

Mineral Industry Surveys

For information, contact:

William E. Brooks, Silver Commodity Specialist
U.S. Geological Survey
989 National Center
Reston, VA 20192
Telephone: (703) 648-7791, Fax: (703) 648-7757
E-mail: wbrooks@usgs.gov

Mahbood Mahdavi (Data)
Telephone: (703) 648-7778
Fax: (703) 648-7975
E-mail: mmahdavi@usgs.gov

Wanda G. Wooten (Mine data)
Telephone: (703) 648-4980
Fax: (703) 648-7975
E-mail: wwooten@usgs.gov

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

SILVER IN DECEMBER 2006

Average daily U.S. mine production of silver in December declined by about 3% from that in November and was down by about 2% from that in December 2005, according to data compiled by the U.S. Geological Survey. Preliminary data indicate that annual production for 2006 was about 7% lower than that for 2005 and was at the lowest level in 20 years. U.S. silver mine production has fallen by almost 48% since it reached its post-World War II peak of 2,180 metric tons in 1997.

The Engelhard Industries' price for silver averaged \$13.37 per troy ounce in December, the highest monthly level since silver prices peaked in May 2006. The annual average price for 2006 of \$11.61 per ounce of silver was 58% higher than that for 2005 and was the highest annual average since 1980, when the price reached a record-high average of more than \$20 per ounce.

On December 15, Strategic Nevada Resources Corp. (Vancouver, British Columbia, Canada) announced that it had won a public auction for the right to purchase 100% of the Crescent Mine in the Coeur d'Alene Mining District, Shoshone County, ID, for \$650,000. The company, acting on a 20-day deadline to complete its due diligence and finalize the transaction, announced on January 2, 2007, that it had completed the purchase. The Crescent Mine, which had been jointly owned by Shoshone County and the U.S. Environmental Protection (EPA) since the early 1990s, had previously operated as a high-grade silver mine. According to a report prepared by Bunker Hill Mining Company, the last operator of the mine, the mine produced 782 metric tons (t) (25.1 million troy ounces) of silver from ore averaging 960 grams per metric ton (g/t) (27 troy ounces per short ton) silver over its lifetime (1917–81). At the time of its final closure in 1983, the remaining "proven, probable and projected" resource was estimated to be about

360,000 t grading about 970 g/t (27.3 troy ounces per short ton) silver. The Crescent Mine is located between the Sunshine Mine on the east and the Bunker Hill Mine on the west. Crescent Nevada Resources believed that the Crescent Mine had near-term mining potential owing to significant existing mining, processing, and utility infrastructure. Based a greater understanding of the lithographic and structural controls of the silver veins in the District since the Crescent Mine was last operated, new development was expected to occur at shallow depths above the water table and preclude the need for pumping water and continued EPA involvement. By the end of January, the company reportedly had completed the first stage of power restoration to surface buildings, and it expected full power restoration to be accomplished by the end of April. Startup of production was anticipated by the end of 2007 (Platts Metals Week, 2006; Strategic Nevada Resources Corp., 2006; 2007 a, b).

References Cited

- Platts Metals Week, 2006, New owner hopes to restart Crescent silver mine in Idaho: Platts Metals Week, v. 77, no. 52, December 25, p. 8.
- Strategic Nevada Resources Corp., 2006, Strategic Nevada Resources wins auction to acquire the historic Crescent silver mine in Coeur d'Alene Mining District/The Silver Valley—Idaho: Vancouver, British Columbia, Canada, Strategic Nevada Resources Corp. news release, December 12, 2 p.
- Strategic Nevada Resources Corp., 2007a, Strategic Nevada Resources announces completion of the first stage of power restoration at the Crescent Mine: Vancouver, British Columbia, Canada, Strategic Nevada Resources Corp. news release, January 31, 1 p.
- Strategic Nevada Resources Corp., 2007b, Strategic Nevada Resources concludes Crescent silver mine purchase: Vancouver British Columbia, Canada, Strategic Nevada Resources Corp. news release, January 3, 2 p.

