

Mineral Industry Surveys

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ALUMINUM IN MAY 2010

Domestic primary aluminum production in May was 148,000 metric tons (t), according to the U.S. Geological Survey. The average daily production was 4,770 t, slightly higher than that for the previous month and slightly higher than that for May 2009.

Total aluminum recovered from scrap in May 2010 was 202,000 t, 8% lower than that of the previous month and 19% lower than the total in May 2009. Of this, 112,000 t of aluminum was recovered from new scrap, 9% lower than that of the previous month and 25% lower than that in May 2009. Aluminum recovered from old scrap in May 2010 totaled 90,000 t, which was 7% lower than that in April 2010 and 10% lower than that in May 2009.

In May, the monthly average U.S. market price of primary aluminum ingot decreased to \$0.987 per pound from \$1.109 per pound in April, and in June, the price decreased to \$0.934 per pound.

Production capacity at Rio Tinto Alcan's (London, United Kingdom) 235,000-metric-ton-per-year (t/yr) smelter at Laterriere, Quebec, Canada, was cut in half after two transformers that supply electricity to the smelter failed on July 6. Rio Tinto Alcan shut one of two potlines at the plant, and a company spokesperson stated that the affected potline would take 3 to 6 months to restart after the investigation into the transformer failures is completed (McDonell, 2010).

Update

Workers represented by the United Steelworkers (USW) union ratified a 4-year contract with Alcoa Inc. (Pittsburgh, PA). The contract addressed issues such as health care and pay increases. The contract covered 5,400 hourly workers at 10 locations in the United States, including 6 primary smelters at Alcoa, TN, Massena, NY (2), Rockdale, TX, Wenatchee, WA,

and Warrick, IN (Alcoa Inc., 2010a; United Steelworkers, 2010).

Negotiations were scheduled to resume on July 12 between Century Aluminum Co. (Monterrey, CA) and the USW on a contract covering more than 540 hourly employees at the 244,000-t/yr smelter in Hawesville, KY. Production has continued since the previous contract expired on March 31 despite votes by the union membership rejecting the latest proposed contract and authorizing a strike (See Aluminum in April 2010.) (Platts Metals Week, 2010).

Alcoa temporarily closed the Fusina, Italy, smelter in May. Plans to close the 44,000-t/yr smelter and the 150,000-t/yr Portovesme, Italy, smelter were announced in November 2009 in response to a ruling by the European Commission that power contracts between Alcoa and the Italian Government were out of compliance with European Union regulations (See Aluminum in October 2009). Alcoa delayed the closures while the ruling was being appealed and negotiations for power contracts were being made with the Italian Government. The Portovesme smelter was continuing to operate (Alcoa Inc., 2010b, p. 2; Kovalyova, 2010).

References Cited

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- Alcoa Inc., 2010b, Alcoa reports second quarter 2010 results: New York, NY, Alcoa Inc. news release, July 12, 9 p.
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- United Steelworkers, 2010, Steelworkers ratify 4-year contract with Alcoa: Pittsburgh, PA, United Steelworkers news release, June 25, 1 p.

TABLE 1
COMPONENTS OF ALUMINUM SUPPLY¹

(Thousand metric tons)

Period	Primary production	Secondary recovery ²			Imports for consumption			Total new supply ³	Total stocks, end of period ⁴
		New	Old	Total	Metals and alloys, crude	Plates, sheets, bars, etc.	Total		
2009 ^p	1,730	1,850	1,250	3,100	2,900	786	3,680	8,510	937
2009:									
May	147	150	100	250	292	68	361	757	997
June	132	156	110	266	200	57	256	655	947
July	135	155	108	263	299	70	369	767	978
August	133	173	103	276	216	68	284	694	944
September	129	165	107	272	212	77	289	690	925
October	137	168	117	285	207	79	286	708	892
November	133	147	104	251	211	83	294	678	896
December	140	141	103	244	217	73	290	674	937
January-May	788	738	500	1,240	1,330	281	1,610	3,640	XX
2010:									
January	142	131	83	214	238	82	319	675 ^r	984
February	130	130 ^r	90	220 ^r	209	67	276	626 ^r	975
March	146	138 ^r	84	222 ^r	230	94	325	693 ^r	957
April	142	123 ^r	97	220 ^r	257	102	359	722	979
May	148	112	90	202	NA	NA	NA	NA	NA
January-May	708	634	444	1,080	NA	NA	NA	NA	NA

^pPreliminary. ^rRevised. NA Not available. XX Not applicable.

