USGS
science for a changing world

Mineral Industry Surveys

For information, contact:
James F. Carlin, Jr., Tin Commodity Specialist
U.S. Geological Survey
989 National Center
Reston, VA 20192
Telephone: (703) 648-4985, Fax: (703) 648-7757
E-mail: jcarlin@usgs.gov

Evangeline J. Hemphill (Data)
Telephone: (703) 648-7974
Fax: (703) 648-7975
E-mail: ehemphill@usgs.gov

Internet: http://minerals.usgs.gov/minerals

TIN IN JANUARY 2007

Domestic consumption of primary tin in January was estimated to be slightly above that in December 2006 and 17% below that in January 2006. Leading refined tin exporters to the United States in 2006 were, in descending order of tonnage shipped, Peru, Bolivia, Indonesia, and China.

The Platts Metals Week average composite price for tin in January 2007 was $7.13 per pound, 2% above that in December 2006 and 54% higher than that in January 2006.

The recent merger of Arcelor SA (Luxembourg, Luxembourg) and Mittal Steel Corp. (Rotterdam, Netherlands) creating Arcelor Mittal (Luxembourg, Luxembourg), the world's largest steel producer, in terms of tonnage of steel produced, created antitrust issues. The U.S. Justice Department required Mittal Steel to sell its Sparrows Point, MD, steel plant. The Sparrows Point plant is a producer of tinplate. The plant has a capacity of 3.9 million metric tons (Mt) of steel, including 500,000 metric tons (t) of tinplate (Glader, 2007).

Europe has long outranked the United States as a producer and a consumer of tin, and recently the European Union (EU) announced a new expansion. On January 1, Bulgaria and Romania became members of the EU, bringing the total number of countries to 27. The six original EU members since 1958 (Belgium, France, Germany, Italy, Luxembourg, and the Netherlands) were joined by Denmark, Ireland, and the United Kingdom in 1973; by Greece in 1981; by Portugal and Spain in 1986; by Austria, Finland and Sweden in 1995; and by 10 countries (Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia) in May 2004 (Mining Journal, 2007).

Yunnan Tin Co. (YTC) (Kunming, Yunnan, China), China's largest tin producer, announced that it expects its tin exports to continue falling this year thanks to a strengthening yuan, the cancellation of export tax rebates, and the company's growing downstream focus. YTC produced 52,000 t of refined tin in 2006; that output includes production from its affiliate, Singapore Tin Industries (STI), which produced 8,740 t of refined tin in 2006 (Metal Bulletin, 2007c).

Bluestone Tin (East Perth, Australia) completed its acquisition of nickel miner Metal Exploration Ltd. and renamed itself Metals X. The firm began trading under the new name January 9 (Metal Bulletin, 2007a).

Reports from Bolivia indicate that the Government intends to monopolize purchases of tin concentrate in the country to provide feedstock for the Vinto tin smelter it nationalized in early February. Vinto is still producing tin but at a much reduced rate, as its new Government managers undertake to understand and evaluate the operation. Industry observers believe that the Government's plan is for Vinto to buy all the tin concentrates produced in Bolivia and act as a kind of monopoly. This strategy could mean that Glencore International AG (Baar, Switzerland), which had owned the Vinto tin smelter until the nationalization, might also be stripped of the Colquiri tin mine if it fails to continue shipping tin concentrate to Vinto. Colquiri, operated by Glencore's Bolivian subsidiary Sywchi Wayra SA, supplies up to 50% of the tin concentrate processed by the Vinto smelter. Glencore acquired the mine and smelter when it purchased Cia. Minera del Sur (Comsur) in early 2005 (American Metal Market, 2007).

Indonesia, the world's second leading tin producer, continued to be roiled by a series of events that served to interrupt tin output and in turn create uncertainty among tin users that has fed the tin price spike of recent months. The islands of Bangka and Belitung, where most of Indonesia's tin production is based, are home to about 38 registered tin smelters, of which 29, including 27 privately held producers, were operational for the first 9 months of 2006. That all changed in October when the Government conducted raids on several of the smelters, arresting their owners, and charging them with operating without licences and avoiding paying royalties (Metal Bulletin, 2007b).

Update

On February 23, 2007, the Platts Metals Week composite price for tin was $8.47 per pound.

References Cited

American Metal Market, 2007, Bolivia seeks tin monopoly: American Metal Market, v. 115, no. 8, February 27, p. 7.

Glader, Paul, 2007, Mittal mill expected to draw interest: The Wall Street Journal, February 21, p. A4.
Metal Bulletin, 2007a, News: Metal Bulletin, no. 8977, January 8, p. 12.
Metal Bulletin, 2007b Trouble on tin island: Metal Bulletin, no. 8979, January 22, p. 6.
Metal Bulletin, 2007c, Yunnan Tin says exports will keep falling this year: Metal Bulletin, no. 8983, February 19, p. 12.
Mining Journal 2007, Extended family: Mining Journal, January 5, p. 2.

