

PHELPS DODGE CORP
Form 11-K
June 25, 2004

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2003

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-82

PHELPS DODGE EMPLOYEE SAVINGS PLAN

PHELPS DODGE CORPORATION

**One North Central Avenue
Phoenix, Arizona 85004**

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SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the Benefits Administration Committee has duly caused this Annual Report to be signed by the undersigned hereunto duly authorized.

PHELPS DODGE EMPLOYEE SAVINGS PLAN

Date: June 25, 2004

By: /s/David L. Pulatie

David L. Pulatie, Chairman
Benefits Administration Committee

**Phelps Dodge Employee Savings Plan
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December 31, 2003 and 2002**

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* Other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable

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Report of Independent Registered Public Accounting Firm

To the Benefits Administration Committee and Participants
of the Phelps Dodge Employee Savings Plan

In our opinion, the accompanying statement of net assets available for benefits and the related statement of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Phelps Dodge Employee Savings Plan at December 31, 2003 and 2002, and the changes in net assets available for benefits for the year ended December 31, 2003 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Benefits Administration Committee (the Committee); our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the Committee, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Committee. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/PricewaterhouseCoopers LLP
Phoenix, Arizona
June 18, 2004

Table of Contents**Phelps Dodge Employee Savings Plan****Statement of Net Assets Available for Benefits****December 31, 2003 and 2002****(in thousands)**

	2003	2002
	<hr/>	<hr/>
Assets		
Investments	\$541,806	\$409,858
Employee contributions receivable	268	243
Employer contributions receivable	490	499
Employer profit sharing contribution receivable	5,234	4,067
Interest receivable		361
	<hr/>	<hr/>
Net assets available for benefits	\$547,798	\$415,028
	<hr/>	<hr/>

The accompanying notes are an integral part of these financial statements.

Table of Contents**Phelps Dodge Employee Savings Plan****Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2003
(in thousands)**

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments

\$126,505

Interest and dividends

11,012

137,517

Contributions:

Participant contributions

24,911

Employer matching contributions

11,264

Employer profit sharing contribution

5,234

41,409

Total additions, net

178,926

Deductions from net assets attributed to:

Distributions to participants and beneficiaries

45,703

Administrative expenses

453

Total deductions

46,156

Increase in net assets

132,770

Net assets available for benefits at December 31, 2002

415,028

Net assets available for benefits at December 31, 2003

\$547,798

The accompanying notes are an integral part of these financial statements.

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Phelps Dodge Employee Savings Plan

Notes to Financial Statements

1. Description of Plan

General

The Phelps Dodge Employee Savings Plan (the Plan) is a defined contribution plan established for the benefit of eligible employees (the Participants) of Phelps Dodge Corporation (the Corporation). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. A brief description of the Plan is included in the following paragraphs. Participants should refer to the Plan document for a complete description of Plan provisions.

Administration

The Plan is sponsored by the Corporation and administered by the Benefits Administration Committee (the Committee) composed of seven employees of the Corporation who are appointed by the Corporation's Board of Directors.

Effective December 23, 2003, all plan assets are held by a trust (the Trust) administered by JPMorgan Chase Bank (the Trustee). Prior to that date, UMB Bank, N.A. served as the Trustee. JPMorgan Retirement Plan Services LLC serves as the Recordkeeper of the Plan.

Brokerage commissions, taxes and other expenses in connection with the purchase and sale of securities or other property for a fund are paid by such fund. All other fees and expenses of Plan administration are paid by the Trust unless the Corporation elects, in its sole discretion, to pay those expenses directly. The Trust's fees and expenses primarily relate to the administration of the Plan's benefit-responsive guaranteed investment contracts (GICs).