¹Data are rounded to no more than three significant digits, except "Primary production"; may not add to totals shown.

²Metallic recovery from purchased, tolled, or imported scrap, expanded for full coverage of industry.

³Primary production, secondary recovery, and imports for consumption.

⁴Inventory levels reflect total for both U.S. and Canadian producers; data from the Aluminum Association Inc.

TABLE 2
ESTIMATED FULL COVERAGE CONSUMPTION OF AND METALLIC RECOVERY FROM
PURCHASED NEW AND OLD ALUMINUM SCRAP¹

(Thousand metric tons)

Period	Secondary smelters		Independent mill fabricators		Foundries		Other consumers		Total	
	Con- sump- tion	Metal recovery	Con- sump- tion	Metal recovery	Con- sump- tion	Metal recovery	Con- sump- tion	Metal recovery	Con- sump- tion	Metal recovery
	2009 ^p	1,480 ^r	1,150 ^r	2,140	1,860	90	78	10	9	3,720 ^r
2009:										
May	116 ^r	91 ^r	174	151	7	7	(2)	(2)	299 ^r	249 ^r
June	117 ^r	91 ^r	192	167	7	7	(2)	(2)	317 ^r	266 ^r
July	116 ^r	90 ^r	189	164	7	7	(2)	(2)	314 ^r	262 ^r
August	124 ^r	99 ^r	193	169	7	7	(2)	(2)	325 ^r	275 ^r
September	127 ^r	98	190	166	7	7	(2)	(2)	325 ^r	271 ^r
October	129 ^r	103 ^r	201	175	7	7	(2)	(2)	338 ^r	284 ^r
November	127 ^r	99 ^r	168	144	7	7	(2)	(2)	303 ^r	250 ^r
December	126 ^r	97 ^r	162	139	7	7	(2)	(2)	296 ^r	243 ^r
January-May	610	468	848	733	37	33	4	4	1,500	1,240
2010:										
January	114 ^r	86 ^r	144	123	5	4	(2)	(2)	263 ^r	214 ^r
February	116 ^r	89 ^r	145	126	5	4	(2)	(2)	267 ^r	220 ^r
March	127 ^r	95 ^r	141	122	5	4	(2)	(2)	273 ^r	222 ^r
April	117 ^r	88 ^r	148 ^r	127 ^r	5	4	(2)	(2)	271 ^r	220 ^r
May	121	93	124	105	5	4	(2)	(2)	251	202
January-May	595	451	703	602	25	22	3	3	1,330	1,080

^pPreliminary. ^rRevised.

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

²Less than ½ unit.

TABLE 3
CONSUMPTION OF AND RECOVERY FROM PURCHASED
NEW AND OLD ALUMINUM SCRAP IN MAY 2010¹

(Metric tons)

	Consumption		Calculated metallic recovery	
	Tabulated reports	Estimated full coverage	Tabulated reports	Estimated full coverage
	Secondary smelters	101,000	121,000	77,100
Independent mill fabricators	113,000	124,000	95,500	105,000
Foundries	4,220	5,070	3,680	4,420
Other consumers	535	642	492	590
Total	219,000	251,000	177,000	202,000

TABLE 4
PURCHASED AND TOLL-TREATED ALUMINUM-BASE SCRAP AND SWEATED PIG IN MAY 2010¹

(Metric tons)

	May			January-May ²		
	Stocks, opening ²	Net receipts ³	Melted or consumed	Stocks, closing	Net receipts ³	Melted or consumed
New scrap:						
Extrusion	23,900	40,000	41,200	22,700	228,000	236,000
Can stock clippings	6,280	19,500	15,800	10,000	103,000	96,400
Other wrought sheet/clippings	9,860	20,400	20,700	9,590	123,000	119,000
Casting	828	4,430	4,430	825	20,700	20,800
Borings and turnings	1,670	7,370	7,320	1,720	39,900	39,900
Dross and skimmings	2,250	36,000	36,000	2,250	183,000	183,000
Total new scrap	44,800	128,000	125,000	47,100	697,000	694,000
Old scrap:						
Used castings	13,800	16,000	16,800	13,000	87,900	81,300
Used extrusion	3,680	7,560	7,750	3,490	36,000	36,200
Used cans (shredded, loose, baled)	21,900	57,500	56,700	22,700	267,000	254,000
Other wrought products	5,210	7,380	7,390	5,210	60,300	60,400
Fragmentized shredder (auto shredder)	743	4,630	4,550	820	21,900	21,900
Total old scrap	45,400	93,100	93,200	45,200	473,000	454,000
Sweated pig	1	118	118	1	703	703
Total all classes	90,100	221,000	219,000	92,300	1,170,000	1,150,000

