

Mineral Industry Surveys

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GOLD IN APRIL, MAY, AND JUNE 2008

U.S. mines produced 16,200 kilograms (kg), 18,800 kg, and 21,100 kg of gold in April, May, and June 2008, respectively, according to the U.S. Geological Survey. For the first 6 months of 2008, domestic mines produced 114,000 kg, 3% less than production in the first half of 2007. In the second quarter 2008, mines produced 3% less than that in the first quarter of 2008. Most of the output reductions were caused by lower grades owing to higher waste stripping and mine development, an unscheduled plant closure at Barrick Gold Corp.'s (Toronto, Ontario, Canada) Goldstrike operations in Nevada, and a fatality at the Turquoise Ridge Mine, Nevada, a joint venture between Barrick Gold and Newmont Mining Co. (Denver, CO).

The average Engelhard Industries' gold price for the second quarter of 2008 was 3% lower than the average for the first quarter 2008. After the price reached the alltime high of \$1,013.62 per troy ounce on March 17, the price started a general downward trend and increased in volatility. Even with the lower second quarter price, the average price for the first half of 2008 was 38% higher than the average in the first half of 2007. With the increases in gold prices, the world gold consumption in the first half of 2008 dropped 21% as compared with that in the first half of 2007. The main reason for the drop in consumption was a drop in jewelry consumption in India (Klapwijk and others, 2008, p. 5-7).

World gold production in the first half of 2008 dropped by 6%, or 70,000 kg, as compared with production in the first half of 2007, because of reduction of gold production from Australia, Canada, Indonesia, South Africa, and the United States. The largest decrease in production was from Indonesia, as production in the first half of 2008 dropped by 50,000 kg, or 53% less than that in the first half of 2007. Freeport McMoRan Copper and Gold Inc.'s (Phoenix, AZ) Grasberg Mine, Papua New Guinea, produced 49,000 kg of gold less than in the first half 2007 because the ore that was processed was of lower grade. South African gold production in the same period was 13% less, owing to electricity generation problems, staffing shortages because of workers leaving for artisanal mines, and

mine closures because of accidents and safety issues. In the first half of 2008, Australian gold production fell 14% as compared with that in the first half of 2007 because many lower ore grades were mined at many operations. Canadian production fell 12% during the same period for similar reasons. Some of the reductions were partially offset with increased production in China, Peru, and Russia. China's first half 2008 production was 5% higher than production in the first half of 2007, and the country continued as the world's leading gold producer. Much of the increase was from new mines starting production (Klapwijk and others, 2008, p. 18-23).

Hecla Mining Co. (Coeur d'Alene, ID) announced the completion of the purchase of Rio Tinto plc (London, United Kingdom) subsidiaries Kennecott Greens Creek Mining Co. and Kennecott Juneau Mining Co. After the purchase, Hecla owned 100% of the Greens Creek Mine, near Juneau, AK (Hecla Mining Co., 2008).

NovaGold Resources Inc. (Vancouver, British Columbia, Canada) released an update on the Donlin Creek gold project. A feasibility study for the joint-venture project, 50% owned by Barrick Gold, was scheduled to be completed by the first quarter of 2009. The updated measured and indicated gold reserves for the project were estimated to be 985,000 kg (NovaGold Resources Inc., 2008).

References Cited

- Hecla Mining Co., 2008, Hecla completes acquisition of 100% of Greens Creek joint venture: Coeur d'Alene, ID, Hecla Mining Co. news release, April 16, 2 p.
- Klapwijk, Phillip, Walker, Paul, Ryan, Peter, Newman, Philip, Meader, Neil, Kavalis, Nikos, Tankard, William, Piggott, Matthew, Highcloud, Sierra, Furuno, Ayako, Kirilenko, Kirill, Alexander, Cameron, Arole, Sanjiv, and Shah, Gargi, 2008, Gold survey 2008 update 1: London, United Kingdom, Gold Fields Mineral Services Ltd., September, 38 p.
- NovaGold Resources Inc., 2008, NovaGold announces feasibility study in Q1-2009 for Donlin Creek project: Vancouver, British Columbia, Canada, NovaGold Resources Inc. news release, June 10, 3 p.

