

Mineral Industry Surveys

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ALUMINUM IN JANUARY 2013

Domestic primary aluminum production in January 2013 was 171,000 metric tons (t). The average daily production was 5,520 t, the same as that during the previous month but 4% less than that in January 2012.

Total aluminum recovered from scrap in January 2013 was 297,000 t, 6% more than the revised amount recovered in December 2012 and 10% more than the amount recovered in January 2012. Of this, 154,000 t of aluminum was recovered from new scrap, slightly more than the revised amount in December 2012 and 6% more than the amount in January 2012, and 142,000 t was recovered from old scrap, 12% more than the amount in December 2012 and 14% more than the amount in January 2012.

Ormet Corp. (Hannibal, OH) filed for bankruptcy protection on February 25, citing low aluminum prices, high power costs, high debt levels, and legacy costs as reasons for the filing. An asset purchase agreement was signed with Smelter Acquisition, LLC [a subsidiary of Wayzata Investment Partners LLC (Wayzata, MN)] for substantially all of Ormet's assets, pending court approval. The 260,000-metric-ton-per-year (t/yr) primary aluminum smelter in Hannibal and the 540,000-t/yr alumina refinery at Burnside, LA, would continue production during the bankruptcy (Ormet Corp., 2013).

Alcoa Inc. (Pittsburgh, PA) restarted a combined 25,000 t/yr of capacity at two of its smelters in Spain in February. In 2011, 46,000 t/yr of the 93,000-t/yr Aviles smelter was shut down and 44,000 t/yr of the 87,000-t/yr La Coruna smelter was shut down. Alcoa cited low aluminum prices and high power costs for the shutdowns. A change in the power supply agreement for the smelters enabled the restart of about 80 smelting pots (Blamey, 2013).

United Company RUSAL (Moscow, Russia) temporarily suspended operations at the 96,000-t/yr Alcon smelter in Ikot Abasi, Nigeria, citing an ownership dispute, low aluminum prices, and unreliable gas supplies for the captive powerplant. The smelter had been producing at about one quarter of its capacity prior to the shutdown. The Supreme Court of Nigeria recently overturned the sale of 77.5% of the Government's 92.5% share of the smelter to RUSAL, ruling that it had

violated Nigeria's privatization law, because BFI Group Corp. (Los Angeles, CA) had offered a higher bid for the smelter (Kolyandr, 2013; United Company RUSAL, 2013a, b).

Employees represented by the United Steelworkers union at the Aluminerie de Becancour (ABI) smelter in Becancour, Quebec, Canada, ratified a 5-year labor contract on February 22, 2013. The new contract was retroactive to November 22, 2012, when the prior contract expired. Production had continued without interruption during negotiations. The 420,000-t/yr ABI smelter was a joint venture between Alcoa (75%) and Rio Tinto plc (London, United Kingdom) (25%) (Allagh, 2013).

Update

The monthly average U.S. market price of primary aluminum ingot decreased to \$1.031 per pound in January 2013 from \$1.051 per pound in December 2012 before increasing to \$1.039 per pound in February 2013.

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TABLE 1
COMPONENTS OF ALUMINUM SUPPLY¹

(Thousand metric tons)

Period	Primary production	Secondary recovery ²			Imports for consumption			Total new supply ³	Stocks, end of period ⁴
		New	Old	Total	Metals and alloys, crude	Plates, sheets, bars, etc.	Total		
2012	2,070	1,810 ^r	1,620 ^r	3,430 ^r	2,900	855	3,760	9,260 ^r	1,100
2012:									
January	178	145	125	270	281	70	351	800	1,090
February	167	146	131	276	284	77	360	804	1,060
March	179	154	139	292	248	83	332	803	1,060
April	174	150	133	283	231	78	309	766	1,090
May	179	154	143	298	293	82	376	852	1,110
June	173	150	138	289	240	78	318	780	1,100
July	177	152	137	289	233	80	313	780	1,140
August	171	155	145	300	234	65	300	770	1,130
September	164	140	137	277	214	60	273	715	1,110
October	170	155	138	293	204	62	265	728	1,130
November	166	151	132	284	196	62	258	707	1,100 ^r
December	171	152 ^r	127	279 ^r	244	59	303	753 ^r	1,100
2013, January	171	154	142	297	248	70	318	786	NA

^rRevised. NA Not available.