Contributions

All Participants are eligible to make pretax deferral contributions (Pretax Contributions), subject to certain limitations, equal to 1 percent to 100 percent of their eligible pay. Participants 50 years or older may be eligible to make additional Pretax Contributions up to the annual catch-up limit, which may be eligible for a matching contribution from the Corporation (Company Matching Contribution). After-tax contributions are not permitted. The Company Matching Contribution is equal to 100 percent of the first 3 percent of eligible pay deferred and 50 percent of the next 2 percent of eligible pay deferred. Participants are eligible to make Pretax Contributions to the Plan immediately upon hire date, and those Pretax Contributions are eligible for the Company Matching Contribution. All contributions are invested in one or more of the investment vehicles available within the Plan as directed by Participants. Participants are always fully vested in their total account balances.

A profit sharing contribution for eligible employees may be made by the Corporation (Company Profit Sharing Contribution). Eligible employees are those Participants employed in a salaried job classification, have a year of service (1,000 hours of work) and employed on the last day of the plan year. However, if Participants retired, died or became disabled during the year, those Participants are still eligible to receive this contribution. The Company Profit Sharing Contribution is limited to the lesser of total

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Phelps Dodge Employee Savings Plan

Notes to Financial Statements

1. Description of Plan (Continued)

eligible pay of Participants multiplied by:

6 percent; or

8 percent of consolidated net income of the Corporation divided by aggregate eligible Participants pay; or

4 percent of consolidated net income divided by the aggregate eligible pay of exempt salaried Participants.

Company Profit Sharing Contributions can be made only to the extent that they do not reduce the Corporation's consolidated net income below \$0.50 per common share for such year after provision for payment of preferred and preference share dividends. A profit sharing contribution of \$5,234,000 was made for 2003 and paid in March 2004.

Investments

Participants may direct the investment of their Pretax Contributions, Company Matching Contributions and Company Profit Sharing Contributions in a variety of investment vehicles comprised of common stocks, mutual funds, common/collective funds and GICs. The Plan is intended to comply with Section 404(c) of ERISA.

Distributions

Participants' interests in the Trust become distributable upon severance from employment with the Corporation, upon attaining age 59 1/2 or to their beneficiaries in the event of their death. The distribution may be made in a single lump sum or a series of substantially equal annual, quarterly or monthly cash installments beginning no earlier than age 55 and continuing over a period not to exceed 10 years, at the election of the Participant or beneficiary. Cash distributions are based upon the underlying closing price of the mutual funds, common/collective funds or GICs. Distributions of investments in Phelps Dodge Common Stock, Occidental Petroleum Stock or BP Amoco Stock are based upon the actual price at which the stock is liquidated in the market three days prior to distribution. Distributions of investments in Phelps Dodge Common Stock, Occidental Petroleum Common Stock and BP Amoco Common Stock may also be made in shares.

After-tax contributions were permitted in certain plans that transferred assets into the Plan in prior years. Participants may withdraw such after-tax contributions and earnings thereon at any time. The Plan also provides, with certain limitations, for hardship withdrawals of Pretax Contributions, Company Pre-Safe Harbor Matching Contributions and Company Profit Sharing Contributions; however, earnings on any of these contributions are ineligible for hardship withdrawal. Hardship withdrawals are not granted unless other financial resources are not reasonably available, including after-tax savings or a loan from the Plan. All withdrawals and distributions are made in accordance with rules outlined in the Plan document.

Loans

Participants may borrow from their account balances as provided in the Plan. Loans are repayable over a maximum of 5 years with the exception of loans for the purchase of a primary residence that may extend to 15 years. The maximum loan amount is equal to \$50,000 minus the Participant's highest outstanding loan balance during the past 12

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**Phelps Dodge Employee Savings Plan
Notes to Financial Statements**

1. Description of Plan (Continued)

months, limited to 50 percent of the Participant's vested account balance. Loans bear interest at the prime rate as quoted by the Plan's Trustee plus 2 percent. The prime rate at December 31, 2003, was 4.00 percent.

Loans are repaid by payroll deductions and interest is credited to the Participant's accounts. Loans are generally secured by the Participant's account balance.

