

Mineral Industry Surveys

For information, contact:

Micheal W. George, Gold Commodity Specialist
U.S. Geological Survey
989 National Center
Reston, VA 20192
Telephone: (703) 648-4962, Fax: (703) 648-7757
E-mail: mgeorge@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>

GOLD IN JANUARY 2006

U.S. mines produced 18,600 kilograms (kg) of gold in January, a 20% decrease compared with that of December 2005, according to the U.S. Geological Survey. The daily production rate of gold in January was 601 kg, a decrease compared with the annual average daily production rate of 717 kg for 2005 and the monthly average daily production rate of 752 kg in December 2005.

Engelhard Industries' average gold price for January was \$551.45 per troy ounce, 8% more than the average December price. The gold price reached a new 25-year high of \$570.37 per troy ounce on January 31.

Newmont Mining Corporation (Denver, CO) announced the completion of the permitting process for a proposed 200-megawatt coal-fired power plant in Nevada. Upon final approval by Newmont's Board of Directors, construction of the \$450 million power plant will begin. Once completed, the power plant will provide long-term, reliable electricity to the majority of Newmont's Nevada operations. The current plans call for utilization of 75% of the power generated and sale of 25% to local power companies (Newmont Mining Corporation, 2006).

The Porgera gold mine, Papua New Guinea, began to return to normal production after workers went on strike to protest the takeover of Placer Dome Inc. (Vancouver, British Columbia, Canada) by Barrick Gold Corporation (Vancouver). Workers were concerned about their benefits and working conditions during the change of ownership. Mine officials stated that it would take several days before full production was resumed (CRU Week in the News, 2006^{§1}).

China has become a popular location for gold exploration in recent years, and more than 60 non-Chinese companies are currently exploring for gold in China (Beijing Antaika Information Development Co., Ltd., 2006b). China reported that gold production increased 6% in 2005 to 224,000 kg as compared with 2004 gold production (Beijing Antaika Information Development Co., Ltd., 2006a).

The Venezuelan Government will review gold and diamond mining concessions and contracts to determine if they are idle. If the Government determines that the foreign-operated mines are not being fully exploited, the mines will be seized and turned over to small scale miners or the new National Mining Company (Platts Metals Week, 2006).

References Cited

- Beijing Antaika Information Development Co., Ltd., 2006a, CGA—China yields 224 t of gold in 2005: China Metal Market—Precious and Minor Metals, no. 73, March, p. 3.
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- Newmont Mining Corporation, 2006, Newmont completes permitting for Nevada power plant: Denver, CO, Newmont Mining Corporation news release, January 5, 1 p.
- Platts Metals Week, 2006, Chavez to inaugurate mining company: Platts Metals Week, v. 77, no. 2, January 9, p 15.

Internet Reference Cited

- CRU Week in the News, 2006 (January 19), Precious metals, accessed January 19, 2006, via URL <http://www.crumonitor.com>.

¹A reference that includes a section mark (§) is found in the Internet Reference Cited section.

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

(Kilograms)

	Nevada	Other States ²	Total
<u>2005^P:</u>			
January	15,600	3,800	19,400
February	14,600	3,410	18,000
March	20,300	3,890 ^r	24,200
April	17,000	4,060	21,100
May	16,900	3,520	20,400
June	18,500	3,590	22,100
July	18,100	3,500	21,600
August	19,700	3,850	23,600
September	19,600	3,910	23,500
October	19,100	3,490	22,600
November	18,500	3,700	22,200
December	19,900 ^r	3,460	23,300 ^r
January-December	218,000	44,200	262,000
2006, January	15,100	3,480	18,600

^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, South Dakota, Utah, and Washington.

TABLE 2
GOLD PRICES

(Dollars per troy ounce)

<u>Engelhard Industries:</u>	
<u>2005:</u>	
Low/date	412.45 Feb. 8
High/date	538.06 Dec. 12
Average	446.20
<u>2006, January:</u>	
Low/date	526.29/5
High/date	570.37/31
Average	551.45
<u>Handy and Harman:</u>	
2005, average	444.79
2006, January	549.27
<u>London Final:</u>	
2005, average	444.88
2006, January	549.85

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:							
2004	1,860	142,000	139,000	283,000	20,500	10,900	60,000
2005:							
October	264	12,000	10,700	23,000	2,740	55	540
November	265	15,400	9,710	25,300	2,920	52	318
December:							
Aruba	--	--	65	65	--	--	--
Brazil	--	--	899	899	--	--	--
Canada	22	1	5,870	5,890	592 ⁵	3 ⁵	--
Chile	--	2,800 ⁵	550	3,350	--	--	--
Colombia	--	1,390	42	1,440	954	--	--
Costa Rica	--	--	63 ⁵	63	209 ⁵	--	--
Dominican Republic	--	--	--	--	706 ⁵	34 ⁵	--
Honduras	--	193	248	441	53 ⁵	--	--
Hong Kong	--	--	637	637	--	--	--
Israel	--	--	--	--	--	11 ⁵	707 ⁵
Japan	--	--	--	--	--	--	790 ⁵
Mexico	--	110	1,450	1,560	1,010 ⁵	--	--
Nicaragua	--	151	--	151	21 ⁵	--	--
Panama	--	68	31	99	33	--	--
Peru	--	14,800	--	14,800	--	--	--
Other	6 ⁵	(6)	34 ⁵	41	85 ⁵	52 ⁵	--
Total	28	19,500	9,890	29,400	3,660	100	1,500
Year to date	1,630	234,000	105,000	341,000	27,300	1,990	29,500
Exports:							
2004	1,150	142,000	114,000	257,000	725,000	647	1,170,000
2005:							
October	96	13,300	16,500	29,900	40,100	46	92,600
November	143	13,200	13,000	26,300	34,800	38	117,000
December:							
Belgium	--	--	--	--	51	--	--
Canada	--	--	54	54	8,360 ⁵	--	21,300 ⁵
China	--	--	--	--	15	1 ⁵	529 ⁵
Dominican Republic	36 ⁵	--	--	36	--	--	2,660 ⁵
Germany	--	--	72	72	9,440	--	618 ⁵
Ireland	4 ⁵	--	--	4	--	--	3,230 ⁵
Israel	--	--	--	--	--	5 ⁵	4,830 ⁵
Japan	--	--	500	500	220	4	283 ⁵
Mexico	--	--	436	436	--	--	1,600 ⁵
Panama	--	--	--	--	--	--	787 ⁵
Singapore	--	--	--	--	--	--	69,600 ⁵
Switzerland	--	11,200	2,260	13,400	240	--	--
Taiwan	--	--	--	--	--	--	6,220 ⁵
United Arab Emirates	--	--	1,900	1,900	--	--	--
United Kingdom	8 ⁵	--	4,750	4,750	20,000	9	3,350 ⁵
Other	35 ⁵	--	127	162	13	8	--
Total	83	11,200	10,100	21,300	38,300	29	115,000
Year to date	1,380	141,000	182,000	324,000	563,000	687	1,310,000

-- 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.