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 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	
	Consumption	Metal recovery	Consumption	Metal recovery	Consumption	Metal recovery	Consumption	Metal recovery	Consumption	Metal recovery
2012	2,640 ^r	1,940 ^r	1,550	1,400	103	91	7	7	4,290 ^r	3,430 ^r
2012:										
January	208	149	128	116	5	4	1	1	342	270
February	211	155	129	117	5	4	1	1	346	276
March	216	157	143	130	5	4	1	1	365	292
April	217	156	129	117	10	9	1	1	356	283
May	214	156	146	133	10	9	1	1	371	298
June	227	167	126	113	10	9	1	1	363	289
July	223	163	130	117	10	9	1	1	363	289
August	227	168	136	123	10	9	1	1	373	300
September	226	164	116	104	10	9	1	1	351	277
October	222	163	133	121	10	9	1	1	366	293
November	225	164	121	110	10	9	1	1	357	284
December	221 ^r	172 ^r	108	98	10	9	1	1	340 ^r	279 ^r
2013, January	214	163	137	124	10	9	1	1	361	297

^rRevised.

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

TABLE 3
 CONSUMPTION OF AND RECOVERY FROM PURCHASED
 NEW AND OLD ALUMINUM SCRAP IN JANUARY 2013¹

(Metric tons)

	Consumption		Calculated metallic recovery	
	Tabulated reports	Estimated full coverage	Tabulated reports	Estimated full coverage
Secondary smelters	178,000	214,000	136,000	163,000
Independent mill fabricators	124,000	137,000	112,000	124,000
Foundries	8,110	9,730	7,180	8,610
Other consumers	475	570	475	570
Total	310,000	361,000	256,000	297,000

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

TABLE 4
 PURCHASED AND TOLL-TREATED ALUMINUM-BASE SCRAP AND SWEATED
 PIG IN JANUARY 2013¹

(Metric tons)

	Stocks, opening ²	Net receipts ³	Melted or consumed	Stocks, closing
New scrap:				
Extrusion	20,500	43,100	43,200	20,400
Can stock clippings	10,100	22,800	25,000	7,890
Other wrought sheet/clippings	12,000	39,600	40,200	11,400
Casting	2,720	5,240	5,280	2,680
Borings and turnings	4,520	11,300	11,500	4,390
Dross and skimmings	16,300	43,900	43,900	16,300
Total new scrap	66,100	166,000	169,000	63,100
Old scrap:				
Used castings	7,760	27,600	29,400	5,980
Used extrusion	7,470	14,700	13,900	8,270
Used cans (shredded, loose, baled)	31,600	62,800	62,100	32,400
Other wrought products	18,400	26,700	27,600	17,500
Fragmentized shredder (auto shredder)	1,810	8,070	8,210	1,670
Total old scrap	67,100	140,000	141,000	65,700
Sweated pig	183	143	143	183
Total all classes	133,000	306,000	310,000	129,000

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

²May include revisions to previously published data.

³Includes data on imported aluminum-base scrap.

TABLE 5
ALUMINUM ALLOYS PRODUCED AT SECONDARY SMELTERS IN THE UNITED
STATES IN JANUARY 2013^{1,2}

(Metric tons)

	Stocks, opening ³	Production	Net shipments	Stocks, closing
Die-cast alloys:				
13% Si, 360, etc. (0.6% Cu, max.)	2,610	3,880	4,010	2,480
380 and variations	10,300	12,800	12,800	10,300
Sand and permanent mold:				
95/5 Al-Si, 356, etc. (0.6% Cu, max.)	1,690	4,470	4,470	1,690
No. 319 and variations	3,400	7,030	7,050	3,380
F-132 alloy and variations	602	385	385	602
Al-Zn alloys	306	173	173	306
Al-Si alloys (0.6% to 2.0% Cu)	68	283	283	68
Al-Cu alloys (1.5% Si, max.)	25	145	145	25
Other ⁴	7,120	7,160	6,960	7,320
Wrought alloys, extrusion billets	17,200	35,900	36,000	17,100
Total all alloys	43,300	72,200	72,300	43,200
Less:				
Primary aluminum consumed	XX	7,840	XX	XX
Primary silicon consumed	XX	1,640	XX	XX
Other alloying ingredients consumed	XX	868	XX	XX
Net metallic recovery from aluminum scrap and sweated pig consumed in production of secondary aluminum ingot ⁵	XX	61,800	XX	XX

XX Not applicable.

¹Excludes integrated aluminum companies.

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

³May include revisions to previously published data.

⁴Includes alloy No. 12, Al-Mg, Al-Si-Cu-Ni, aluminum-base hardeners, variations of these alloys, plus other aluminum alloys.