Plan Termination

The Plan may be amended or terminated at any time by the Corporation. No such action may cause any portion of the Trust to revert to the Corporation or to be used or diverted for any purpose other than for the exclusive benefit of Participants or their beneficiaries.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions to and deductions from net assets available for benefits during the reporting period. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Plan investments, other than GICs, are presented at fair value. The fair values of common stock, mutual funds and common/collective fund shares are based upon the closing market price on the valuation date. GICs are recorded at contract value and are based upon the respective face values plus accrued interest on the valuation date. Participant loans are valued at cost, which approximates fair value.

Security transactions are recorded on a trade date basis. Expenses paid by the Plan in connection with such transactions include brokerage commissions and taxes that are included in the cost of securities purchased and deducted from the proceeds of securities sold. Net appreciation (depreciation) in the fair value of the Plan's investments consists of the realized gains (losses) and the unrealized appreciation (depreciation) on those investments. Dividend income is recognized on the ex-dividend date. Interest income is recognized as earned. Employer and Participant contributions are recognized on the accrual basis.

Risks and Uncertainties

Investments held by the Plan are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of such

investments, it is at least

Table of Contents**Phelps Dodge Employee Savings Plan
Notes to Financial Statements****2. Summary of Significant Accounting Policies (Continued)**

reasonably possible that changes in risks in the near term would materially affect Participants' account balances and the amounts reported in the Statement of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Benefits.

Payment of Benefits

Benefits are recorded when paid.

3. Investments

The following table presents investments that represent 5 percent or more of the Plan's net assets at December 31:

	2003	2002
	(in thousands)	
Phelps Dodge Common Stock Fund	\$88,290	\$46,854
J.P. Morgan Interest Income Fund	86,281	79,969
American Century Equity Growth Fund	61,573	47,931
Moderate Investment Portfolio Fund	61,011	49,861
American Century Income and Growth Fund	50,685	38,773
Aggressive Investment Portfolio Fund	45,173	32,453
J.P. Morgan Enhanced Index Fund	36,325	26,782
T. Rowe Price Small Cap Stock Fund	30,008	19,086*
Schwab Personal Choice Retirement Fund	27,651	20,645
Participant Loans	22,191*	22,503

* Amounts are less than 5 percent of the Plan's net assets

Certain of the Plan's investments include GICs that are carried at contract value. The GICs are credited with earnings on the underlying investments and charged for Participant withdrawals and administration expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The contract value of the GICs within the respective funds as of December 31 was as follows:

	2003	2002
	(in thousands)	
J.P. Morgan Interest Income Fund	\$ 84,333	\$ 78,252
Moderate Investment Portfolio Fund	23,862	20,088
Aggressive Investment Portfolio Fund	8,771	6,553
Conservative Investment Portfolio Fund	8,500	7,741
	\$125,466	\$112,634

Table of Contents**Phelps Dodge Employee Savings Plan
Notes to Financial Statements****3. Investments (Continued)**

A reconciliation of the fair market value of investments in these contracts and the related contract value as reflected in the accompanying Statement of Net Assets Available for Benefits was as follows:

	December 31,	
	2003	2002
	(in thousands)	
Fair market value of investments	\$129,161	\$117,958
Synthetic wrapper value	(3,695)	(5,324)
	<u> </u>	<u> </u>
Carrying value (contract value)	<u>\$125,466</u>	<u>\$112,634</u>

There were no reserves against contract value for credit risk of the contract issuers or otherwise at December 31, 2003 or 2002. The average yield and crediting interest rates were approximately 5.46 percent and 6.43 percent for 2003 and 2002, respectively. The crediting interest rates are based on a formula agreed upon by the issuers. Such interest rates are reviewed on a quarterly basis for resetting.