TABLE 1
MINE PRODUCTION OF RECOVERABLE
SILVER IN THE UNITED STATES¹

	Kilograms
2005: ^P	
December	100,000
January-December	1,230,000
2006:	
January	90,700 ^r
February	87,100 ^r
March	102,000
April	85,000 ^r
May	90,900 ^r
June	91,600 ^r
July	97,800 ^r
August	100,000 ^r
September	100,000 ^r
October	101,000
November	98,000 ^r
December	98,600
January-December	1,140,000

^PPreliminary. ^rRevised.

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

TABLE 2
SILVER PRICES

(Dollars per troy ounce)

Engelhard Industries:	
2005:	
Low/date	6.42 Jan. 4
High/date	9.17 Dec. 12
Average	7.34
2006:	
October:	
Low/date	10.87/4
High/date	12.22/26
Average	11.65
November:	
Low/date	12.50/1
High/date	13.97/30
Average	13.00
December:	
Low/date	12.62/20
High/date	14.07/1
Average	13.37
Year to date:	
Low/date	8.85 Jan. 5 and 18
High/date	14.89 May 11
Average	11.61
Handy and Harman:	
2005, average	7.34
2006:	
October	11.62
November	12.98
December	13.30
Year to date	11.57
London Final:¹	
2005, average	7.32
2006:	
October	11.56
November	12.93
December	13.36
Year to date	11.57

¹Reported as "London Spot/US Equiv."

Source: Platts Metals Week.

TABLE 3
U.S. IMPORTS OF SILVER, BY COUNTRY⁴

Period and country	Bullion		Doré		Ores and concentrates ²		Ash and residues		Total	
	Silver content (kilograms)	Value (thousands)	Silver content (kilograms)	Value (thousands)	Silver content (kilograms)	Value (thousands)	Silver content (kilograms)	Value (thousands)	Silver content (kilograms)	Value (thousands)
2005	3,880,000	\$902,000	300,000	\$89,500	433	\$318	2,630	\$769	4,180,000	\$993,000
2006:										
September	279,000	105,000	36,400	16,700	--	--	488	115	315,000	122,000
October	362,000	135,000	41,600	17,500	--	--	385	86	404,000	152,000
November:										
Australia	2,460	1,200	--	--	--	--	--	--	2,460	1,200
Canada	79,300 ³	31,500	--	--	--	--	--	--	79,300	31,500
Chile	1,500	580	17,200	7,560	--	--	--	--	18,700	8,140
Colombia	210	81	--	--	--	--	--	--	210	81
Honduras	--	--	78	36	--	--	--	--	78	36
Mexico	179,000	71,500	9,540 ³	5,900	--	--	--	--	188,000	77,300
Panama	--	--	21 ³	5	--	--	--	--	21	5
Peru	47,500	18,700	7,610	3,460	--	--	--	--	55,200	22,200
Philippines	--	--	(4) ³	14	--	--	--	--	(4)	14
Taiwan	--	--	--	--	--	--	480 ³	106	480	106
Total	310,000	124,000	34,400	17,000	--	--	480	106	345,000	141,000
Year to date	3,950,000	1,380,000	261,000	123,000	--	--	4,350	1,010	4,210,000	1,500,000

-- Zero.

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

²Includes silver content of base metal ores and concentrates.

³All or part of these data have been referred to the U.S. Census Bureau for verification.

