1

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 FEBRUARY 2007

Domestic consumption of primary tin in February was estimated to be 3% above that in January 2007 and 8% below that in February 2006. Preliminary numbers for 2006 show that solder remained the leading category of consumption, followed by chemicals, tinplate, and bronze and brass.

The Platts Metals Week average composite price for tin in February 2007 was $8.01 per pound, 12% above that in January 2007, and 58% above that in February 2006.

The World Bureau of Metal Statistics (WBMS) recorded a calculated world market deficit of 3,600 metric tons (t) in the full year 2006 after allowing for reported U.S. Defense Logistics Agency (DLA) stockpile tin deliveries. Reported world production of refined tin metal declined by about 1% to 373,000 t compared with that of 2005, and DLA deliveries totaled 9,300 t, bringing total availability to 382,000 t. WBMS attributed most of the production losses to production declines in Indonesia, especially after the Indonesian Government’s clampdown on illegal tin mining at the end of 2006. WBMS calculated global tin consumption to be 386,000 t in 2006, a rise of 38,000 t compared with that in 2005. China and Japan each recorded a 16% increase, while the United States showed a 12% gain. WBMS reported tin mine production at 343,000 t, an increase of 3% compared with that of 2005, with China accounting for all of the increase (Platts Metals Week, 2007).

The U.S. Department of Justice ruled that Arcelor Mittal must sell its Sparrows Point, MD, steel plant in order for the merger of Mittal Steel Co. NV (Rotterdam, Netherlands) and Arcelor SA (Luxembourg, Luxembourg) to meet United States antitrust regulations with regard to production of tin mill products. The Department of Justice decided that the sale of the Sparrows Point plant would justify those requirements better than the sale of the Weirton, WV, steel plant. Although Arcelor-Mittal disagreed with the decision, it will proceed with the sale of the Sparrows Point facility. Both Sparrows Point and Weirton are major tin users and tinplate producers (American Metal Market, 2007c).

Corus Group Plc’s (London, England) board of directors unanimously decided to accept Tata Steel Ltd.’s (Mumbai, India) bid for the company. Both firms are major tin users and tinplate producers (American Metal Market, 2007b).

Jinchuan Group Ltd. (Jinchang, China), China’s largest nickel producer, purchased a 13% stake in Metals X Limited (East Perth, Australia) for $26 million. Metals X Limited was the new name for Bluestone Tin Limited after it acquired nickel producer Metal Exploration Corp. in January 2007. Metals X operates the 3,700-metric-ton-per-year Collingwood, Australia, tin mine, which it inherited from Bluestone. The mine, commissioned in early 2006, ships its tin concentrate output to Malaysia Smelting Corp. for processing. In response to stronger tin prices, Metals X plans to restart operations at its Renison (Tasmania, Australia) tin mine in 2007 (American Metal Market, 2007a).

Kasbah Resources Limited (West Perth, Australia), a tin and tungsten exploration company, plans to raise $8 million to fund feasibility studies on its Moroccan tenements. An initial public offering of 40 million shares was recently held. Kasbah has exclusive options to acquire two tin projects, Achmmach and El Karit, located in the Middle Atlas Mountains of Moracco. Work carried out in 2006 established an inferred mineral resource at Achmmach of 2 million metric tons grading 1% tin (CRU Week in the News, 2007).

Update

On March 30, 2007, the Platts Metals Week composite price for tin was $8.45 per pound.

References Cited

American Metal Market, 2007a, Jinchuan Group to buy 13% stake in Australia’s Metals X: American Metal Market, v. 115, no. 11, March 21, p. 13.
American Metal Market, 2007b, Tata outbids Brazil’s CSN in battle to acquire Corus: American Metal Market, v. 115, no. 4, February 1, p. 1, 2.
American Metal Market, 2007c, U.S. orders Mittal Steel to sell Sparrows Point mill: American Metal Market, v. 115, no. 7, February 21, p. 1, 4.
CRU Week in the News, 2007 (April 5), TIN: CRU. (Accessed January 4, 2007, via http://www.crumonitor.com.)
Platts Metals Week, 2007, Tin 3,600 mt in deficit in 2006; demand up 10%; WBMS: Platts Metals Week, v. 78, no. 10, March 6, p. 4.

