report will be ready “in the fall”. We continue to believe that it is highly unlikely that there will be a change in position by the Administration prior to the 2024 election.

Electric Vehicles (EVs): We remain fascinated, and will again try to start a broad discussion about the impact that the push to convert our transportation infrastructure to electric vehicles will have on the farm community if at all possible at the upcoming CPDA/CLA meeting. Clearly, more than 40% of US Corn and Soy is used to power vehicles. We have yet to find any literature directly related to this subject. Please let us know of your thoughts.

General observation: With the notable exception of S-Metolachlor, overall imports, especially herbicides, appear to have slowed significantly in April. This trend continued in May and June, and extended into July. Please see additional details below in the notes section under “the Index”.

July 2023 details, as well as the previous 3 years are as follows (000):

| | 7/2020 | 7/2021 | 7/2022 | 7/2023 |
|------------------------|----------|----------|-----------|----------|
| 3808.91 – insecticides | \$24,090 | \$35,420 | \$49,339 | \$27,379 |
| 3808.92 – fungicides | \$38,832 | \$85,298 | \$124,356 | \$96,215 |
| 3808.93 – herbicides | \$36,876 | \$27,489 | \$53,258 | \$19,051 |

First seven-month totals for the period (000) are shown below:

| | 2020 | 2021 | 2022 | 2023 |
|------------------------|-----------|-----------|-----------|-----------|
| 3808.91 – insecticides | \$179,234 | \$236,790 | \$271,545 | \$254,060 |
| 3808.92 – fungicides | \$250,278 | \$417,932 | \$494,091 | \$499,328 |
| 3808.93 – herbicides | \$284,224 | \$257,713 | \$515,415 | \$404,764 |

Please let us know how we can best be of service.

Very truly yours,

Jim

V.M. (Jim) DeLisi

VMJD: me