

Mineral Industry Surveys

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LEAD IN MAY 2008

Domestic mine production (recoverable) of lead in May was estimated to be 33,800 metric tons (t), according to the U.S. Geological Survey. Average daily mine production in May was estimated to be 1,090 t, slightly lower than that in April. Year-to-date mine production through May 2008 was slightly higher than that of the same period of 2007. Secondary refinery production of lead increased 5% compared with that of the previous month.

Total imports of lead for consumption through May 2008 were about 35% greater than those in the same period of 2007. The bulk of the increase was in imports of refined metal from Canada and Mexico. Canada (74%), Mexico (18%), and Peru (3%) were the principal sources of imported refined lead. Total exports of lead, exclusive of scrap, through May 2008 were about 10% lower than those through May 2007.

According to Platts Metals Week, the average North American producer price for lead in May was \$1.44 per pound, slightly lower than that of the previous month. The London Metal Exchange cash price in May averaged \$2,234 per metric ton, down about 21% from that of the previous month.

BHP Billiton Ltd. (Melbourne, Australia) reported that production of lead in concentrate at its Cannington underground silver-lead-zinc mine in northwest Queensland had increased by 34% during the 9-month period that ended in March 2008. BHP reportedly produced 198,947 t of lead in concentrate at Cannington during that time period, up from 148,405 t during the same period of the previous year. The company stated that production rates had increased owing to the completion of a rehabilitation project at the mine in January 2007 (BHP Billiton Ltd., 2008, p. 2, 13).

In Bolivia, the Government's Ministry of Mining and Metallurgy reported that mine production for several mineral commodities had increased during the first quarter of the year. Lead in concentrate production reportedly was 13,309 t in the first quarter of 2008, almost 376% higher than that in the same time period of 2007. The reported increase in lead production was due to the recent commencement of operations at a new mine in southwest Bolivia (American Metal Market, 2008).

In Greenland, Angus & Ross plc (Yorkshire, United Kingdom) announced that its wholly owned subsidiary, Black Angel Mining Ltd., was awarded a 30-year license by the government to mine lead, silver, and zinc ore from the Black Angel Mine in western Greenland. The company had conducted extensive exploration of the mineral deposits in the region over the last couple of years and had also been refurbishing the mine with the intention of restarting it by yearend 2008. The Black Angel Mine had previously operated under two different owners from 1973 through its closure in 1990. Angus & Ross had anticipated that the mine had the potential to produce up to 20,000 metric tons per year of lead in concentrate at full production (CRU Lead Monitor, 2008).

References Cited

- American Metal Market, 2008, Bolivia's mine production increases in first quarter: American Metal Market, May 23. (Accessed September 11, 2008, via <http://amm.com>.)
BHP Billiton Ltd., 2008, BHP Billiton production report for the nine months ended 31 March 2008: Melbourne, Australia, BHP Billiton Ltd. news release, April 23, 20 p.
CRU Lead Monitor, 2008, Mine news: CRU Lead Monitor, June, p. 8.

TABLE 1
SALIENT LEAD STATISTICS IN THE UNITED STATES¹

(Metric tons, lead content, unless otherwise specified)

