

Mineral Industry Surveys

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GOLD IN SEPTEMBER 2016

Production of gold by U.S. mines was about 17,400 kilograms (kg) in September, a 5% decrease compared with production in August 2016 and a 10% decrease compared with September 2015 production (table 1). Based on unrounded data, the average daily gold production for U.S. mines was 597 kg in September 2016, 606 kg in August 2016, and 586 kg for the full year of 2015.

Industry News

On September 15, the government of San Juan Province, Argentina, ordered the suspension of operations at Barrick Gold Corp.'s Veladero Mine pending further inspections of the heap-leach area. A week earlier, a rolling piece of ice damaged a pipe carrying process solution containing cyanide, releasing a small amount of the solution outside of the leach area. However, after water monitoring and inspection, it was determined that the spill had not adversely affected the environment and the suspension was lifted on October 4. Barrick expected total production for the mine to be in the range of 18,000 to 20,000 kg in 2016 (Barrick Gold Corp., 2016; Lazenby, 2016).

The Government of Peru proposed that a state-owned bank be established to purchase gold from artisanal and small-scale miners. It was hoped that this would replace the current informal market and thus help to curtail illegal mining. The miners would receive a higher price and would not have to pay the value added tax levied on commercial producers, thus giving them incentives to register with the Government and comply with environmental and labor laws (Reuters, 2016).

OceanaGold Corp. (Australia) completed a Preliminary Economic Assessment (PEA) of an underground operation at the proposed Haile Gold Mine in South Carolina. According to the PEA, the underground operations could add 2,490 to 3,110 kilograms per year (kg/yr) of gold to the 4,670 kg/yr of gold from the proposed open pit. OceanaGold acquired the project when it purchased Romarco Minerals Inc. at the end of 2015 (OceanaGold Corp. 2016).

Prices

The average Engelhard gold price was \$1,329.69 per troy ounce for September 2016 (table 2), a \$14.33 per troy ounce decrease compared with the average gold price in August and a \$202.63 per troy ounce increase compared with the average gold price in September 2015. The daily gold price started September 2016 at \$1,311.88 per troy ounce, the monthly low, rose to the monthly high of \$1,353.45 per troy ounce on September 7, and ended the month at \$1,330.91 per troy ounce. The trends in monthly gold prices (average, high, and low) from September 2014 through September 2016 are shown in figure 1.

References Cited

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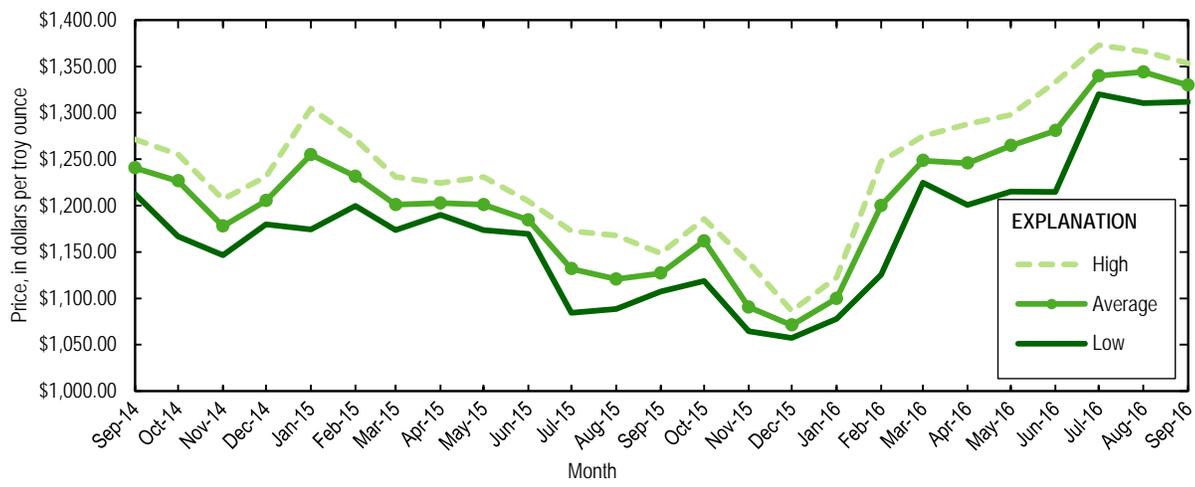


Figure 1. Engelhard monthly gold prices for September 2014 through September 2016. Source: Platts Metals Week.