TABLE 5
ALUMINUM ALLOYS PRODUCED AT SECONDARY SMELTERS IN THE UNITED STATES FOR 2010^{1,2}

(Metric tons)

	May				January-May ^{3,4}	
	Stocks, opening ⁴	Production	Net shipments	Stocks, closing	Production	Net shipments
Die-cast alloys:						
13% Si, 360, etc. (0.6% Cu, max.)	1,280	2,770	2,910	1,150	12,100	12,200
380 and variations	2,710	13,800	13,800	2,710	69,700	69,700
Sand and permanent mold:						
95/5 Al-Si, 356, etc. (0.6% Cu, max.)	1,950	2,970	2,970	1,950	14,700	14,700
No. 319 and variations	1,650	2,640	2,650	1,640	13,300	13,200
F-132 alloy and variations	431	501	501	431	2,450	2,450
Al-Zn alloys	291	130	130	291	717	717
Al-Si alloys (0.6% to 2.0% Cu)	261	227	227	261	1,490	1,490
Al-Cu alloys (1.5% Si, max.)	48	39	39	48	223	223
Other ³	12,800	5,610	5,550	12,900	34,500	35,500
Wrought alloys, extrusion billets	20,100	38,400	38,400	20,100	190,000	189,000
Total all alloys	41,500	67,100	67,200	41,400	339,000	339,000
Less:						
Primary aluminum consumed	XX	13,000	XX	XX	64,900	XX
Primary silicon consumed	XX	1,230	XX	XX	6,380	XX
Other alloying ingredients consumed	XX	979	XX	XX	4,980	XX
Net metallic recovery from aluminum scrap and sweated pig consumed in production of secondary aluminum ingot ⁵						
	XX	51,900	XX	XX	262,000	XX

XX Not applicable.

¹Excludes integrated aluminum companies.

²Data are rounded to no more than three significant digits; may not add to totals shown.

³Includes alloys No. 12, Al-Mg, Al-Si-Cu-Ni, aluminum-base hardeners, variations of these alloys, plus other aluminum alloys.

⁴May include revised data from previous month(s).

⁵No allowance made for melt-loss of primary aluminum and alloying ingredients.

TABLE 6
AVERAGE PRICE OF ALUMINUM IN THE UNITED STATES
AND ON THE LONDON METAL EXCHANGE

(Cents per pound)

Period	Midwest U.S. market price	LME cash price Grade A
2009:		
May	70.000	66.230
June	74.625	71.366
July	79.650	75.639
August	92.125	87.700
September	88.313	83.172
October	89.400	85.194
November	93.125	88.404
December	103.800	98.871
January-December	79.433	75.499
2010:		
January	106.875	101.372
February	98.688	92.923
March	105.700	100.028
April	110.875	105.072
May	98.688	92.541
January-May	104.165	98.387

Source: Platts Metals Week.

TABLE 7
AVERAGE BUYING PRICES FOR ALUMINUM SCRAP

(Cents per pound)

Month	Used beverage cans	Mixed low copper clips	Old sheet and cast	Turnings (clean and dry)
2009:				
May	46.80	45.90	43.10	34.00
June	50.64	44.61	41.93	33.14
July	54.27	50.59	46.98	40.09
August	61.62	58.21	54.50	49.93
September	58.00	59.50	56.50	52.83
October	61.43	59.69	57.26	53.02
November	64.42	59.71	56.58	54.50
December	71.16	63.55	46.15	57.34
January-December	53.28	49.36	45.08	41.04
2010:				
January	73.95	73.34	66.76	64.76
February	68.05	64.50	64.71	63.18
March	75.45	70.80	70.26	68.85
April	78.77	78.00	73.36	70.73
May	69.10	71.03	64.75	62.70
January-May	73.06	71.53	67.97	66.04

Source: American Metal Market.