⁴Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 4
U.S. IMPORTS OF SILVER, BY COUNTRY¹

Period and country	Other unwrought silver (gross weight)		Metal powder (gross weight)		Silver nitrate (gross weight)		Semimanufactured forms ² (gross weight)		Waste and scrap (gross weight)	
	Quantity (kilograms)	Value (thousands)	Quantity (kilograms)	Value (thousands)	Quantity (kilograms)	Value (thousands)	Quantity (kilograms)	Value (thousands)	Quantity (kilograms)	Value (thousands)
2005	357,000	\$80,400	29,300	\$6,990	669	\$118	180,000	\$39,700	4,170,000	\$19,100
2006:										
September	29,600	11,700	1,930	340	300	37	14,100	5,510	249,000	32,300
October	15,400	5,500	2,860	499	24	7	16,300	6,110	287,000	34,700
November:										
Brazil	--	--	--	--	--	--	3,350	1,420	48	1,430
Canada	7,110 ³	2,870	70 ³	22	--	--	--	--	12,500	2,500
China	--	--	--	--	--	--	--	--	173	245
Costa Rica	--	--	--	--	--	--	--	--	60,000	2,250
Dominican Republic	--	--	--	--	--	--	--	--	297	540
Germany	--	--	1,190 ³	203	--	--	--	--	566	1,650
Guatemala	--	--	--	--	--	--	--	--	8	150
Hungary	--	--	--	--	--	--	--	--	14	257
Italy	51 ³	51	--	--	--	--	--	--	126	2,350
Japan	--	--	182 ³	33	--	--	--	--	--	--
Malaysia	--	--	--	--	--	--	--	--	10	23
Mexico	18,800	7,700	--	--	--	--	78 ³	5	19,800	3,060
Netherlands	56 ³	12	40 ³	7	--	--	--	--	41	7
Panama	--	--	--	--	--	--	--	--	43	40
Peru	--	--	--	--	--	--	14,100	4,930	--	--
Philippines	(4) ³	9	--	--	--	--	--	--	4	76
Singapore	--	--	--	--	--	--	--	--	23	423
South Africa	--	--	--	--	--	--	--	--	11	199
Spain	--	--	--	--	--	--	--	--	15	2
United Kingdom	--	--	--	--	--	--	--	--	17,100	2,600
Total	26,000	10,600	1,490	265	--	--	17,500	6,360	111,000	17,800
Year to date	238,000	82,300	26,300	4,900	1,250	244	179,000	65,600	2,300,000	252,000

-- Zero.

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

²Containing 99.5% or more by weight of silver.

³All or part of these data have been referred to the U.S. Census Bureau for verification.

⁴Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 5
U.S. EXPORTS OF SILVER¹

Period and country	Bullion		Doré		Ores and concentrates ²		Total	
	Silver content (kilograms)	Value (thousands)	Silver content (kilograms)	Value (thousands)	Silver content (kilograms)	Value (thousands)	Silver content (kilograms)	Value (thousands)
2005	166,000	\$45,900	132,000	\$35,000	3,680	\$834	302,000	\$81,700
2006:								
September	29,100	12,300	8,160	3,270	--	--	37,200	15,500
October	17,800	6,780	4,720	1,910	406	161	22,900	8,860
November:								
Brazil	--	--	--	--	181	83	181	83
Canada	60 ³	16	27 ³	7	--	--	87	23
Germany	3,330 ³	600	--	--	--	--	3,330	600
Honduras	167 ³	30	--	--	--	--	167	30
Morocco	16 ³	4	--	--	--	--	16	4
Netherlands	--	--	--	--	38 ³	9	38	9
Singapore	--	--	325	119	--	--	325	119
Spain	--	--	150	62	--	--	150	62
Switzerland	--	--	3,500	1,430	--	--	3,500	1,430
Trinidad and Tobago	--	--	--	--	7	3	7	3
United Kingdom	--	--	193 ³	80	--	--	193	80
Total	3,580	650	4,200	1,690	226	95	8,000	2,440
Year to date	1,470,000	577,000	79,000	31,000	2,950	3,950	1,560,000	612,000

-- Zero.

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

²Includes silver content of base metal ores and concentrates.

³All or part of these data have been referred to the U.S. Census Bureau for verification.