| | 2007 | | 2008 | | |
|--|-----------|-----------------|----------------------|---------------------|----------------------|
| | Year | January- May | April | May | January- May |
| Production: | | | | | |
| Mine (recoverable) | 434,000 | 174,000 | 33,000 | 33,800 ^e | 178,000 ^e |
| Secondary refinery: | | | | | |
| Reported by smelters/refineries | 1,170,000 | 470,000 | 97,800 ^r | 103,000 | 499,000 |
| Estimated | 11,700 | 4,700 | 978 ^r | 1,030 | 4,990 |
| Recovered from copper-base scrap ^c | 15,000 | 6,250 | 1,250 | 1,250 | 6,250 |
| Total secondary | 1,200,000 | 481,000 | 100,000 ^r | 105,000 | 511,000 |
| Stocks, end of period: | | | | | |
| Secondary smelters and consumers | 63,100 | 48,100 | 50,900 ^r | 51,600 | 51,600 |
| Imports for consumption: | | | | | |
| Base bullion | 1,990 | 689 | 543 | 592 | 1,450 |
| Refined metal | 264,000 | 99,000 | 27,800 | 26,400 | 133,000 |
| Consumption: | | | | | |
| Reported | 1,500,000 | 627,000 | 132,000 | 132,000 | 657,000 |
| Undistributed ^c | 45,100 | 18,700 | 3,800 | 3,950 | 19,600 |
| Total | 1,550,000 | 646,000 | 135,000 | 135,000 | 677,000 |
| Exports: | | | | | |
| Ore and concentrate | 300,000 | 54,400 | 8,570 | 8,640 | 40,800 |
| Bullion | 170 | 72 | 167 | 121 | 358 |
| Wrought and unwrought lead | 56,400 | 21,200 | 5,160 | 5,340 | 28,100 |
| TEL/TML preparations, based on lead compounds | 2,740 | 2,470 | 190 | 83 | 1,080 |
| Exports (gross weight): Scrap | 129,000 | 41,100 | 17,100 | 9,990 | 84,200 |
| Platts Metals Week North American producer price (cents per pound) | 123.84 | 93.16 | 145.91 | 143.74 | 147.63 |

^cEstimated. ^rRevised.

¹Data are rounded to no more than three significant digits, except prices; may not add to totals shown.

TABLE 2
MONTHLY AVERAGE LEAD PRICES

| | North American producer price cents/lb | LME | | Sterling exchange rate dollars/£ |
|--------------|--|---------------|--------------|--|
| | | \$/metric ton | £/metric ton | |
| 2007: | | | | |
| May | 99.60 | 2,099.68 | 1,058.30 | 1.984000 |
| December | 160.63 | 2,595.28 | 1,287.31 | 2.016050 |
| Year | 123.84 | 2,579.02 | 1,288.41 | 2.001715 |
| 2008: | | | | |
| January | 150.03 | 2,606.85 | 1,323.11 | 1.970238 |
| February | 146.88 | 3,078.82 | 1,567.15 | 1.964600 |
| March | 146.60 | 3,007.29 | 1,502.54 | 2.001467 |
| April | 145.91 | 2,821.68 | 1,423.96 | 1.981568 |
| May | 143.74 | 2,234.06 | 1,136.94 | 1.964976 |

Source: Platts Metals Week.

TABLE 3
CONSUMPTION OF PURCHASED LEAD-BASE SCRAP¹

(Metric tons, gross weight)

| Item | Stocks | Net | Consumption | Stocks |
|-------------------------------------|-------------------|----------|-------------|-----------------|
| | April 30, 2008 | receipts | | May 31, 2008 |
| Battery-lead | 36,400 | 110,000 | 122,000 | 24,500 |
| Soft lead | W | W | W | W |
| Drosses and residues | W | W | W | W |
| Other ² | 1,700 | 7,680 | 8,360 | 1,020 |
| Total | 38,100 | 118,000 | 131,000 | 25,500 |
| Percent change from preceding month | XX | -1.9 | +26.9 | -33.0 |

W Withheld to avoid disclosing company proprietary data; included with "Other." XX Not applicable.

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

²Includes solder, common babbitt, antimonial lead, cable covering, type metals, and other lead-base scrap.

TABLE 4
LEAD, TIN, AND ANTIMONY RECOVERED FROM
LEAD-BASE SCRAP IN MAY 2008¹

(Metric tons)

| Product recovered | Secondary metal content | | |
|-----------------------|-------------------------|-----|----------|
| | Lead | Tin | Antimony |
| Soft and calcium lead | 56,700 | -- | -- |
| Remelt lead | W | -- | -- |
| Antimonial lead | 7,750 | (2) | (2) |
| Other ³ | 38,300 | (2) | (2) |
| Total lead-base | 103,000 | 136 | 260 |

W Withheld to avoid disclosing company proprietary data; included in "Other."
-- Zero.

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

²Withheld to avoid disclosing company proprietary data; included in "Total."

³Includes cable lead, lead-base babbitt, solder, type metals, and other products.