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

(Kilograms)

	Alaska	Nevada	Other States ²	Total
2015: ^p				
September	2,590	15,100	2,260	20,000
October	2,240	14,800	2,090	19,100
November	2,180	14,300	2,010	18,500
December	2,170	14,900	1,700	18,800
January–December	28,000	162,000	24,200	214,000
2016:				
January	2,200	11,900	1,780 ^r	15,900
February	1,980	12,700	1,780	16,500
March	2,160	13,700	1,910	17,800
April	2,270	12,100	2,430	16,800
May	2,390	12,400	2,640	17,500
June	2,300	14,100	2,400 ^r	18,800
July	2,000	12,700	2,490	17,200
August	2,390	13,700	2,670	18,800
September	2,270	13,100	2,580	17,900
January–September	20,000	117,000	20,700	157,000

^pPreliminary. ^rRevised.

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

²Includes Arizona, California, Colorado, Idaho, Montana, New Mexico, South Dakota, Utah, and Washington.

TABLE 2
GOLD PRICES

(Dollars per troy ounce)

	Price	Date
Engelhard:		
2015:		
Low	1,057.44	Dec. 3
High	1,304.66	Jan. 21
Average	1,163.33	XX
2016:		
August:		
Low	1,310.37	Aug. 31
High	1,366.47	Aug. 2
Average	1,344.02	XX
September:		
Low	1,311.88	Sep. 1
High	1,353.45	Sep. 7
Average	1,329.69	XX
Year to Date:		
Low/date	1,077.98	Jan. 5
High/date	1,372.98	Jul. 6
Average	1,263.07	XX
Handy and Harman:		
2015, Average	1,160.04	XX
2016:		
August	1,340.17	XX
September	1,326.01	XX
Year to Date	1,260.48	XX
London Final:		
2015, Average	1,160.12	XX
2016:		
August	1,341.09	XX
September	1,326.03	XX
Year to Date	1,259.86	XX

XX Not applicable.

Source: Platts Metals Week.

TABLE 3
U.S. IMPORTS AND EXPORTS OF GOLD¹

(Kilograms, 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:							
2015	447	174,000	89,800	265,000	60,900	373	54,000
2016:							
August	(5)	16,500	5,470	22,000	2,080	22	301
September:							
Argentina	--	245	--	245	--	--	--
Bolivia	--	845	--	845	--	--	--
Brazil	--	140	2,370	2,510	--	--	--
Canada	--	272	2,240	2,520	587	--	--
Colombia	--	2,830	219	3,040	7	--	--
Curacao	--	236	--	236	--	--	--
Ecuador	--	532	--	532	--	--	--
Germany	--	--	15	15	73	--	6,230
Guatemala	--	225	--	225	47	--	--
Guyana	--	404	--	404	--	--	--
Honduras	--	16	152	168	199	--	--
Hong Kong	--	--	1,480	1,480	--	--	--
Italy	--	--	--	--	1	--	388
Japan	--	--	--	--	--	--	342
Mexico	4	5,380	259	5,650	719	--	--
Nicaragua	--	917	5	923	33	--	--
Peru	--	5,650	--	5,650	--	--	--
Singapore	--	--	409	409	--	--	--
Switzerland	--	--	2,520	2,520	1	--	--
Other	--	386	136	522	328	1	--
Total	4	18,100	9,810	27,900	2,000	1	6,960
January–September	256	152,000	147,000	299,000	18,800	147	43,400
Exports:							
2015	5,280	123,000	366,000	494,000	372,000	542	12,800
2016:							
August	307	12,300	30,400	42,900	19,200	28	549
September:							
Australia	(5)	--	2,140	2,140	--	--	1
Canada	--	73	402	476	8,780	(5)	50
China	158	--	--	158	17	--	46
Germany	--	--	220	220	49	3	3
Hong Kong	3	1	11,600	11,600	--	6	2
India	--	1,740	2,530	4,270	--	3	1
Ireland	--	--	2	2	699	--	--
Korea, Republic of	--	--	--	--	--	(5)	121
Singapore	--	--	2	2	--	--	680
Switzerland	--	10,200	4,340	14,600	4,200	--	--
United Arab Emirates	--	2,130	25	2,160	--	--	--
United Kingdom	--	--	16,300	16,300	11,300	2	1
Other	--	92	185	276	99	4	266
Total	162	14,300	37,700	52,100	25,100	18	1,170
January–September	3,170	104,000	178,000	285,000	223,000	368	28,500

-- 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" are not included in "Total."

⁵Less than ½ unit.

Source: U.S. Census Bureau.