

Mineral Industry Surveys

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LEAD IN NOVEMBER 2008

Domestic mine production (recoverable) of lead in November was estimated to be 29,100 metric tons (t), according to the U.S. Geological Survey. Average daily mine production in November was 970 t, about 3% greater than that in October. Year-to-date mine production through November 2008 was about 6% lower than that of the same period of 2007. Secondary refinery production of lead increased by about 22% compared with that of the previous month.

Total imports of lead for consumption through October 2008 were about 24% greater than those in the same period of 2007. Canada (70%), Mexico (18%), and Peru (3%) were the principal sources of imported refined lead during the first 10 months of the year. Total exports of lead, exclusive of scrap, through October 2008 were essentially unchanged from those through October 2007.

Lead prices continued to decline in November. According to Platts Metals Week, the average North American producer price for lead in November was \$0.85 per pound, down about 17% from that of the previous month and 48% lower than that in November 2007. The London Metal Exchange (LME) cash price in November averaged \$1,290 per metric ton, down nearly 13% from that of the previous month and more than 61% lower than that in November 2007. During November 2008, global LME lead stocks declined by 6,550 t to 41,600 t.

In mid-November, Lundin Mining Corp. (Toronto, Ontario, Canada) announced that it was putting its Aljustrel zinc-lead mine in Portugal on care-and-maintenance status owing to low zinc prices. The LME cash price for zinc had declined more than 50% since the December 2007 restart of the mine. Lundin was expecting the mine to produce 80,000 metric tons per year

(t/yr) of contained zinc in concentrates and 17,000 t/yr of contained lead in concentrates (Lundin Mining Corp., 2008).

CBH Resources Ltd. (Sydney, New South Wales, Australia) implemented changes to the operating plan at its Endeavor Mine in response to the decline in zinc prices. The company was planning to reduce ore production at the mine by more than 55% to 420,000 t from 940,000 t by yearend 2010. The workforce at the mine was also to be reduced by 50% during that time period. The planned production of lead in concentrate at the Endeavor Mine for the 2008-09 financial year was cut by nearly 33% to 38,700 t from 57,500 t (CBH Resources Ltd., 2008).

In China, Lingbao Xinling Lead Industry Co., Ltd. (Henan Province) decreased production of refined lead by about 60% at its smelter in Lingbao City. According to the company, the decision to cut production was based on weakened demand for refined lead from the lead-acid battery industry and the decline in lead prices over the past year. The smelter, commissioned in 2005, had a refined lead production capacity of 100,000 t/yr (Beijing Antaike Information Development Co., Ltd., 2008).

References Cited

- Beijing Antaike Information Development Co., Ltd., 2008, Henan Xinling Lead cuts production by 60%: China Metal Market—Lead, Zinc & Tin Monthly, no. 144, December, p. 14-15.
- CBH Resources Ltd., 2008, Further changes to operating plan at Endeavor Mine: Sydney, New South Wales, Australia, CBH Resources Ltd. news release, November 7, 1 p.
- Lundin Mining Corp., 2008, Lundin Mining provides Aljustrel and Neves-Corvo operations update: Toronto, Ontario, Canada, Lundin Mining Corp. news release, November 13, 3 p.

TABLE 1
SALIENT LEAD STATISTICS IN THE UNITED STATES¹

(Metric tons, lead content, unless otherwise specified)

	2007		2008		
	Year	January- November	October	November	January- November
Production:					
Mine (recoverable)	434,000	397,000	29,100 ^r	29,100 ^e	374,000 ^e
Secondary refinery:					
Reported by smelters/refineries	1,170,000	1,080,000	97,900	102,000	1,080,000
Estimated	11,700	10,800	979	1,020	12,700
Recovered from copper-base scrap ^e	15,000	13,800	1,250	1,250	13,800
Total secondary	1,200,000	1,100,000	100,000	122,000	1,100,000
Stocks, end of period, consumers and secondary smelters	63,100	59,100	55,500 ^r	69,100	69,100
Imports for consumption:					
Base bullion	1,990	1,670	249	NA	2,640 ²
Refined metal	264,000	242,000	30,800	NA	269,000 ²
Consumption:					
Reported	1,500,000	1,410,000	132,000 ^r	123,000	1,440,000
Undistributed ^e	45,100	42,300	3,960 ^r	3,690	41,700
Total	1,550,000	1,450,000	136,000 ^r	127,000	1,480,000
Exports:					
Ore and concentrate	300,000	281,000	42,000	NA	244,000 ²
Bullion	170	147	2	NA	562 ²
Wrought and unwrought lead	56,400	50,300	7,300	NA	59,600 ²
TEL/TML preparations, based on lead compounds	2,740	2,670	47	NA	1,960 ²
Exports (gross weight), scrap	129,000	114,000	12,800	NA	149,000 ²
Platts Metals Week North American producer price (cents per pound)	123.84	120.49	102.54	84.99	123.86

^eEstimated. ^rRevised. NA Not available.