During 2003, the Plan's investments (including gains and losses on investments bought and sold, as well as those held during the year) appreciated in value as follows (in thousands):

Common stocks	\$ 62,884
Mutual funds	48,394
Common/collective funds	15,227
	<u> </u>
	<u>\$126,505</u>

4. Related Party Transactions

The Trustee invests in the Corporation's common stock in accordance with the provisions of the Plan. The following is a summary of transactions in the Corporation's common stock during 2003 (in thousands):

Cost of shares purchased	\$12,108
Number of shares purchased	272
Proceeds from shares sold	\$29,570
Number of shares sold	579
Value of shares distributed	\$ 528
Number of shares distributed	11

Certain Plan investments are shares of mutual funds and common/collective trusts managed by American Century Investments and J.P. Morgan Investment Management while an affiliated company, JPMorgan Retirement Plan Services LLC, is the Recordkeeper as defined by the Plan. Therefore, these transactions qualify as party-in-interest.

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Table of Contents**Phelps Dodge Employee Savings Plan
Notes to Financial Statements****5. Tax Status**

The Plan received a determination letter from the Internal Revenue Service (IRS) dated October 16, 2002, which states that the Plan met the requirements of Section 401(a) of the Internal Revenue Code and that the earnings of the Trust are exempt from taxation under Section 501(a) of the Code. The Plan has been amended since receiving the determination letter, however, the Committee believes that the Plan, as amended and as operated, continues to satisfy IRS requirements for tax exemption.

6. Reconciliation of the Financial Statements to the Form 5500

During 2002, the Corporation identified certain accounting matters related to its consolidated financial statements for years prior to 2002 that required restatement. The restated adjustments applicable to 2000 required the Corporation to make a profit sharing contribution of \$4,067,000 to the Plan in 2003. The profit sharing contribution and related interest were reflected in the Plan's financial statements as of December 31, 2002; however, were not recorded in the Form 5500 until 2003.

The following table presents a reconciliation of the Plan's Net Assets Available for Benefits from the financial statements at December 31, 2002, to the amount included in the 2003 Form 5500 as of that date:

	December 31, 2002
	(in thousands)
Net assets available for benefits per the financial statements	\$ 415,028
Profit sharing contribution receivable	(4,067)
Interest receivable on related employer profit sharing contribution	(361)
	<hr/>
Net assets available for benefits per the Form 5500	\$ 410,600
	<hr/>

The following table presents a reconciliation of the Plan's Changes in Net Assets Available for Benefits from the financial statements to the Form 5500 for the year ended December 31, 2003:

	Year Ended December 31, 2003
	(in thousands)
Increase in net assets per the financial statements	\$ 132,770
Prior year profit sharing contribution receivable	4,428
	<hr/>
Increase in net assets per the Form 5500	\$ 137,198



Table of Contents**Phelps Dodge Employee Savings Plan****Schedule of Assets (Held at End of Year)****December 31, 2003****Supplemental Information
Schedule I**

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value, or number of shares	(d) Cost **	(e) Current Value
	Cash and Short-Term Investments:			
	Cash			\$ 67,626
	Bank of Oklahoma CD 1.20% Due 3/10/04	15,000		15,000
	Ford Motor Credit Co Notes 4.05% Due 5/20/05	10,000		10,111
	Ford Motor Credit Co Notes 4.70% Due 5/22/06	10,000		10,128
	General Motors Acceptance Corporation Smartnotes 5.0% Due 7/15/08	10,000		10,146
	Schwab Money Market Fund	91,454		91,456
	Schwab U.S. Treasury Money Fund	2,796,785		2,797,787
*	JPMorgan Chase Money Market Fund	50,624		50,624
	U.S. Treasury Note 1.50% Due 7/31/05	290,000		289,774
	U.S. Treasury Note 2.875% Due 6/30/04	300,000		302,742
	Federated S-T U.S. Government Securities	274		274
	Total Cash and Short-Term Investments			3,645,668
	Common/Collective Funds:			
*	JPMorgan Liquidity Fund	2,484,889	shares	2,484,889
*	JPMorgan Corporate High Yield Opportunity Fund	274,042	shares	3,044,612
*	JPMorgan Mortgage Private Placement Fund	1,891,688	shares	38,628,269
*	JPMorgan Public Bonds Fund	4,292,147	shares	77,945,390
*	JPMorgan Public Mortgage Fund	358,893	shares	6,363,179
*	JPMorgan Emerging Market Opportunity Fund	137,720	shares	2,050,655
*	JPMorgan U.S. Smart Index Fund	3,292,776	shares	66,151,653

