

Mineral Industry Surveys

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GOLD IN JULY AND AUGUST 2008

U.S. mines produced 21,600 kilograms (kg) of gold in July 2008 and 20,800 kg of gold in August, according to the U.S. Geological Survey. Domestic mine production in July was up slightly compared with June production, and August production was 4% lower than production in July. The average daily gold production for U.S. mines was 695 kilograms per day (kg/d) in July and 670 kg/d in August, compared with 652 kg/d for 2007 and 640 kg/d for the first 8 months of 2008.

The average Engelhard Industries' gold price was \$942.41 per troy ounce and \$840.28 per troy ounce for July and August, respectively. At the beginning of July, the price was about \$940 per troy ounce; the price dropped to \$918.96 per troy ounce by July 7. After this low, the price steadily increased, reaching \$988.33 per troy ounce on July 15, and dropped to \$788.49 per troy ounce on August 15, the lowest point in the first 8 months of 2008. The price increased and remained between \$825 and \$840 per troy ounce for the rest of August.

According to the China Gold Association, China produced 173,000 kg of gold in the first 8 months of 2008, up 3% compared with production in the first 8 months of 2007. In August 2008, gold production in China was 20,800 kg (China Metal Market, 2008b).

The South African gold mining industry continued to struggle with striking workers, disruption in electricity supply, and safety problems. Chamber of Mines' inspectors closed down shafts at two operations after seismic events caused three deaths and two injuries in late August. A miner died in a previous accident in one of the shafts on August 14. The National Union of Mineworkers (NUM) stated that more than 100 miners died in 2008. Many times after a mine accident, union workers plan a day of mourning and work stoppage at the mine; some mining companies have docked mine workers a day's pay for such activities. The NUM also planned 1-day strike at unsafe mines to draw attention to safety problems. Official figures from the Chamber of Mines indicated that 86 miners had died up to June 30, down 21% compared with deaths in the same period in 2007. South Africa's parliament was considering a bill to amend the law to make it possible to send mine house bosses to jail and

impose fines if found guilty of safety lapses or noncompliance with safety regulations. The union was calling for stiffer fines such as a fine of 10% of mine revenues (Bishop, 2008b, c; Platts Metals Week, 2008a). On July 23, the NUM called out 160,000 members in support of a 1-day strike by all South African workers in protest against rising food prices, which caused several gold mines to close or produce at lower capacity (Bishop, 2008a). The Chamber of Mines asked other electrical consumers to reduce power use to assist the mining industries. South African gold production in the second quarter was 56,900 kg, up 9% compared with that in first quarter, but it was down 10% compared with that in the second quarter of 2007 (Platts Metals Week, 2008b).

The Beijing 2008 Olympic Games and the Paralympics Games received 6,000 medals that used 13 kg of gold and 1,340 kg of silver. The Tongling Nonferrous Metals Group Holdings Co., Ltd. and Henan Yuguang Gold and Lead Co., Ltd. were partners with Melbourne-based BHP Billiton Group to sponsor the games and smelt gold and silver. The medals, decorated with a blend of gemstones from Qinghai Province and gold, silver, and bronze, were produced in China (China Metal Market, 2008a).

References Cited

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- Bishop, Chris, 2008c, Titanic clash looms over safety in South Africa mines: Platts Metals Week, v. 79, no. 35, September 1, p. 14.
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TABLE 1
MINE PRODUCTION OF RECOVERABLE GOLD IN THE UNITED
STATES, BY STATE¹

(Kilograms)

	Nevada	Other States ²	Total
2007:^P			
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
January-December	186,000	52,400	238,000
2008:			
January	16,700	3,880	20,600
February	14,600	4,080	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
July	16,900	4,680	21,600
August	16,500	4,230	20,800
January-July	106,000	29,800	136,000
January-August	122,000	34,000	156,000

^PPreliminary.

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:	
June:	
Low/date	864.37/12
High/date	932.48/30
Average	891.65
July:	
Low/date	899.68/30
High/date	988.33/15
Average	942.41
August:	
Low/date	788.49/15
High/date	914.70/1
Average	840.28
Year to date:	
Low/date	788.49/Aug. 15
High/date	1,013.62 Mar. 17
Average	907.41
Handy and Harman:	
2007, Average	696.86
2008:	
June	889.49
July	940.16
August	838.30
Year to date	905.23
London Final:	
2007, Average	696.66
2008:	
June	889.49
July	939.77
August	839.03
Year to date	906.93