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

²Includes data for January-October only; November data were not available at time of publication.

TABLE 2
MONTHLY AVERAGE LEAD PRICES

	North American producer price cents/lb	LME		Sterling exchange rate dollars/£
		\$/metric ton	£/metric ton	
2007:				
November	163.42	3,327.01	1,606.69	2.070720
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
June	115.21	1,862.33	947.05	1.966448
July	109.02	1,944.16	977.54	1.988827
August	108.84	1,922.60	1,019.13	1.886514
September	108.66	1,867.68	1,039.16	1.797305
October	102.54	1,478.94	876.59	1.687155
November	84.99	1,290.23	841.81	1.532678

Source: Platts Metals Week.

TABLE 3
CONSUMPTION OF PURCHASED LEAD-BASE SCRAP¹

(Metric tons, gross weight)

Item	Stocks	Net	Consumption	Stocks
	October 31, 2008	receipts		November 30, 2008
Battery-lead	29,600 ^r	80,100	89,700	20,000
Soft lead	W	W	W	W
Drosses and residues	W	W	W	W
Other ²	2,630 ^r	7,540	7,590	2,590
Total	32,300 ^r	87,600	97,300	22,600
Percent change from preceding month	XX	-21.3	-13.5	-30.0

¹Revised. 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 NOVEMBER¹

(Metric tons)

Product recovered	Secondary metal content		
	Lead	Tin	Antimony
Soft and calcium lead	56,000	--	--
Remelt lead	W	--	--
Antimonial lead	10,100	(2)	(2)
Other ³	36,000	(2)	(2)
Total lead-base	102,000	139	286

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- November
	Year	January- November	October	November	
Metal products:					
Ammunition, shot and bullets	75,400	70,100	6,820	4,890	69,800
Brass and bronze, billet and ingots	3,190	3,870	323	323	3,580
Cable covering, power and communication and cabling lead, building construction	8,020	6,440	443	385	6,910
Casting metals	29,900	27,400	2,640	2,640	29,100
Sheet lead, pipes, traps and other extruded products	29,700	8,450	2,240	2,190	25,700
Solder	7,000	6,260	587	587	6,450
Storage batteries, including oxides	1,300,000	1,250,000	116,000 ^r	108,000	1,260,000
Terne metal, type metal, and other metal products ²	16,700	15,200	1,400	1,400	16,000
Total metal products	1,470,000	1,390,000	130,000^r	121,000	1,410,000
Other oxides and miscellaneous	28,000	25,600	1,960	2,190	21,000
Total reported	1,500,000	1,410,000	132,000^r	123,000	1,440,000
Undistributed ^c	45,100	42,300	3,960 ^r	3,690	41,700
Grand total	1,550,000	1,450,000	136,000^r	127,000	1,480,000

^cEstimated. ^rRevised.

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.