TABLE 5
CONSUMPTION OF LEAD IN THE UNITED STATES¹

(Metric tons, lead content)

| Use | 2007 | | 2008 | | |
|--|----------------------|-----------------|---------|---------|-----------------|
| | January- December | January- May | April | May | January- May |
| Metal products: | | | | | |
| Ammunition, shot and bullets | 75,400 | 33,900 | 6,570 | 6,380 | 31,800 |
| Brass and bronze, billet and ingots | 3,190 | 1,490 | 325 | 324 | 1,650 |
| Cable covering, power and communication and calking lead, building construction | 8,020 | 3,600 | 805 | 832 | 3,510 |
| Casting metals | 29,900 | 12,400 | 2,650 | 2,640 | 13,200 |
| Sheet lead, pipes, traps and other extruded products | 29,700 | 4,270 | 2,290 | 2,820 | 12,200 |
| Solder | 7,000 | 2,850 | 587 | 586 | 2,930 |
| Storage batteries, including oxides | 1,300,000 | 550,000 | 115,000 | 115,000 | 576,000 |
| Terne metal, type metal, and other metal products ² | 16,700 | 6,940 | 1,400 | 1,400 | 6,830 |
| Total metal products | 1,470,000 | 616,000 | 130,000 | 130,000 | 648,000 |
| Other oxides and miscellaneous | 28,000 | 11,700 | 1,960 | 1,470 | 9,360 |
| Total reported | 1,500,000 | 627,000 | 132,000 | 132,000 | 657,000 |
| Undistributed ^c | 45,100 | 18,700 | 3,800 | 3,950 | 19,600 |
| Grand total | 1,550,000 | 646,000 | 135,000 | 135,000 | 677,000 |

^cEstimated.

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

²Includes lead consumed in foil, collapsible tubes, annealing, plating, galvanizing, and fishing weights.

U.S. Consumption of Lead

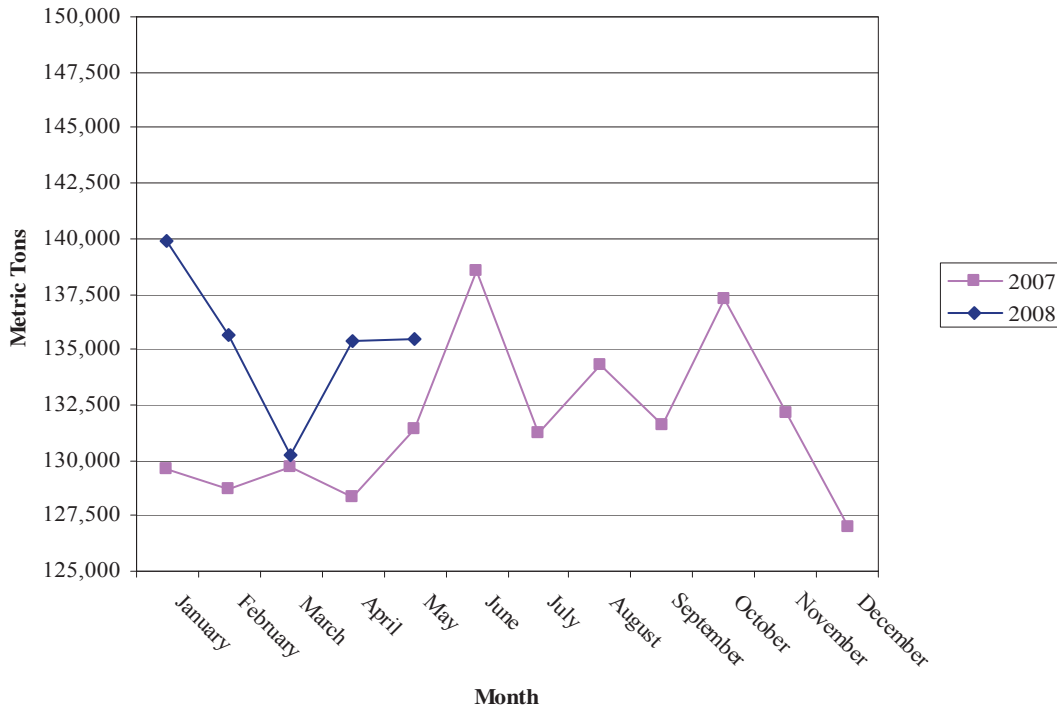


TABLE 6
CONSUMER AND SECONDARY SMELTER STOCKS, RECEIPTS, AND CONSUMPTION OF LEAD¹

(Metric tons, lead content)