Total Common/Collective Funds		<u>196,668,647</u>
Common Stocks:		
1-800-Flowers.Com Inc	480 shares	5,309
3Com Corporation	279 shares	2,279
3M Company	224 shares	19,047
3Wventures.Com Inc	700 shares	1
4 Kids Entertainment Inc	500 shares	13,010
8X8 Inc	2,014 shares	8,967
ADC Telecommunications Inc	3,025 shares	8,984
AM Communications Inc	2,000 shares	2
AMF Bowling Inc	800 shares	2
AMR Corporation	100 shares	1,295
AO Tatneft Sponsored Adr	500 shares	11,400
ASE Test Limited	207 shares	3,099
AT&T Corporation	492 shares	9,994
AT&T Wireless Services	1,341 shares	10,714
Aastrom Biosciences Inc	200 shares	262
Aberdeen Asia-Pacific Prime Income Fund Inc	3,235 shares	20,541

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Phelps Dodge Employee Savings Plan
Schedule of Assets (Held at End of Year)
December 31, 2003
Supplemental Information
Schedule I

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value, or number of shares	(d) Cost **	(e) Current Value
	Ableauctions.Com Inc	800 shares		544
	Access Power Inc	250 shares		1
	Ace Communications Corporation	100 shares		248
	Administaff Inc	135 shares		2,346
	Adobe Systems Inc	251 shares		9,858
	Advanced Neuromodulation Systems Inc	200 shares		9,196
	Advanced Digital Information Corporation	100 shares		1,400
	Advanced Micro Devices	4,944 shares		73,666
	Advanced Viral Research	2,300 shares		294
	Aeroflex Inc	1,000 shares		11,690
	Aeropostale Inc	490 shares		13,436
	Affiliated Computer Services Inc Class A	20 shares		1,089
	Agere Systems Inc Class A	443 shares		1,351
	Agere Systems Inc Class B	5,233 shares		15,176
	Agnico-Eagle Mines Limited	100 shares		1,207
	Air Canada Inc Class A	15,500 shares		4,495
	Airlease Ltd Depository Units	165 shares		275
	Akamai Technologies Inc	846 shares		9,094
	Alcoa Inc	882 shares		33,534
	Align Technology Inc	300 shares		4,956
	Allegheny Technologies Incorporated	238 shares		3,146
	Allstream Inc Class B	54 shares		3,097
	Altria Group Inc	23 shares		1,241
	Aluminum Corp Of China Ltd Adr	56 shares		4,312
	Amazon.Com Inc	528 shares		27,794
	America Service Group Inc	86 shares		2,658
	America West Holdings Corporation Class B	4,800 shares		59,520
	American Aircarriers Support Incorporated	320 shares		1
	American Express Company	200 shares		9,646
	American Software Inc Class A	900 shares		6,443
	Americredit Corp	70 shares		1,115
	Amern Tower Corp Class A	1,390 shares		15,040
	Amersham Plc Adr	31 shares		2,117
	Amgen Incorporated	400 shares		24,720

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Amkor Technology Inc	69	shares	1,256
Anadigics Inc	100	shares	596
Angelciti Entertainment Inc	6,000	shares	300
Anglo American Plc Adr	513	shares	11,347
Anglo American Platinum Adr	150	shares	6,510
Anheuser Busch Company Inc	321	shares	16,892
Annaly Mortgage Management Inc	150	shares	2,760
Anthem Inc	120	shares	9,007
Antigenics Inc De	40	shares	453
Applebee s International, Inc	22	shares	870
Applera Celera Genomics	100	shares	1,391
Applied Digital Solution	400	shares	188