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
2012:		
January	103.375	97.244
February	107.000	99.953
March	107.900	99.002
April	101.563	92.815
May	100.100	90.727
June	95.375	85.481
July	95.125	84.997
August	93.850	83.359
September	103.250	93.146
October	100.813	89.580
November	98.300	88.123
December	105.125	94.635
January–December	100.981	91.589
2013, January	103.050	92.430

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	Old cast	Turnings (clean and dry)
2012:					
January	77.30	75.60	70.98	72.28	69.88
February	79.83	77.93	73.60	75.85	72.88
March	79.86	78.41	74.14	76.36	73.66
April	75.65	76.65	73.50	76.05	72.65
May	74.27	76.41	72.91	75.73	73.25
June	69.76	74.02	69.48	71.43	70.14
July	70.81	71.02	66.83	69.74	68.10
August	70.35	70.59	65.37	69.39	66.74
September	77.82	73.87	69.21	72.00	69.63
October	75.72	74.37	70.43	73.33	70.09
November	74.33	73.35	69.50	73.00	69.10
December	80.08	75.72	72.44	74.72	70.44
January–December	75.48	74.83	70.70	73.32	70.55
2013, January	79.02	77.12	73.05	75.00	71.10

Source: American Metal Market.

TABLE 8
U.S. IMPORTS FOR CONSUMPTION OF ALUMINUM IN JANUARY 2013¹

(Metric tons)

Country or territory	Metals and alloys, crude	Plates, sheets, bars, etc.	Scrap	Total
Argentina	5,300	--	--	5,300
Australia	--	(2)	--	(2)
Austria	--	935	18	953
Bahamas, The	--	--	259	259
Bahrain	4,070	1,810	--	5,880
Belgium	48	133	--	181
Brazil	7,410	2,730	38	10,200
Canada	160,000	17,200	29,200	206,000
Chile	--	--	640	640
China	9,120	11,700	19	20,800
Colombia	224	89	589	902
Costa Rica	--	13	328	341
Egypt	--	422	--	422
El Salvador	--	--	414	414
France	476	146	--	622
Germany	22	5,460	--	5,480
Greece	--	1,840	100	1,940
Guatemala	--	--	1,370	1,370
Honduras	--	--	273	273
Hong Kong	--	401	--	401
India	--	1,750	7	1,750
Indonesia	--	7,540	--	7,540
Italy	--	340	537	877
Japan	--	426	61	487
Korea, Republic of	1,630	289	--	1,910
Malaysia	--	567	--	567
Mexico	687	2,600	9,650	12,900
New Zealand	1,250	6	24	1,280
Qatar	12,600	--	--	12,600
Romania	--	456	--	456
Russia	9,810	1,280	--	11,100
Saudi Arabia	97	--	1,800	1,900
South Africa	2,020	7,500	16	9,540
Sweden	--	550	--	550
Switzerland	(2)	1,070	--	1,070
Taiwan	4	465	--	469
United Arab Emirates	26,200	(2)	461	26,600
United Kingdom	92	1,130	1,210	2,440
Venezuela	4,720	--	1,570	6,300
Other	2,580	1,310	2,010	5,910
Total	248,000	70,100	50,600	369,000

-- 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 JANUARY 2013¹

(Metric tons)

Country or territory	Metals and alloys, crude	Plates, sheets, bars, etc.	Scrap	Total
Australia	10	319	--	329
Belgium	--	207	--	207
Brazil	6	836	1	843
Canada	9,640	33,300	7,310	50,300
Chile	3	1,520	--	1,520
China	532	2,930	94,900	98,400
Colombia	360	200	--	560
France	142	1,850	--	1,990
Germany	427	593	--	1,020
Guatemala	--	2,250	15	2,260
Hong Kong	2	186	3,280	3,470
India	--	66	3,210	3,280
Indonesia	--	178	1,900	2,080
Ireland	73	167	--	240
Israel	100	685	--	785
Italy	--	216	--	216
Japan	101	1,490	897	2,490
Jordan	--	756	--	756
Korea, Republic of	53	1,630	12,900	14,600
Kuwait	--	32	--	32
Malaysia	--	206	40	246
Mexico	15,500	29,400	8,370	53,300
Netherlands	4	773	--	777
New Zealand	(2)	336	--	336
Norway	--	8	335	343
Pakistan	--	19	1,150	1,170
Panama	--	288	--	288
Romania	1	93	--	94
Saudi Arabia	--	5,410	--	5,410
Singapore	47	195	20	262
Spain	6	64	132	202
Taiwan	310	599	7,220	8,130
Thailand	19	283	177	479
Tunisia	--	607	--	607
Turkey	10	367	--	377
United Arab Emirates	--	693	21	714
United Kingdom	153	1,150	100	1,400
Vietnam	--	1	2	3
Other	23	1,330	292	1,640
Total	27,500	91,300	142,000	261,000

-- 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.