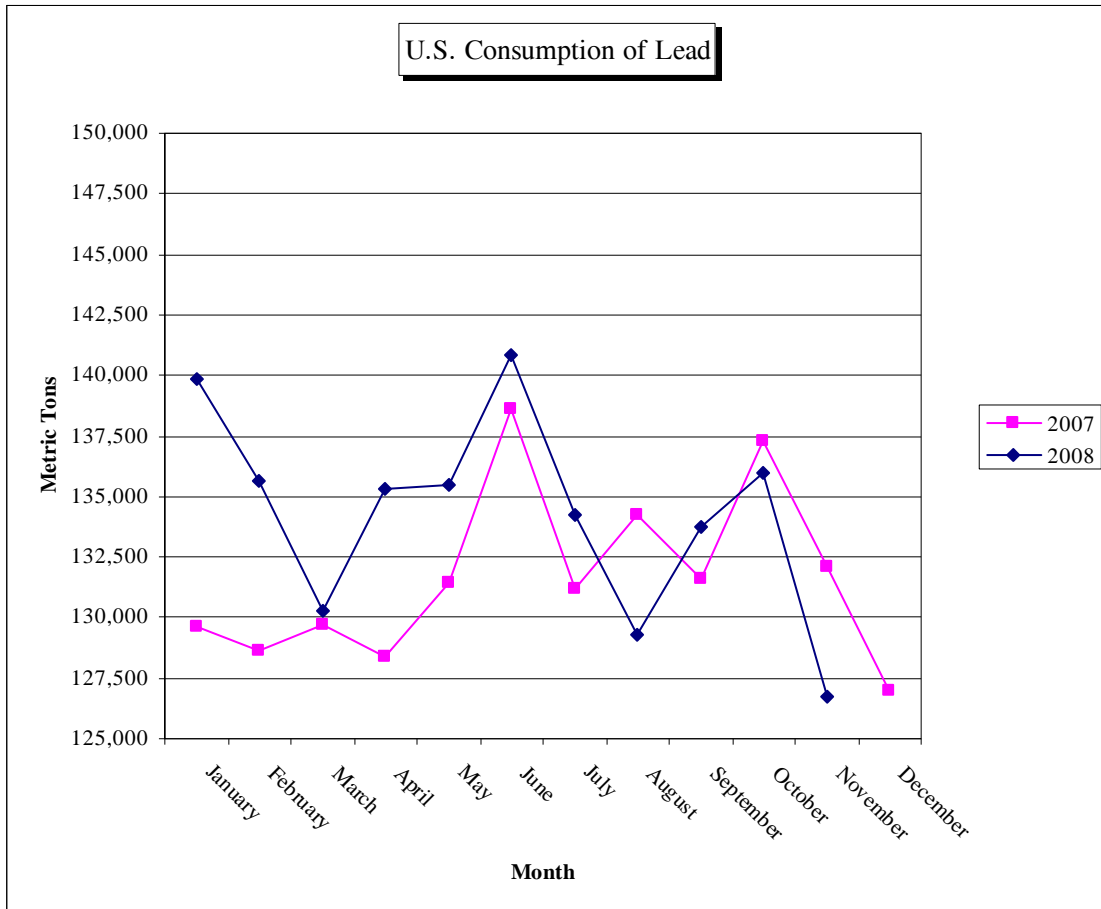


TABLE 6
CONSUMER AND SECONDARY SMELTER STOCKS, RECEIPTS, AND CONSUMPTION OF LEAD¹

(Metric tons, lead content)

Type of material	Stocks		Net receipts	Consumption	Stocks
	October 31, 2008	November 30, 2008			
Soft lead	29,900 ^r	74,100	68,400	35,600	
Antimonial lead	16,300 ^r	25,700	23,000	18,900	
Lead alloys	W	W	W	W	
Copper-base scrap	W	W	W	W	
Total	55,500 ^r	137,000	123,000	69,100	

^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		
	October	Year	September	October	January-October
Lead content:					
Ore and concentrates	39,700	300,000	60,100	42,000	244,000
Bullion	--	170	6	2	562
Materials excluding scrap	6,220	56,400	6,230	7,300	59,600
TEL/TML preparations, based on lead compounds	17	2,740	240	47	1,960
Total	45,900	359,000	66,600	49,400	307,000
Gross weight, scrap	17,200	129,000	14,900	12,800	149,000

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- October	September	October	January- October	Year	January- October	September	October	January- October
Ore, matte, etc.:										
Canada	--	--	--	--	41	--	--	--	--	41
Mexico	--	--	98	--	451	--	--	98	--	451
Total	--	--	98	--	492	--	--	98	--	492
Base bullion:										
Colombia	1,860	--	--	--	--	1,860	--	--	--	--
Mexico	--	--	346	249	1,940	--	--	346	249	1,940
Other	127	1,410	58	--	694	127	1,410	58	--	694
Total	1,990	1,410	405	249	2,640	1,990	1,410	405	249	2,640
Pigs and bars:										
Canada	208,000	176,000	18,700	21,000	189,000	208,000	176,000	18,700	21,000	189,000
Mexico	35,600	27,200	5,330	5,170	49,500	35,600	27,200	5,330	5,170	49,500
Peru	16,500	14,500	873	1,120	9,090	16,500	14,500	873	1,120	9,090
Other	3,860	623	3,230	3,450	21,600	3,860	623	3,230	3,450	21,600
Total	264,000	219,000	28,100	30,800	269,000	264,000	219,000	28,100	30,800	269,000
Grand total	266,000	220,000	28,600	31,000	272,000	266,000	220,000	28,600	31,000	272,000

-- Zero.

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

Source: U.S. Census Bureau.