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Phelps Dodge Employee Savings Plan
Schedule of Assets (Held at End of Year)
December 31, 2003

Supplemental Information
Schedule I

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value, or number of shares	(d) Cost **	(e) Current Value
	Applied Materials Inc	404 shares		9,070
	Applied Micro Circuits	10,422 shares		62,323
	Apria Healthcare Group Inc	200 shares		5,694
	Aquantive Inc	100 shares		1,025
	Aradigm Corporation	270 shares		462
	Arch Coal Inc	75 shares		2,338
	Ariba Inc	5,500 shares		16,500
	ASA Limited	440 shares		20,020
	Ascential Software Corporation	124 shares		3,215
	Aspect Communications Corp	100 shares		1,576
	Asta Funding Inc	87 shares		2,980
	Astralis Ltd	2,000 shares		1,480
	ASV Inc	100 shares		3,736
	Atmel Corporation	1,350 shares		8,113
	ATP Oil & Gas Corporation	1,000 shares		6,280
	Audiocodes Ltd	200 shares		2,088
	Audiovox Corporation Class A	150 shares		1,926
	Aurora Platinum Corporation	1,000 shares		2,310
	Autoimmune Inc	1,000 shares		1,580
	Avaya Inc	86 shares		1,113
	Avici System Inc	7 shares		56
	Avid Technology Inc	134 shares		6,432
	Avitar Inc De	400 shares		92
	Axia Group Inc	16 shares		2
	BGR Corp	9,400 shares		1,410
	BMC Software Inc	250 shares		4,662
	BP Plc Adr	560 shares		27,636
	BP Amoco Corporation	23,155 shares		1,134,090
	BTU International Inc	1,250 shares		4,400
	Bank Of New York Company Inc	100 shares		3,312
	Bed Bath & Beyond Inc	2 shares		87
	Bell Microproducts Inc	1,000 shares		9,060
	Bema Gold Corporation	1,000 shares		3,720

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Benguet Corporation Class B	1,000	shares	210
Berkshire Hathaway Class B	10	shares	28,150
Best Buy Inc	214	shares	11,165
BHP Billiton Limited Adr	1,000	shares	18,260
BICO Inc	9,000	shares	12
Bindview Development Corporation	20	shares	754
Biomerica Inc	100	shares	45
Biomira Inc	50	shares	74
Biopure Corporation Class A	25	shares	60
Block H&R Incorporated	100	shares	5,537
Blockbuster Inc Class A	1,000	shares	17,950
Boeing Co	242	shares	10,181
Bombardier Inc CV Class B	200	shares	836

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Phelps Dodge Employee Savings Plan
Schedule of Assets (Held at End of Year)
December 31, 2003

Supplemental Information
Schedule I

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value, or number of shares	(d) Cost **	(e) Current Value
	Boston Life Sciences Inc	16,000 shares		19,840
	Boston Properties Inc	100 shares		4,819
	Boston Scientific Corporation	100 shares		3,676
	Bottomline Home Loan Inc	50 shares		1
	Bradley Pharmaceuticals Inc	500 shares		12,715
	Brigham Exploration Company	200 shares		1,606
	Brightpoint Inc	100 shares		1,725
	Bristol-Myers Squibb Co	406 shares		11,612
	Broadcom Corporation Class A	88 shares		3,000
	Broadvision Inc	15 shares		64
	Brocade Communications Systems Inc	200 shares		1,156
	CMGI Inc	175 shares		311
	CT Communications Inc	400 shares		5,400
	CTS Corporation	103 shares		1,189
	Caliper Technologies Corp	30 shares		197
	Calpine Corporation	5,500 shares		26,455
	Cambior Inc	1,500 shares		4,650
	Cardiac Science Inc	1,110 shares		4,429
	Cardstakes.Com	84 shares		1
	Caredecision Corp	10,000 shares		450
	Cascade Mountain Mining Co Inc	47,716 shares		530
	Caterpillar Inc	.06 share		6
	Cdex Inc	88 shares		1
	Cell Therapeutics Inc	1,500 shares		13,050
	Cendant Corporation	2,050 shares		45,653
	Central Wireless Inc	5,000 shares		50
	Charter Communications	120 shares		482
	Check Point Software Technologies	175 shares		2,943
	Checkfree Corporation	40 shares		1,106
	Chesapeake Corporation	200 shares		5,296
	Chesapeake Energy Corporation	300 shares		4,074
	Chevrontexaco Corp	1,120 shares		96,798
	China Life Insurance Co Limited Adr	61 shares		2,011