TABLE 1
MINE PRODUCTION OF RECOVERABLE GOLD IN THE UNITED
STATES, BY STATE¹

(Kilograms)

	Nevada	Other States ²	Total
2007:^P			
June	17,000	4,660	21,600
July	14,900	4,670	19,600
August	15,800	4,690	20,500
September	16,300	4,190	20,400
October	14,500	4,420	18,900
November	15,000	4,360	19,300
December	17,600	4,820	22,400 ^r
January-December	186,000	52,400	238,000
2008:			
January	16,700	3,880	20,600
February	14,600	4,050	18,700
March	14,400	4,120	18,500
April	12,100	4,080	16,200
May	14,000	4,710	18,800
June	16,900	4,260	21,100
January-April	57,900	16,200	74,100
January-May	72,000	20,900	92,800
January-June	88,800	25,100	114,000

^PPreliminary. ^rRevised.

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

²Includes Alaska, Arizona, California, Colorado, Idaho, Montana, New Mexico, South Dakota, and Utah.

TABLE 2
GOLD PRICES

(Dollars per troy ounce)

Engelhard Industries:	
2007:	
Low/date	610.08 Jan. 10
High/date	843.18 Nov. 8
Average	698.95
2008:	
March:	
Low/date	927.97/20
High/date	1,013.62/17
Average	968.59
April:	
Low/date	873.13/30
High/date	948.26/17
Average	911.94
May:	
Low/date	855.10/01
High/date	929.76/23
Average	889.79
June:	
Low/date	864.37/12
High/date	932.48/30
Average	891.65
Year to date:	
Low/date	848.84 Jan. 2
High/date	1,013.62 Mar. 17
Average	913.20
Handy and Harman:	
2007, Average	
	696.86
2008:	
March	966.30
April	909.70
May	886.29
June	889.49
Year to date	910.92
London Final:	
2007, Average	
	696.66
2008:	
March	968.43
April	909.70
May	888.66
June	889.49
Year to date	911.36

Source: Platts Metals Week.

TABLE 3
U.S. IMPORTS AND EXPORTS OF GOLD¹

(Kilograms of gold content, unless otherwise specified)

Period and country	Ores and concentrates ²	Doré and precipitates	Refined bullion ³	Total ⁴	Waste and scrap (gross weight)	Metal powder (gross weight)	Gold compounds (gross weight)
Imports for consumption:							
2007	846	56,000	113,000	170,000	42,600	1,120	162,000
2008:							
January	4,210	4,700	14,200	23,100	3,480	10	4,140
February	1	4,360	14,300	18,600	3,560	26	10,600
March:							
Canada	4 ⁵	--	12,500 ⁵	12,500	112 ⁵	2 ⁵	--
Chile	--	1,170	225 ⁵	1,400	--	--	--
Colombia	--	684	107 ⁵	792	644	--	--
Dominican Republic	--	30	16 ⁵	46	495 ⁵	5 ⁵	--
Ecuador	--	305	--	305	3	--	--
Germany	--	--	--	--	2 ⁵	2 ⁵	761 ⁵
Honduras	--	139	56	195	260 ⁵	--	--
Mexico	829 ⁵	875	1,570 ⁵	3,280	551 ⁵	--	--
Nicaragua	--	223	6	229	99 ⁵	--	--
Peru	--	1,570	--	1,570	--	--	--
Other	--	172	625 ⁵	796	463 ⁵	11 ⁵	--
Total	833	5,170	15,100	21,100	2,630	20	761
Year to date	5,050	14,200	43,600	62,900	9,670	56	15,500
Exports:							
2007	3,190	123,000	392,000	519,000	616,000	2,840	2,150,000
2008:							
January	124	6,640	36,600	43,300	39,200	23	220,000
February	106	6,670	57,600	64,400	41,200	32	281,000
March:							
Canada	--	--	16	16	23,300 ⁵	--	36,200 ⁵
China	--	--	--	--	--	--	99,700 ⁵
Dominican Republic	--	--	--	--	--	--	9,980 ⁵
France	--	--	--	--	--	--	16,700 ⁵
Germany	--	--	1	1	31,100 ⁵	(6) ⁵	548 ⁵
India	--	--	1,150	1,150 ⁵	--	--	--
Israel	--	--	--	--	--	3 ⁵	3,500 ⁵
Italy	--	--	--	--	3,820	--	--
Korea, Republic of	--	--	--	--	--	--	1,740 ⁵
Lebanon	--	--	--	--	--	--	8,510 ⁵
Mexico	193 ⁵	--	412	604 ⁵	--	(6)	--
Netherlands	1 ⁵	--	--	1	--	--	11,200 ⁵
Singapore	--	--	--	--	--	16	94,300 ⁵
Switzerland	--	9,600 ⁵	35,000	44,600	--	--	--
Taiwan	--	--	--	--	--	48 ⁵	10,100 ⁵
United Kingdom	2 ⁵	46	22,100	22,200 ⁵	19,900 ⁵	33	625 ⁵
Other	5 ⁵	--	73	78 ⁵	72	15 ⁵	--
Total	200	9,650	58,800	68,600	78,100	116	293,000
Year to date	430	23,000	153,000	176,000	159,000	172	795,000

-- Zero.

