

Mineral Industry Surveys

For information, contact:

John D. Jorgenson, Iron Ore Commodity Specialist
U.S. Geological Survey
989 National Center
Reston, VA 20192
Telephone: (703) 648-4912, Fax: (703) 648-7757
E-mail: jjorgenson@usgs.gov

Ram C. Khatri (Data)
Telephone: (703) 648-7996
Fax: (703) 648-7792
E-mail: rkhatri@usgs.gov

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

IRON ORE IN APRIL 2008

U.S. mine production of iron ore in April 2008, on a daily average basis, was 11% less than that for the prior month, according to the U.S. Geological Survey (USGS). Average daily production, at 138,000 metric tons (t), was 17,000 t less than that of March 2008.

Average daily shipments in April 2008, at 174,000 t, were 103,000 t greater than those of March. Mine stocks at the end of April 2008 were 1.1 million metric tons (Mt) less than stocks held on March 31, a 9% decrease. U.S. net exports of iron ore in March 2008 were 30,000 t, 11% greater than imports.

Prices.—The April 1 deadline passed without resolution of the price negotiations between Australian producers and Asian buyers. The chairman of the China Metallurgical Mines Association indicated that China would not be able to accept a transportation premium that would raise the benchmark price already accepted by Companhia Vale do Rio Doce (Vale) of Rio de Janeiro, Brazil. BHP Billiton Limited and Rio Tinto plc were holding out for higher contract prices in view of the strongly increased spot-over-contract price margins. Vale had already settled for a 65% increase for Southern System fines and a 71% increase for their Carajás fines (Li, 2008; Wilson, 2008).

the signing of a 5-year contract with China Kingdom International Minerals & Metals Co., Ltd. to supply 2 million metric tons per year of run-of-mine iron ore. Pricing is fixed through March 2009 and will adjust for future annual periods based on the world benchmark iron ore price. Palladon anticipated shipments to begin in the third quarter of 2008. Palladon was finalizing plans for operation startup at Iron Mountain in Utah (Palladon Ventures Ltd., 2008; Skillings Mining Review, 2008).

References Cited

- Li, Hongmei, 2008, 'Obvious' Baosteel won't back down on fob settlement: Metal Bulletin, no. 9041, April 7, p. 26.
- Palladon Ventures Ltd., 2008, Palladon signs long-term iron ore sales agreement: Salt Lake City, Utah, Palladon Ventures Ltd., press release, April 1, 1 p. (Accessed November 20, 2008, via <http://www.palladonmining.com>.)
- Skillings Mining Review, 2008, Utah iron miner signs with Chinese importer: Skillings Mining Review, v. 97, no. 5, May, p. 19.
- Wilson, Alex, 2008, Iron-ore price talks drag on: Wall Street Journal, April 2, p. B4.

Domestic Production.—Palladon Ventures Ltd. announced

TABLE 1
U.S. PRODUCTION AND SHIPMENTS OF IRON ORE^{1, 2}
(Exclusive of ore containing 5% or more of manganese)

(Thousand metric tons)

Period	Production		Shipments	
	Monthly	Year to date	Monthly	Year to date
2007:				
April	4,330	15,700	5,150	10,600
May	4,740	20,500	5,450	16,100
June	4,610	25,100	5,120	21,200
July	4,690	29,800	5,210	26,400
August	4,450	34,200	5,090	31,500
September	4,350	38,600	5,100	36,600
October	4,820	43,400	5,130	41,700
November	4,280	47,700	4,830	46,600
December	4,320	52,000	4,960	51,500
2008:				
January	4,170	4,170	3,730	3,730
February	3,990	8,160	1,090	4,830
March	4,780	12,900	2,190	7,020
April	4,130	17,100	5,220	12,200

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

²Excludes byproduct ores.

TABLE 2
U.S. PRODUCTION, SHIPMENTS, AND STOCKS OF IRON ORE IN APRIL^{1, 2}

(Thousand metric tons)

State	Production		Shipments ³		Stocks ⁴	
	2008	2007	2008	2007	2008	2007
Michigan	1,100	1,210	948	1,010	3,140	2,710
Minnesota	3,020	3,120	4,270	4,130	8,180	8,280
Total	4,130	4,330	5,220	5,150	11,300	11,000

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

²Excludes byproduct ore.

³Includes rail and vessel.