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China Wireless Communications Inc	200	shares	94
China Yuchai International Limited ADR	131	shares	4,008
Ciena Corporation	2,445	shares	16,235
Circuit City Stores Inc	2,000	shares	20,260
Cirrus Logic Inc	1,000	shares	7,670
Cisco Systems Inc	18,247	shares	443,220
Citigroup Capital Trust IX 6%	200	shares	5,076
Citigroup Inc	1,000	shares	48,553
Citrix Systems Inc	800	shares	16,968
Clarent Corporation	500	shares	6
Coca Cola Company	11	shares	535
Coherent Inc	50	shares	1,190
Coinstar Inc	96	shares	1,734

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Phelps Dodge Employee Savings Plan
Schedule of Assets (Held at End of Year)
December 31, 2003

Supplemental Information
Schedule I

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value, or number of shares	(d) Cost **	(e) Current Value
	Comcast Corporation Class A	790 shares		25,967
	Commerce One Inc Del	1 share		1
	Commercial Capital Bancorp Inc	142 shares		3,040
	Companhia Vale Do Rio Doce Adr	200 shares		11,700
	Comtech Telecommunications Corp	500 shares		14,435
	Conexant Systems Inc	213 shares		1,058
	Conocophillips	52 shares		3,431
	Constellation 3D Inc	200 shares		1
	Consumer Direct of America	1,800 shares		630
	Corbel Holdings Inc	2,552 shares		2
	Corgenix Medical Corporation	117 shares		117
	Corning Inc	1,006 shares		10,491
	Corvis Corporation	2,000 shares		3,400
	Costco Wholesale Corporation	250 shares		9,295
	Credit Acceptance Corporation	200 shares		3,060
	Cree Inc	500 shares		8,845
	Cross Media Marketing	27 shares		1
	Cryolife Inc	285 shares		1,647
	Cybercare Inc	50 shares		1
	Cyberoptics Corp	200 shares		2,160
	Cygnus Inc	8,300 shares		2,739
	Cytogenix Inc	2,000 shares		1,600
	DPL Inc	108 shares		2,249
	DR Horton Co	300 shares		12,989
	Decorize Inc	400 shares		400
	Dell Inc	850 shares		28,886
	Delta Airlines Inc	250 shares		2,952
	Deswell Industries Inc	75 shares		1,950
	Detour Media Group Inc	1,000 shares		1
	Diamondcluster International Inc	323 shares		3,294
	Dicut Inc	5,000 shares		550
	Digene Corp	3,736 shares		149,814
	Digi International Inc	334 shares		3,206

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Digital Generation System Inc	1,000	shares	2,240
Digital Insight Corporation	185	shares	4,606
Digital Lightwave Inc	20	shares	16
Dillard's Inc Class A	100	shares	1,646
Dippy Foods Inc	2,000	shares	1
Disney, Walt Holding Company	510	shares	11,898
Ditech Communications Corporation	162	shares	3,094
Divine Inc Class A	22,332	shares	201
Dollar General Corporation	37	shares	776
Dollar Tree Stores	230	shares	6,914
Donaldson Company Inc	20	shares	1,183
Donegal Group Inc Class A	138	shares	3,039
Dow Chemical Company	302	shares	12,545