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

²Includes gold content of base metal ores, concentrates, and matte imported for refining.

³Bullion also moves in both directions between U.S. markets and foreign stocks on deposit in the Federal Reserve Bank. Monetary gold excluded.

⁴"Waste and scrap," "Metal powder," and "Gold compounds" not included in "Total."

⁵All or part of these data have been referred to the U.S. Census Bureau for verification.

⁶Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 3a
U.S. IMPORTS AND EXPORTS OF GOLD¹

(Kilograms of gold content, unless otherwise specified)

Period and country	Ores and concentrates ²	Doré and precipitates	Refined bullion ³	Total ⁴	Waste and scrap (gross weight)	Metal powder (gross weight)	Gold compounds (gross weight)
Imports for consumption:							
2007	846	56,000	113,000	170,000	42,600	1,120	162,000
2008:							
February	1	4,360	14,300	18,600	3,560	26	10,600
March	833	5,170	15,100	21,100	2,630	20	761
April:							
Canada	--	1,260 ⁵	6,220 ⁵	7,480	1,000 ⁵	3 ⁵	--
Chile	--	723 ⁵	250 ⁵	973	--	--	--
Colombia	--	745	590	1,340	70 ⁵	--	--
Dominican Republic	--	6	9 ⁵	16	969 ⁵	--	--
Germany	--	--	--	--	--	1 ⁵	1,580 ⁵
Guatemala	--	236 ⁵	2	237	45 ⁵	--	--
Honduras	--	142	71	213	379 ⁵	--	--
Japan	--	--	--	--	--	--	1,690 ⁵
Mexico	751 ⁵	1,110 ⁵	1,610 ⁵	3,480	719 ⁵	--	--
Netherlands	--	--	--	--	--	--	13,200 ⁵
Panama	--	26	13 ⁵	38	179 ⁵	--	--
Peru	--	629 ⁵	--	629	3 ⁵	--	--
United Kingdom	--	--	523	523	--	1	9 ⁵
Other	--	354	245 ⁶	601	501 ⁵	4 ⁶	176 ⁵
Total	751	5,230	9,540	15,500	3,870	9	16,600
Year to date	5,800	19,500	53,100	78,400	13,500	65	32,200
Exports:							
2007	3,190	123,000	392,000	519,000	616,000	2,840	2,150,000
2008:							
February	106	6,670	57,600	64,400	41,200	32	281,000
March	200	9,650	58,800	68,600	78,100	116	293,000
April:							
Canada	--	--	21 ⁵	21	26,000 ⁵	--	54,200 ⁵
China	--	--	--	--	--	3	68,800 ⁵
Dominican Republic	--	--	--	--	--	--	10,400 ⁵
Germany	--	--	15 ⁵	15	30,800 ⁵	--	1,300 ⁵
Israel	--	--	19 ⁵	19	--	(6)	3,540 ⁵
Malaysia	--	--	20 ⁵	20	--	--	8,540 ⁵
Mexico	22 ⁵	--	412 ⁵	434	2 ⁵	--	4,930 ⁵
Netherlands	--	--	--	--	--	--	5,260 ⁵
Singapore	--	--	--	--	--	10 ⁵	63,100 ⁵
Switzerland	2 ⁵	6,990 ⁵	28,200 ⁵	35,200	--	--	--
Taiwan	--	--	--	--	--	113 ⁵	11,300 ⁵
United Arab Emirates	--	--	2,060 ⁵	2,060	--	--	--
United Kingdom	7 ⁵	58 ⁵	19,500 ⁵	19,600	31,300 ⁵	3 ⁵	254 ⁵
Other	61 ⁵	--	23 ⁵	84	128 ⁵	31 ⁵	405 ⁵
Total	92	7,040	50,300	57,400	88,200	160	232,000
Year to date	522	30,000	203,000	234,000	247,000	332	1,030,000

-- Zero.