| Type of material | Stocks | | Consumption | Stocks May 31, 2008 |
|-------------------|---------------------|-----------------|-------------|---------------------------|
| | April 30, 2008 | Net receipts | | |
| Soft lead | 26,500 | 71,900 | 71,600 | 26,900 |
| Antimonial lead | 16,000 ^r | 25,700 | 26,200 | 15,500 |
| Lead alloys | W | W | W | W |
| Copper-base scrap | W | W | W | W |
| Total | 50,900 ^r | 132,000 | 132,000 | 51,600 |

^rRevised. W Withheld to avoid disclosing company proprietary data; included in "Total."

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

TABLE 7
U.S. EXPORTS OF LEAD, BY CLASS¹

(Metric tons)

| | 2007 | | 2008 | | |
|--|--------|---------|--------|--------|-----------------|
| | May | Year | April | May | January- May |
| Lead content: | | | | | |
| Ore and concentrates | 12,100 | 300,000 | 8,570 | 8,640 | 40,800 |
| Bullion | 24 | 170 | 167 | 121 | 358 |
| Materials excluding scrap | 4,300 | 56,400 | 5,160 | 5,340 | 28,100 |
| TEL/TML preparations, based on lead compounds | 51 | 2,740 | 190 | 83 | 1,080 |
| Total | 16,500 | 359,000 | 14,100 | 14,200 | 70,300 |
| Gross weight: Scrap | 9,400 | 129,000 | 17,100 | 9,990 | 84,200 |

¹Data are rounded to more than three significant digits; may not add to totals shown.

Source: U.S. Census Bureau.

TABLE 8
U.S. IMPORTS OF LEAD BY TYPE OF MATERIALS AND BY COUNTRY OF ORIGIN¹

(Metric tons, lead content)

| Country of origin | General imports | | | | | Imports for consumption | | | | |
|-------------------|-----------------|-----------------|--------|--------|-----------------|-------------------------|-----------------|--------|--------|-----------------|
| | 2007 | | 2008 | | | 2007 | | 2008 | | |
| | Year | January- May | April | May | January- May | Year | January- May | April | May | January- May |
| Ore, matte, etc.: | | | | | | | | | | |
| Canada | -- | -- | -- | -- | 41 | -- | -- | -- | -- | 41 |
| Mexico | -- | -- | 199 | -- | 206 | -- | -- | 199 | -- | 206 |
| Total | -- | -- | 199 | -- | 247 | -- | -- | 199 | -- | 247 |
| Base bullion: | | | | | | | | | | |
| Colombia | 1,860 | -- | 44 | 159 | 360 | 1,860 | -- | 44 | 159 | 360 |
| Mexico | -- | -- | 499 | 434 | 1,070 | -- | -- | 499 | 434 | 1,070 |
| Other | 127 | 689 | -- | -- | 20 | 127 | 689 | -- | -- | 20 |
| Total | 1,990 | 689 | 543 | 592 | 1,450 | 1,990 | 689 | 543 | 592 | 1,450 |
| Pigs and bars: | | | | | | | | | | |
| Canada | 208,000 | 82,700 | 18,100 | 18,700 | 99,300 | 208,000 | 82,700 | 18,100 | 18,700 | 99,300 |
| Mexico | 35,600 | 10,500 | 5,800 | 6,220 | 23,700 | 35,600 | 10,500 | 5,800 | 6,220 | 23,700 |
| Peru | 16,500 | 5,570 | 1,980 | -- | 4,620 | 16,500 | 5,570 | 1,980 | -- | 4,620 |
| Other | 3,860 | 257 | 1,890 | 1,410 | 5,350 | 3,860 | 257 | 1,890 | 1,410 | 5,350 |
| Total | 264,000 | 99,000 | 27,800 | 26,400 | 133,000 | 264,000 | 99,000 | 27,800 | 26,400 | 133,000 |
| Grand total | 266,000 | 99,700 | 28,500 | 26,900 | 135,000 | 266,000 | 99,700 | 28,500 | 26,900 | 135,000 |

-- Zero.

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

Source: U.S. Census Bureau.