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:							
April	752	5,230	9,540	15,500	3,870	9	16,600
May	5,180	8,820	10,500	24,500	2,650	31	1
June:							
Brazil	--	--	50 ⁵	50	--	--	22,900 ⁵
Canada	--	3	7,310 ⁵	7,310	417 ⁵	(6)	--
Chile	--	774 ⁵	300 ⁵	1,070	--	--	--
Colombia	--	912	205 ⁵	1,120	2 ⁵	--	--
Dominican Republic	--	(6) ⁵	18 ⁵	18	592 ⁵	--	--
Ecuador	--	375	--	375	3	--	--
Honduras	--	239	--	239	268 ⁵	--	--
Japan	--	--	--	--	--	--	4,200 ⁵
Mexico	1,450 ⁵	1,590 ⁵	756 ⁵	3,800	718 ⁵	--	--
Nicaragua	--	214 ⁵	--	214	87	--	--
Peru	--	601 ⁵	--	601	--	--	--
Singapore	--	--	--	--	1,040 ⁵	--	--
United Kingdom	--	--	1,310 ⁵	1,310	--	--	--
Other	1 ⁵	63	507 ⁵	571	553 ⁵	54 ⁵	1 ⁵
Total	1,450	4,770	10,400	16,700	3,680	54	27,100
Year to date	12,400	33,000	74,100	120,000	19,900	150	59,200
Exports:							
2007	3,190	123,000	392,000	519,000	616,000	2,840	2,150,000
2008:							
April	91	7,040	50,300	57,400	88,200	160	232,000
May	595	10,100	34,900	45,700	77,900	190	257,000
June:							
Belgium	--	--	--	--	37,900 ⁵	--	--
Canada	1 ⁵	4 ⁵	1,770 ⁵	1,780	8,710 ⁵	--	65,200 ⁵
China	--	--	--	--	--	--	42,800 ⁵
Dominican Republic	--	--	--	--	--	--	11,600 ⁵
Germany	--	--	--	--	27,700 ⁵	--	5,900 ⁵
Israel	--	--	--	--	--	--	2,950 ⁵
Netherlands	--	--	--	--	--	5	6,750 ⁵
Singapore	--	--	--	--	--	--	204,000 ⁵
Switzerland	--	8,960 ⁵	6,410 ⁵	15,400	--	--	--
Taiwan	--	--	--	--	--	--	12,500 ⁵
United Arab Emirates	--	--	2,020 ⁵	2,020	--	--	--
United Kingdom	2 ⁵	3 ⁵	13,500 ⁵	13,500	21,400 ⁵	28 ⁵	254 ⁵
Other	507 ⁵	19 ⁵	384 ⁵	910	60 ⁵	224 ⁵	7,420 ⁵
Total	510	8,990	24,100	33,600	95,700	257	359,000
Year to date	1,630	49,100	262,000	313,000	420,000	781	1,640,000

-- 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:							
May	5,180	8,820	10,500	24,500	2,650	31	1
June	1,450	4,770	10,400	16,700	3,680	54	27,100
July:							
Canada	4	1,020 ⁵	4,420 ⁵	5,440	282 ⁵	1	--
Chile	--	937 ⁵	325 ⁵	1,260	--	--	--
Colombia	--	1,490 ⁵	585 ⁵	2,080	26 ⁵	--	--
Germany	--	--	--	--	--	1	1,090 ⁵
Honduras	--	264	--	264	417	--	--
Italy	--	--	122 ⁵	122	4	(6)	965 ⁵
Japan	--	--	--	--	--	--	8,630 ⁵
Mexico	768	4,070 ⁵	663 ⁵	5,500	563 ⁵	--	--
Netherlands	--	--	--	--	--	--	13,600 ⁵
Nicaragua	--	396 ⁵	--	396	131 ⁵	--	--
Peru	--	571 ⁵	--	571	--	--	--
Other	1	524 ⁵	382 ⁵	907	1,430 ⁵	61 ⁵	--
Total	773	9,270	6,500	16,500	2,850	63	24,300
Year to date	13,200	42,300	80,600	136,000	22,700	213	83,500
Exports:							
2007:	3,190	123,000	392,000	519,000	616,000	2,840	2,150,000
2008:							
May	595	10,100	34,900	45,700	77,900	190	257,000
June	510	8,990	24,100	33,600	95,700	257	359,000
July:							
Australia	27 ⁵	--	4,210 ⁵	4,240	--	--	--
Belgium	--	--	--	--	49,900 ⁵	--	--
Canada	--	--	4 ⁵	4	10,100 ⁵	2 ⁵	43,800 ⁵
Dominican Republic	22	--	--	22	--	--	29,300 ⁵
Germany	--	--	--	--	42,100 ⁵	1 ⁵	2,320 ⁵
Hong Kong	--	--	2	2	--	10 ⁵	1,240 ⁵
India	--	--	996 ⁵	996	--	4	479 ⁵
Israel	--	--	--	--	--	1 ⁵	4,930 ⁵
Korea, Republic of	24 ⁵	--	--	24	--	1 ⁵	841 ⁵
Lebanon	--	--	--	--	--	--	1,820 ⁵
Malaysia	--	--	150	150	10 ⁵	--	8,150 ⁵
Netherlands	--	--	--	--	--	--	1,610 ⁵
Singapore	--	--	--	--	--	36	85,500 ⁵
Switzerland	--	7,920 ⁵	25,500 ⁵	33,400	--	3	--
Taiwan	--	--	--	--	--	1 ⁴	3,780 ⁵
United Kingdom	--	6	17,000 ⁵	17,000	10,800 ⁵	7 ⁵	1,780 ⁵
Other	39 ⁵	14	197 ⁵	249	45 ⁵	7 ⁵	1,440 ⁵
Total	112	7,940	48,000	56,100	113,000	73	187,000
Year to date	1,740	57,100	310,000	369,000	533,000	853	1,830,000

-- 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.