⁴Includes usable (marketable) material at mines, concentrators, pelletizing plants, and loading docks. Excludes stocks of crude ore at mine and concentrates at agglomerating complexes.

TABLE 3
CANADA: SHIPMENTS OF IRON ORE^{1,2}

(Thousand dry metric tons)

Period	Newfoundland and Labrador	Quebec	British Columbia	Total
2007:				
March	1,030	867	8	1,910
April	1,210	1,450	5	2,660
May	1,720	1,650	8	3,380
June	1,650	1,310	7	2,960
July	2,070	1,340	7	3,420
August	2,150	1,150	6	3,310
September	1,410	1,400	6	2,820
October	1,860	1,600	6	3,460
November	2,110	1,470	7	3,590
December	1,180	1,450	5	2,640
Year total	17,900	14,900	75	32,800
2008:				
January	1,210	816	6	2,030
February	1,120	833	4	1,950
March	1,140	855	4	2,000

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

²Includes production from steel plant waste oxides.

Source: Natural Resources Canada.

TABLE 4
PRODUCTION OF PIG IRON AND RAW STEEL IN THE UNITED STATES, BY TYPE OF
FURNACE¹

(Thousand metric tons)

Period	Pig iron production, blast furnace		Raw steel production			
	Monthly	Year to date	Basic oxygen furnace ²		Electric furnace	
	Monthly	Year to date	Monthly	Year to date	Monthly	Year to date
2007:						
February	2,610	5,450	2,940	6,040	4,690	9,140
March	3,040	8,490	3,450	9,490	4,880	14,000
April	3,010	11,500	3,370	12,900	4,840	18,900
May	3,130	14,600	3,530	16,400	5,000	23,900
June	3,120	17,800	3,470	19,900	4,770	28,600
July	3,080	20,800	3,420	23,300	4,860	33,500
August	3,010	23,800	3,370	26,600	4,970	38,400
September	3,010	26,900	3,370	30,000	4,600	43,000
October	3,200	30,100	3,540	33,500	4,940	48,000
November	2,940	33,000	3,280	36,800	4,920	52,900
December	3,160	36,200	3,550	40,400	4,900	57,800
2008:						
January	2,900	2,900	3,550	3,550	5,100	5,100
February	3,110	6,010	3,470	7,020	4,750	9,850
March	3,280	9,290	3,700	10,700	4,900	14,800

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

²Raw steel production figures for the basic oxygen process are usually greater than the corresponding pig iron production figures because scrap is routinely melted in the basic oxygen furnace together with the molten pig iron.

Source: American Iron and Steel Institute.

TABLE 5
U.S. EXPORTS OF IRON ORE, BY COUNTRY OF DESTINATION AND TYPE^{1,2}

(Thousand metric tons)

Country of destination and type of product	2007		2008			
	4th quarter	Total	January	February	March	1st quarter
Algeria	25	570	--	--	--	--
Belgium	--	--	--	--	56	57
Canada	2,190	7,340	1,110	138	206	1,450
China	81	1,130	7	12	4	23
Colombia	(3)	7	1	(3)	--	1
Japan	7	7	--	--	--	--
Malaysia	--	--	--	--	24	24
Mexico	82	148	38	28	(3)	66
Peru	(3)	5	--	--	--	--
Romania	--	87	--	--	--	--
Sweden	--	2	--	1	--	1
Other	1	8	(3)	3	3	6
Total	2,390	9,310	1,160	182	293	1,630
Pellets	2,340	9,170	1,150	174	238	1,570
Concentrates	9	51	4	5	12	21
Briquettes	1	1	--	--	16	16
Sinter	21	22	--	(3)	--	(3)
Direct shipping ores - coarse	2	6	1	1	1	3
Direct shipping ores - fines	5	51	(3)	2	27	29
Roasted pyrites	10	11	--	--	--	--
Total	2,390	9,310	1,160	182	293	1,630

-- Zero.

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

²Includes agglomerates.

³Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 6
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE, BY COUNTRY AND TYPE^{1,2}
(Exclusive of ore containing 20% or more manganese)

Country of origin and type of product	2008					2007
	March		Year to date			January-March
	Thousand metric tons	Value ³ (thousand dollars)	Thousand metric tons	Value ³ (thousand dollars)	Value ³ (dollars per ton)	Thousand metric tons
Brazil	141	8,570	493	29,200	59.27	689
Canada	26	1,860	417	30,500	72.95	346
Chile	44	2,740	89	5,340	60.13	133
Finland	--	--	3	106	39.26	--
Mexico	25	1,650	25	1,650	65.94	4
Norway	--	--	--	--	--	8
Peru	--	--	18	774	42.29	1
Sweden	(4)	6	2	28	18.00	57
United Kingdom	--	--	--	--	--	(4)
Venezuela	25	1,630	25	1,630	65.00	--
Total	263	16,500	1,070	69,200	64.56	1,240
Concentrates	70	4,390	114	7,000	61.45	166
Coarse ores	--	--	--	--	--	82
Fine ores	73	3,880	279	14,400	51.69	220
Pellets	120	8,190	675	47,600	70.53	765
Other agglomerates	--	--	--	--	--	4
Roasted pyrites	--	--	4	145	41.28	1
Total	263	16,500	1,070	69,200	64.56	1,240

-- Zero.

¹Data, with the exception of the dollars per ton column, are rounded to no more than three significant digits; may not add to totals shown.

²Includes agglomerates.

³Customs value. Excludes international freight and insurance charges.

⁴Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 7
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE IN MARCH 2008^{1,2}
(Exclusive of ore containing 20% or more manganese)

(Thousand metric tons)

Country of origin	Type of product						Total
	Concentrates	Coarse ores	Fine ores	Pellets	Briquettes and other agglomerates	Roasted pyrites	
Brazil	--	--	73	68	--	--	141
Canada	--	--	--	26	--	--	26
Chile	44	--	--	--	--	--	44
Mexico	25	--	--	--	--	--	25
Sweden	--	--	(3)	--	--	--	(3)
Venezuela	--	--	--	25	--	--	25
Total	70	--	73	120	--	--	263

-- Zero.

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

²Includes agglomerates.

³Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 8
U.S. IMPORTS FOR CONSUMPTION OF PELLETS, BY COUNTRY¹

Country of origin	2008					2007
	March		Year to date			January-March Thousand metric tons
	Thousand metric tons	Value ² (thousand dollars)	Thousand metric tons	Value ² (thousand dollars)	Value ² (dollars per ton)	
Brazil	68	4,700	215	14,800	68.82	477
Canada	26	1,860	417	30,500	73.02	264
Peru	--	--	18	736	40.89	--
Sweden	--	--	--	--	--	24
Venezuela	25	1,630	25	1,630	65.12	--
Total	120	8,190	675	47,600	70.53	765

-- Zero.

¹Data, with the exception of the dollars per ton column, are rounded to no more than three significant digits; may not add to totals shown.

²Customs value. Excludes international freight and insurance charges.

Source: U.S. Census Bureau.

TABLE 9
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE,
BY CUSTOMS DISTRICT^{1,2}
(Exclusive of ore containing 20% or more manganese)

(Thousand metric tons)

Customs district (code no.)	March	January-March	
	2008	2008	2007
Baltimore, MD (13)	73	598	282
Charleston, SC (16)	(3)	1	2
Chicago, IL (39)	--	45	109
Cleveland, OH (41)	26	53	166
Houston-Galveston, TX (53)	--	--	38
Mobile, AL (19)	--	18	33
New Orleans, LA (20)	163	354	572
New York City, NY (10)	--	1	--
Nogales, AZ (26)	--	--	4
Ogdensburg, NY (07)	--	(3)	--
Philadelphia, PA (11)	--	3	--
Port Arthur, TX (21)	--	--	24
Providence, RI (05)	--	--	8
Total	263	1,070	1,240

-- Zero.

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

²Includes agglomerates.

³Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 10
U.S. IMPORTS FOR CONSUMPTION OF PELLETS,
BY CUSTOMS DISTRICT¹

(Thousand metric tons)

Customs district (code no.)	March	January-March	
	2008	2008	2007
Baltimore, MD (13)	--	320	71
Chicago, IL (39)	--	45	28
Cleveland, OH (41)	26	53	166
Houston-Galveston, TX (53)	--	--	38
Mobile, AL (19)	--	18	--
New Orleans, LA (20)	93	240	439
Port Arthur, TX (21)	--	--	24
Total	120	675	765

-- Zero.

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

Source: U.S. Census Bureau.