Source: U.S. Census Bureau.

TABLE 6
U.S. EXPORTS OF SILVER¹

Period and country	Other unwrought silver (gross weight)		Metal powder (gross weight)		Silver nitrate (gross weight)		Semimanufactured forms ² (gross weight)		Waste and scrap (gross weight)	
	Quantity (kilograms)	Value (thousands)	Quantity (kilograms)	Value (thousands)	Quantity (kilograms)	Value (thousands)	Quantity (kilograms)	Value (thousands)	Quantity (kilograms)	Value (thousands)
2005	20,600	\$5,290	809,000	\$139,000	56,600	\$4,180	308,000	\$54,500	2,880,000	\$576,000
2006:										
September	4,830	1,640	133,000	22,900	11,600	1,290	66,800	11,500	392,000	101,000
October	5,330	1,820	136,000	23,900	3,800	641	56,000	9,670	498,000	119,000
November:										
Australia	--	--	--	--	--	--	--	--	19,200	7,610
Bahrain	--	--	--	--	--	--	224 ³	38	--	--
Belgium	--	--	1,060 ³	181	--	--	--	--	36,400	6,390
Brazil	--	--	--	--	--	--	1,230 ³	209	--	--
Canada	1,360 ³	373	3,660 ³	621	599 ³	85	13,300 ³	2,280	118,000	21,600
China	710 ³	211	10,500 ³	1,790	4,480 ³	1,080	289 ³	51	69,000	13,100
Dominican Republic	21	10	--	--	--	--	402 ³	68	1,590	206
Finland	--	--	699	119	--	--	--	--	--	--
France	38 ³	8	7,780 ³	1,320	--	--	344 ³	68	--	--
Germany	2,310 ³	944	17,700 ³	3,010	1 ³	3	2,100 ³	358	44,400	23,800
Hong Kong	2 ³	8	4,860 ³	826	--	--	1,550 ³	266	633	147
India	--	--	--	--	--	--	35 ³	5	551	72
Italy	--	--	--	--	--	--	152 ³	26	112,000	23,100
Japan	7	3	19,700 ³	3,380	--	--	717 ³	122	599	6,560
Jordan	198 ³	145	--	--	--	--	--	--	--	--
Korea, Republic of	--	--	22,300 ³	3,800	91 ³	20	6 ³	4	5,440	707
Malaysia	--	--	--	--	--	--	267 ³	45	20	18
Mexico	218 ³	59	162 ³	30	87 ³	28	11,600 ³	2,020	--	--
Netherlands	23 ³	5	1,840 ³	317	--	--	571 ³	97	--	--
Saudi Arabia	--	--	--	--	65	25	--	--	17,300	2,250
Singapore	--	--	3,610 ³	613	--	--	852 ³	145	46	81
Spain	--	--	--	--	--	--	4,060 ³	691	--	--
Sweden	--	--	1,660 ³	282	44 ³	4	--	--	23,800	3,100
Switzerland	--	--	--	--	--	--	331 ³	61	42	654
Taiwan	--	--	30,500 ³	5,190	--	--	1,140 ³	198	9,010	1,170
Thailand	--	--	1,210 ³	206	--	--	34 ³	6	--	--
United Kingdom	--	--	6,470 ³	1,120	--	--	3,140 ³	534	9,090	1,180
Vietnam	--	--	--	--	--	--	--	--	862	112
Other	79 ³	19	37 ³	6	--	--	553 ³	100	39	14
Total	4,970	1,790	134,000	22,800	5,370	1,240	42,800	7,390	468,000	112,000
Year to date	82,000	29,400	1,320,000	232,000	56,500	6,200	493,000	85,500	4,410,000	1,000,000

-- Zero.

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

²Containing 99.5% or more by weight of silver.

³All or part of these data have been referred to the U.S. Census Bureau for verification.

Source: U.S. Census Bureau.