TABLE 1

SALIENT TIN STATISTICS[1]

(Metric tons, unless otherwise noted)

	2006[p] January-December	2007 January	2007 February	2007 January-February
Production, secondary[e, 2]	10,800	900	900	1,800
Consumption:				
Primary	33,200	2,690	2,760	5,450
Secondary	8,370	691	690	1,380
Imports for consumption, metal	43,300	3,600	NA	3,600 [3]
Exports, metal	5,490	332	NA	332 [3]
Stocks at end of period	5,700	5,970	6,030	XX
Prices (average cents per pound):[4]				
Metals Week composite[5]	483.04	712.88	800.69	XX
Metals Week New York dealer	329.69	531.06	606.31	XX
London, standard grade, cash	304.00	515.00	586.10	XX
Kuala Lumpur	301.83	513.36	580.50	XX

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

[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]Includes January 2007 only; February 2007 were not available at time of publication.

[4]Source: Platts Metals Week.

[5]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.

TABLE 2

METALS WEEK COMPOSITE PRICE[1]

(Cents per pound)

Period	High	Low	Average
2006:			
December	748.50	676.50	699.98
Year	589.35	526.32	565.11
2007:			
January	773.61	655.02	712.88
February	869.47	744.44	800.69

[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	Tin content	Tin per metric ton of plate (kilograms)	Shipments[2]
2006[p]	56,400	2,130,000	6,810	3.2	168,000
2007:					
January	2,918 r	157,000	508 r	3.5	NA
February	2,918	133,000	508	3.8	NA

[p]Preliminary. [r]Revised. 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	2006 Year	2006 December	2007 January
Imports:			
Metal (unwrought tin):			
Bolivia	8,160	502	268
Brazil	1,300	249	450
Chile	20 r	--	--
China	4,440	474	186
Hong Kong	99	--	--
Indonesia	4,600	300	500
Malaysia	245	--	12
Peru	21,600	1,820	2,080
Singapore	1,090	--	--
Thailand	210	--	--
United Kingdom	1,370	80	100
Other	139	64 r	10
Total	43,300	3,490	3,600
Other (gross weight):			
Alloys	6,280	218	164
Bars and rods	2,740	368	271
Foil, tubes, pipes	39	7	--
Plates, sheets, strip	287	39	--
Waste and scrap	2,490	381	109
Miscellaneous	3,460	229	257
Total	15,300	1,240	801
Exports (metal)	5,490	562	332

[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)

Product	2006 January-December[p]	2007 January Primary	2007 January Secondary	2007 January Total	2007 February Primary	2007 February Secondary	2007 February Total	2007 January-February
Alloys (miscellaneous)[2]	1,920	176	--	176	147	--	147	323
Babbitt	287	16	3	19	18	3	22	41
Bar tin and anodes	316	26	W	26	26	W	26	52
Bronze and brass	2,910	74	116	190	64	114	179	369
Chemicals	7,440	616	W	616	616	W	616	1,230
Collapsible tubes and foil	W	W	W	W	W	W	W	W
Solder	10,200	602	266	868	598	266	865	1,730
Tinning	444	31	--	31	36	--	36	67
Tinplate[3]	6,810	508	--	508	508	--	508	1,020
Tin powder	231	W	--	W	W	--	W	W
White metal[4]	26	W	--	W	W	--	W	W
Other	207	34	6	40	147	6	153	193
Total reported	30,800	2,090	391	2,480	2,160	390	2,550	5,030
Estimated undistributed consumption[5]	10,800	600	300	900	600	300	900	1,800
Grand total	41,600	2,690	691	3,380	2,760	691	3,450	6,830

[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.