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Phelps Dodge Employee Savings Plan
Schedule of Assets (Held at End of Year)
December 31, 2003
Supplemental Information
Schedule I

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value, or number of shares	(d) Cost **	(e) Current Value
	Drkoop.Com Inc	280 shares		1
	DRS Technologies Inc	20 shares		555
	Du Pont E I De Nemour & Company	42 shares		1,929
	Duke Energy Corporation	160 shares		3,271
	Dynasil Corporation America	2,000 shares		540
	Dynegy Inc Class A	1,101 shares		4,713
	E-Com Technologies Corporation	20,300 shares		406
	EMC Corporation Mass	3,535 shares		45,672
	ESS Technology Inc	100 shares		1,701
	E.Spire Communications Inc	19,500 shares		10
	Eagle Broadband Inc	500 shares		650
	Earthshell Corporation	2,583 shares		4,649
	Eastman Chemical Company	304 shares		12,016
	Ebay Inc	170 shares		10,980
	Echostar Communications Corporation Class A	150 shares		5,100
	Education Management Corporation	250 shares		7,760
	El Paso Corporation	249 shares		2,038
	Elan Corp Plc 05 Wts	27,200 shares		4,624
	Elan Corp Plc Sponsored Adr	200 shares		1,378
	Elcom International Inc	500 shares		100
	Electric City Corp	1,650 shares		3,960
	Electronic Data System Corp	2,021 shares		4,974
	Embarcadero Technologies Inc	191 shares		3,046
	Empire Energy Class B Vtg	500 shares		1
	Empire Exchangeco Service A	500 shares		1
	Emulex Corporation	50 shares		1,334
	Endocardial Solutions Inc	1,000 shares		7,200
	Endovasc Inc	2,125 shares		1
	Endovasc Inc	8,500 shares		2,635
	Endwave Corporation	25 shares		185
	Ennis Business Forms Inc	150 shares		2,295
	Enron Corporation	3,316 shares		93
	Enterra Energy Trust	425 shares		4,696
	Enviro-Energy Corporation	55,800 shares		390

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Environmental Technologies International Inc	5,000	shares	775
Epicor Software Corporation	230	shares	2,935
Equinix Inc	111	shares	3,130
Ericsson Telefon Adr	115	shares	2,035
E-Trade Financial Corporation	475	shares	6,009
Eurotech Ltd	1,500	shares	42
Evolve One Inc	78	shares	12
Evolving Systems Inc	2,400	shares	31,920
Exxon Mobil Corporation	2,409	shares	98,774
Eyemakers Inc	1,500	shares	22
Ezenia Inc	121,400	shares	30,350

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**Phelps Dodge Employee Savings Plan
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**Supplemental Information
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	F2 Broadcast Network New	62 shares		1
	Factset Research Systems Inc	180 shares		6,878
	Fargo Electronics Inc	400 shares		5,088
	Federal-Mogul Corporation	100 shares		23
	Fedex Corporation	40 shares		2,700
	Filenet Corporation	111 shares		3,006
	Findwhat.Com	100 shares		1,875
	Finova Group Inc	507 shares		329
	First American Corporation	100 shares		2,977
	First Financial Bancorp	200 shares		3,190
	First Mariner Bancorp	300 shares		5,619
	First Tennessee National Corporation	303 shares		13,351
	Flagstar Bancorp Inc	455 shares		9,746
	Fleetboston Financial Corporation	305 shares		13,316
	Flextronics International Ltd	187 shares		2,775
	Flight Safety Technologies Inc	6,591 shares		9,952
	Fly Networks Inc	230 shares		69
	Fonix Corporation	50 shares		22
	Ford Motor Company	1,425 shares		22,799
	Forest Laboratories Inc	204 shares		12,607
	Fortune Brands Inc	117 shares		8,399
	Foundry Networks Inc			