TABLE 1

SALIENT TIN STATISTICS[1]

(Metric tons, unless otherwise noted)

	2006[p] January-December	2006[p] December	2007 January
Production, secondary[e, 2]	10,800	900	900
Consumption:			
Primary	33,200	2,670	2,690
Secondary	8,370	686	691
Imports for consumption, metal	43,300	3,490	NA
Exports, metal	5,490	562	NA
Stocks at end of period	5,700	5,700	5,650
Prices (average cents per pound):[3]			
Metals Week composite[4]	483.04	699.98	712.88
Metals Week New York dealer	329.69	526.53	531.06
London, standard grade, cash	304.00	505.00	515.00
Kuala Lumpur	301.83	503.05	513.36

[e]Estimated. [p]Preliminary. NA Not available.

[1]Data are rounded to no more than three significant digits, except prices.

[2]Includes tin recovered from alloys and tinplate. The detinning of tinplate (coated steel) yields only a small part of the total.

[3]Source: Platts Metals Week.

[4]The Metals Week composite price is a calculated formaula, not a market price, that includes fixed and finance charges and a risk factor. It is normally substantially higher than other tin prices.

TABLE 2

METALS WEEK COMPOSITE PRICE[1]

(Cents per pound)

Period	High	Low	Average
2006, December	748.50	676.50	699.98
2007, January	773.61	655.02	712.88

[1]The Metals Week composite price is a calculated formula, not a market price, that includes fixed and finance charges and a risk factor. It is normally substantially higher than other tin prices.

Source: Platts Metals Week.

TABLE 3

TINPLATE PRODUCTION AND SHIPMENTS IN THE UNITED STATES[1]

(Metric tons, unless otherwise noted)

Period	Tinplate waste (waste, strips, cobbles, etc.) (gross weight)	Tinplate (all forms) Gross weight	Tinplate (all forms) Tin content	Tinplate (all forms) Tin per metric ton of plate (kilograms)	Tinplate (all forms) Shipments[2]
2006[p]:					
December	3,980	162,000	510	3.1	NA
Year	56,400	2,130,000	6,810	3.2	168,000
2007, January	7,920	157,000	553	3.5	NA

[p]Preliminary. NA Not available.

[1]Data are rounded to no more than three significant digits.

[2]Source: American Iron and Steel Institute monthly publication.

TABLE 4

U.S. TIN IMPORTS FOR CONSUMPTION AND EXPORTS[1]

(Metric tons)

Country or product	2005	2006 November	2006 December	2006 January-December
Imports:				
Metal (unwrought tin):				
Bolivia	5,400	527	502	8,160
Brazil	2,150	200	249	1,300
Chile	20	--	--	--
China	4,510	373	474	4,440
Hong Kong	--	--	--	99
Indonesia	5,220	674	300	4,600
Malaysia	1,530	--	--	245
Peru	18,300	2,370	1,820	21,600
Singapore	194	--	20	1,090
Thailand	45	150	--	210
United Kingdom	67	--	80	1,370
Other	90	21 r	45	139
Total	37,500	4,320	3,490	43,300
Other (gross weight):				
Alloys	7,460	285	218	6,280
Bars and rods	1,030	289	368	2,740
Foil, tubes, pipes	8	21	7	39
Plates, sheets, strip	324	27	39	287
Waste and scrap	3,530	678	381	2,490
Miscellaneous	3,310	242	229	3,460
Total	15,700	1,540	1,240	15,300
Exports (metal)	4,330	547	562	5,490

[r]Revised. -- Zero.

[1]Data are rounded to no more than three significant digits; may not add to totals shown.

Source: U.S. Census Bureau.

TABLE 5

CONSUMPTION OF TIN IN THE UNITED STATES, BY FINISHED PRODUCT[1]

(Metric tons of contained tin)

	2006						
	January	December			January 2007		
Product	December [p]	Primary	Secondary	Total	Primary	Secondary	Total
Alloys (miscellaneous)[2]	1,920	175	--	175	176	--	176
Babbitt	287	18	3	22 [r]	16	3	19
Bar tin and anodes	316	26	W	26	26	W	26
Bronze and brass	2,910	96	127	223	74	116	190
Chemicals	7,440	616	W	616	616	W	616
Collapsible tubes and foil	W	W	W	W	W	W	W
Solder	10,200	567	250	816	602	266	868
Tinning	444	34	--	34	31	--	31
Tinplate[3]	6,810	510	--	510	508	--	508
Tin powder	231	W	--	W	W	--	W
White metal[4]	26	W	--	W	W	--	W
Other	207	31	6 [r]	36 [r]	34	6	40
Total reported	30,800	2,070	386	2,460	2,090	391	2,480
Estimated undistributed consumption[5]	10,800	600	300	900	600	300	900
Grand total	41,600	2,670	686	3,360	2,690	691	3,380

[r]Revised. [p]Preliminary. W Withheld to avoid disclosing company proprietary data; included with "Other." -- Zero.

[1]Data are rounded to no more than three significant digits; may not add to totals shown.

[2]Includes terne metal.

[3]Includes secondary pig tin and tin components of tinplating chemical solutions.

[4]Includes pewter, britannia metal, and jewelers' metal.

[5]Estimated consumption of plants reporting on an annual basis.