

Mineral Industry Surveys

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IRON ORE IN AUGUST 2008

U.S. mine production of iron ore in August 2008, on a daily average basis, was slightly less than that for the prior month, according to the U.S. Geological Survey (USGS). Average daily production, at 156,000 metric tons (t), was 3,900 t less than that of July 2008.

Average daily shipments in August 2008, at 197,000 t, were 2,000 t less than those of July. Mine stocks at the end of August 2008 were 1.26 million metric tons (Mt) less than stocks held on July 31, a 15% decrease. U.S. net exports of iron ore in July 2008 were 373,000 t, with exports 37% greater than imports.

Domestic Production.—Palladon Iron Corp., a subsidiary of Palladon Ventures Ltd. (Salt Lake City, UT), initiated operations at its Iron Mountain facility near Cedar City, UT. Palladon has established on-site crushing facilities and begun to reestablish its rail network. First shipments from the facility were planned for later in the third quarter (Palladon Ventures Ltd., 2008).

Exploration and Development.—ArcelorMittal (Luxembourg) announced plans to invest more than \$1 billion in Brazilian iron ore and port assets. London Mining sold its Brazilian iron ore mine in Minas Gerais State to ArcelorMittal for \$809.9 million. The mine, purchased in 2007 for \$89 million and put into production for an additional capital expenditure of \$30 million, was producing 1.4 million metric tons per year (Mt/yr). Investments by ArcelorMittal were expected to bring the mine and sinter feed plant production up to 3.2 Mt/yr by

owned by Adriana Resources Inc. (Canada) for \$40.5 million, which will allow them to further expand mine facilities (Metal Bulletin, 2008).

Mergers and Acquisitions.—Swiss-based Ferroexpo plc planned to open its iron ore assets in Ukraine to joint venture ownership, with a number of resource companies performing due diligence studies in anticipation of a possible investment in operations. Ferroexpo's goal was to sell about 50% of the 3 billion metric tons of 32% iron content resources held in the Yeristovskoye and Belanovskoye deposits. The Yeristovskoye Mine project is the most advanced, with first production planned for 2010 and full production of 28 Mt/yr by 2014. The prefeasibility study for the Belanovskoye deposit was in progress, with production planned to begin in 2015 (Marais, 2008).

References Cited

- Marais, Jana, 2008, Ferroexpo's Ukrainian iron ore assets attracting suitors: London, United Kingdom, Metal Bulletin, no. 9062, September 1, p. 15.
Metal Bulletin, 2008, ArcelorMittal increases investments in Brazil: London, United Kingdom, Metal Bulletin, no. 9061, August 25, p. 15.
Palladon Ventures Ltd., 2008, Palladon announces Annual General Meeting and start-up of operations at Iron Mountain: Salt Lake City, UT, Palladon Ventures Ltd. press release, August 6, 1 p. (Accessed February 12, 2009, via <http://www.palladonventures.com>.)

2009. ArcelorMittal also purchased 80% of a Brazilian port

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:				
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
May	4,860	21,900	6,230	18,500
June	4,870	26,800	5,450	23,900
July	4,960	31,800	6,160	30,100
August	4,840	36,600	6,100	36,200

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 AUGUST^{1,2}

(Thousand metric tons)

State	Production		Shipments ³		Stocks ⁴	
	2008	2007	2008	2007	2008	2007
Michigan	1,130	1,070	1,400	876	2,840	3,310
Minnesota	3,710	3,380	4,690	4,220	4,070	5,380
Total	4,840	4,450	6,100	5,090	6,910	8,700

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:					
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
April	1,680	984	4		2,670
May	2,670	1,330	7		4,010
June	1,580	1,380	8		2,970
July	1,820	1,370	8		3,200

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
2007:						
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
April	3,240	12,500	3,560	14,300	4,820	19,600
May	3,210	15,700	3,650	17,900	5,080	24,700
June	3,020	18,800	3,450	21,400	4,930	29,600
July	3,090	21,800	3,460	24,800	5,060	34,600

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		
		1st quarter	2nd quarter	July
Algeria	570	--	28	52
Belgium	--	57	161	--
Canada	7,340	1,460	2,290	1,200
China	1,130	23	7	--
Colombia	7	1	3	1
Czech Republic	--	--	83	--
Germany	--	--	79	--
Japan	7	--	--	--
Malaysia	--	24	--	--
Mexico	148	66	101	23
Peru	5	--	--	--
Poland	--	--	--	50
Romania	87	--	76	52
Slovakia	--	--	50	--
Spain	--	--	77	--
Sweden	2	1	--	2
Other	8	3	9	3
Total	9,310	1,630	2,960	1,380
Pellets	9,170	1,570	2,910	1,350
Concentrates	51	21	39	13
Briquettes	1	16	--	--
Sinter	22	(3)	--	--
Direct shipping ores - coarse	6	3	14	1
Direct shipping ores - fines	51	28	3	10
Roasted pyrites	11	--	--	(3)
Total	9,310	1,630	2,960	1,380