TABLE 8
U.S. IMPORTS FOR CONSUMPTION OF ALUMINUM IN APRIL 2010¹

(Metric tons)

Country	Metals and alloys, crude		Plates, sheets, bars, etc.		Scrap		Total	
	April	January-April	April	January-April	April	January-April	April	January-April
Argentina	20,800	53,500	--	--	--	--	20,800	53,500
Australia	109	3,490	6	26	--	103	115	3,620
Bahrain	--	--	1,540	4,830	--	6	1,540	4,830
Belgium	2	41	203	819	--	--	205	860
Brazil	8,020	17,600	689	4,190	--	--	8,710	21,700
Canada	187,000	704,000	24,500	103,000	27,800	110,000	239,000	917,000
China	--	392	44,500	116,000	1	9	44,500	116,000
France	95	736	618	1,680	--	41	713	2,460
Germany	99	174	6,500	22,500	--	71	6,600	22,700
Hungary	--	12	7	19	--	--	7	31
Italy	(2)	(2)	255	904	--	58	255	963
Japan	70	266	571	2,890	37	100	678	3,260
Korea, Republic of	15	963	153	468	47	74	215	1,510
Mexico	954	4,950	1,660	6,180	7,920	33,900	10,500	45,000
Netherlands	39	116	93	524	117	400	249	1,040
Norway	180	871	2	5	--	--	182	875
Russia	23,600	57,300	991	4,820	--	--	24,600	62,100
South Africa	--	3,000	4,860	18,400	--	--	4,860	21,400
Spain	12	76	8	31	--	--	19	107
Sweden	2	2	79	433	--	--	80	435
Switzerland	--	--	453	1,910	--	--	453	1,910
United Arab Emirates	4,150	20,800	--	--	--	--	4,150	20,800
United Kingdom	41	217	1,060	3,140	443	2,430	1,540	5,790
Venezuela	10,100	56,100	52	742	--	383	10,200	57,200
Other	2,410	10,700	13,100	50,700	2,550	13,700	18,100	75,000
Total	257,000	935,000	102,000	344,000	38,900	161,000	398,000	1,440,000

-- 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.

TABLE 9
U.S. EXPORTS OF ALUMINUM IN APRIL 2010¹

(Metric tons)

Country or territory	Metals and alloys, crude		Plates, sheets, bars, etc.		Scrap		Total	
	April	January- April	April	January- April	April	January- April	April	January- April
Australia	39	68	161	1,030	--	--	200	1,090
Belgium	--	38	73	381	--	--	73	419
Brazil	1	24	1,320	5,270	559	1,860	1,880	7,150
Canada	5,660	27,800	30,900	119,000	11,100	40,000	47,700	187,000
China	417	1,260	3,700	12,000	93,500	343,000	97,600	356,000
Czech Republic	--	1	21	91	--	--	21	92
Dominican Republic	(2)	(2)	50	128	--	1	50	129
France	82	419	1,020	3,260	335	543	1,440	4,220
Germany	345	1,220	803	3,480	39	77	1,190	4,770
Hong Kong	6	13	1,840	5,680	6,100	22,100	7,950	27,800
India	(2)	8	156	595	3,790	10,400	3,950	11,000
Israel	40	232	558	1,860	--	--	598	2,090
Italy	--	5	220	750	--	18	220	773
Japan	222	433	623	2,110	2,040	6,540	2,890	9,070
Korea, Republic of	17	123	1,440	3,970	11,700	51,700	13,100	55,800
Malaysia	4	6	143	374	181	1,640	329	2,020
Mexico	9,530	48,300	20,000	72,000	12,800	50,400	42,300	171,000
Netherlands	--	15	72	268	--	19	72	302
Russia	--	1	(2)	11	--	--	(2)	12
Saudi Arabia	--	3	611	2,560	--	--	611	2,570
Singapore	60	236	233	756	21	58	314	1,050
Spain	5	14	99	439	--	--	105	453
Sweden	--	--	6	17	--	--	6	17
Taiwan	243	411	292	1,190	8,150	49,600	8,690	51,200
Thailand	7	7	182	554	297	1,090	486	1,650
United Kingdom	49	261	807	3,040	4	183	860	3,480
Venezuela	5	5	40	189	--	--	46	194
Other	90	519	4,750	19,900	3,280	8,930	8,120	29,300
Total	16,800	81,300	70,100	261,000	154,000	588,000	241,000	931,000

-- 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.