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

²Includes gold content of base metal ores, concentrates, and matte imported for refining.

³Bullion also moves in both directions between U.S. markets and foreign stocks on deposit in the Federal Reserve Bank. Monetary gold excluded.

⁴"Waste and scrap," "Metal powder," and "Gold compounds" not included in "Total."

⁵All or part of these data have been referred to the U.S. Census Bureau for verification.

⁶Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 3b
U.S. IMPORTS AND EXPORTS OF GOLD¹

(Kilograms of gold content, unless otherwise specified)

Period and country	Ores and concentrates ²	Doré and precipitates	Refined bullion ³	Total ⁴	Waste and scrap (gross weight)	Metal powder (gross weight)	Gold compounds (gross weight)
Imports for consumption:							
2007	846	56,000	113,000	170,000	42,600	1,120	162,000
2008:							
March	833	5,170	15,100	21,100	2,630	20	761
April	752	5,230	9,540	15,500	3,870	9	16,600
May:							
Canada	9 ⁵	--	7,590 ⁵	7,600	288 ⁵	2 ⁵	--
Chile	--	2,760 ⁵	225 ⁵	2,990	--	--	--
Colombia	--	1,640	690 ⁵	2,330	57	--	--
Dominican Republic	--	2 ⁵	20 ⁵	22	666 ⁵	--	--
Guatemala	--	--	465 ⁵	465	26 ⁵	--	--
Mexico	5,170 ⁵	1,880 ⁵	736 ⁵	7,780	458 ⁵	1 ⁵	--
Nicaragua	--	545	--	545	424 ⁵	--	--
Peru	--	1,460 ⁵	--	1,460	--	--	--
Other	--	533 ⁵	775 ⁵	1,310	735 ⁵	28 ⁵	1 ⁵
Total	5,180	8,820	10,500	24,500	2,650	31	1
Year to date	11,000	28,300	63,600	103,000	16,200	96	32,200
Exports:							
2007	3,190	123,000	392,000	519,000	616,000	2,840	2,150,000
2008:							
March	200	9,650	58,800	68,600	78,100	116	293,000
April	91	7,040	50,300	57,400	88,200	160	232,000
May:							
Australia	--	--	4,250 ⁵	4,250	--	--	--
Canada	--	--	2,520 ⁵	2,520	19,100 ⁵	2 ⁵	42,500 ⁵
China	--	--	--	--	--	1 ⁵	46,000 ⁵
Dominican Republic	2	--	--	2	--	--	9,920 ⁵
Germany	32 ⁵	--	--	32	52,600 ⁵	--	556 ⁵
Hong Kong	43	--	6 ⁵	48	--	4 ⁵	5,670 ⁵
India	--	--	8 ⁵	8	--	20 ⁵	4,770 ⁵
Israel	--	--	--	--	--	--	6,830 ⁵
Malaysia	--	--	33 ⁵	33	--	--	7,960 ⁵
Mexico	160 ⁵	--	280 ⁵	440	--	(6) ⁵	2,470 ⁵
Netherlands	--	--	--	--	--	--	6,730 ⁵
Senegal	--	--	--	--	--	--	17,500 ⁵
Singapore	--	--	--	--	--	15 ⁵	86,500 ⁵
Switzerland	--	10,100 ⁵	4,050 ⁵	14,200	--	--	--
Taiwan	--	--	--	--	--	73	14,700 ⁵
Thailand	--	--	1,500 ⁵	1,500	--	--	--
United Arab Emirates	--	--	3,900 ⁵	3,900	--	--	--
United Kingdom	--	--	18,400 ⁵	18,400	6,090 ⁵	70 ⁵	2,230 ⁵
Other	358 ⁵	17 ⁵	26 ⁵	403	110 ⁵	4 ⁵	2,180 ⁵
Total	595	10,100	34,900	45,700	77,900	190	257,000
Year to date	1,120	40,100	238,000	279,000	325,000	522	1,280,000

-- Zero.

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

²Includes gold content of base metal ores, concentrates, and matte imported for refining.

³Bullion also moves in both directions between U.S. markets and foreign stocks on deposit in the Federal Reserve Bank. Monetary gold excluded.

⁴"Waste and scrap," "Metal powder," and "Gold compounds" not included in "Total."

⁵All or part of these data have been referred to the U.S. Census Bureau for verification.

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Source: U.S. Census Bureau.