-- 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
	July		Year to date ³			January-July
	Thousand metric tons	Value ⁴ (thousand dollars)	Thousand metric tons	Value ⁴ (thousand dollars)	Value ⁴ (dollars per ton)	Thousand metric tons
Brazil	315	31,400	1,570	126,000	80.34	1,610
Canada	608	67,800	3,210	319,000	99.25	2,670
Chile	--	--	129	7,710	59.95	232
China	7	120	7	141	20.13	--
Finland	3	127	6	233	41.84	5
Greenland	--	--	--	--	--	(5)
Japan	--	--	(5)	7	793.89	--
Mexico	--	--	25	1,650	65.94	29
Netherlands	--	--	1	22	18.00	--
Norway	--	--	--	--	--	8
Peru	1	63	38	2,090	54.74	90
Sweden	2	38	46	1,950	42.27	70
Switzerland	70	5,410	70	5,410	77.72	--
United Kingdom	--	--	--	--	--	(5)
Venezuela	--	--	48	2,990	62.62	--
Total	1,010	105,000	5,150	467,000	90.70	4,720
Concentrates	63	3,350	575	33,700	58.67	563
Coarse ores	--	--	37	1,800	48.08	95
Fine ores	243	19,400	1,050	74,300	70.84	843
Pellets	695	82,000	3,480	357,000	102.57	3,200
Other agglomerates	--	--	--	--	--	10
Roasted pyrites	4	190	10	456	45.01	7
Total	1,010	105,000	5,150	467,000	90.70	4,720

-- 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.

³Includes revisions to previous months' data.

⁴Customs value. Excludes international freight and insurance charges.

⁵Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 7
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE IN JULY 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	33	--	137	144	--	--	315
Canada	29	--	28	551	--	--	608
China	--	--	7	--	--	--	7
Finland	--	--	--	--	--	3	3
Peru	--	--	--	--	--	1	1
Sweden	--	--	2	--	--	--	2
Switzerland	--	--	70	--	--	--	70
Total	63	--	243	695	--	4	1,010

-- Zero.

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

²Includes agglomerates.

Source: U.S. Census Bureau.

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

Country of origin	2008					2007
	July		Year to date			January-July
	Thousand metric tons	Value ² (thousand dollars)	Thousand metric tons	Value ² (thousand dollars)	Value ² (dollars per ton)	Thousand metric tons
Brazil	144	18,300	529	54,500	103.15	857
Canada	551	63,700	2,880	298,000	103.49	2,300
Mexico	--	--	--	--	--	19
Peru	--	--	18	736	42.03	9
Sweden	--	--	--	--	--	24
Venezuela	--	--	48	2,990	62.62	--
Total	695	82,000	3,480	357,000	102.57	3,200

-- 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.)	July	January-July	
	2008	2008	2007
Baltimore, MD (13)	353	2,230	1,420
Charleston, SC (16)	8	14	2
Chicago, IL (39)	113	459	469
Cleveland, OH (41)	381	1,560	1,570
Detroit, MI (38)	--	--	- ³
Houston-Galveston, TX (53)	--	30	38
Mobile, AL (19)	--	50	33
New Orleans, LA (20)	144	790	1,130
New York City, NY (10)	--	1	--
Nogales, AZ (26)	--	--	10
Norfolk, VA (14)	2	2	--
Ogdensburg, NY (07)	1	4	--
Philadelphia, PA (11)	3	6	5
Port Arthur, TX (21)	--	--	24
Providence, RI (05)	--	--	8
Savannah, GA (17)	--	--	(³)
Tampa, FL (18)	--	--	13
Total	1,010	5,150	4,720

-- 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.)	July	January-July	
	2008	2008	2007
Baltimore, MD (13)	146	1,180	613
Chicago, IL (39)	51	174	165
Cleveland, OH (41)	355	1,530	1,540
Detroit, MI (38)	--	--	(2)
Houston - Galveston, TX (53)	--	30	38
Mobile, AL (19)	--	18	--
New Orleans, LA (20)	144	547	820
Port Arthur, TX (21)	--	--	24
Total	695	3,480	3,200

-- Zero.

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

²Less than ½ unit.

Source: U.S. Census Bureau.