

Mineral Industry Surveys

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IRON ORE IN NOVEMBER 2009

U.S. mine production of iron ore in November 2009, on a daily average basis, was 6% greater than that for the prior month but still 20% less than that of November 2008, according to the U.S. Geological Survey (USGS). Average daily production, at 105,000 metric tons (t), was 5,500 t greater than that of October 2009.

Average daily shipments in November 2009, at 146,000 t, were 34% greater than those of the prior month and 15,600 t greater than those of November 2008. Mine stocks at the end of November 2009 were 1.24 million metric tons (Mt) less than the stocks held on October 31, a 24% decrease. U.S. net imports of iron ore in October 2009 were 115,000 t, with imports 32% greater than exports.

Price.—China Iron and Steel Association (CISA) indicated that iron ore oversupply would worsen in the fourth quarter of 2009. China's imports for the first three quarters were 469.4 Mt of iron ore, an increase of almost 36% from those of the same period during the previous year. CISA was pushing for a unified iron ore import price and a qualifications review for iron ore importers (Metal Bulletin, 2009b).

World Production.—BHP Billiton Ltd. (Melbourne, Australia) completed its Rapid Growth Project 4 with the opening of the Newman Mining Hub—the company's center for mining, crushing, and screening in the Eastern Pilbara region of Western Australia. The \$1.85 billion project was designed to raise BHP Billiton's production capacity in the Pilbara by 26 million metric tons per year (Mt/yr) to 155 Mt/yr, part of an overall expansion plan to raise iron ore production to 300 Mt/yr by 2015 (Skillings Mining Review, 2009).

Mergers and Acquisitions.—Australia's Foreign Investment Review Board (FIRB) approved a \$246 million deal between Wuhan Iron & Steel Co. (WISCO) and Centrex Metals Ltd. (Adelaide, Australia). Chinese Government-owned WISCO was then able to take a 60% stake in iron ore rights to five Centrex tenements on the Eyre Peninsula in South Australia. WISCO

planned to invest an additional \$169 million in staged payments linked to achieving JORC-inferred resources of up to 2 billion metric tons (Mining Journal, 2009).

Centrex also received approval from FIRB for a joint venture with Baotou Steel Group, a Chinese state-owned entity headquartered in Inner Mongolia. The 50-50 magnetite joint venture planned to develop tenements on the Eyre Peninsula with potential for between 3 Mt/yr and 5 Mt/yr (Metal Bulletin, 2009a).

Exploration and Development.—Kumba Iron Ore Ltd. (Centurion, South Africa), the fourth leading supplier of iron ore for the seaborne trade, continued work on the Sishen South Mine, recently renamed Kolomela. The new mine was expected to begin producing in 2012, with an annual capacity at full production of 9 Mt (Antonioli, 2009).

Xstrata plc (Zug, Switzerland) planned to invest \$50 million to explore the Zanaga iron ore deposit in Congo (Brazzaville). Zanaga is considered a world-class deposit and, if the results of the prefeasibility study were sufficiently encouraging, Xstrata planned to purchase the property and begin operations as soon as possible (Reuters, 2009).

References Cited

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Skillings Mining Review, 2009, BHP completes Rapid Growth Project 4: Skillings Mining Review, v. 98, no. 12, December, p. 9.

TABLE 1
U.S. PRODUCTION AND SHIPMENTS OF IRON ORE^{1, 2}
(Exclusive of ore containing 5% or more of manganese)

(Thousand metric tons)

Period	Production		Shipments	
	Monthly	Year to date	Monthly	Year to date
2008:				
November	3,940	49,400	3,910	50,400
December	3,570	53,000	2,820	53,300
2009:				
January	2,990	2,990	874	874
February	2,660	5,650	440	1,310
March	2,240	7,890	663	1,980
April	1,700	9,590	1,930	3,910
May	850	10,400	2,470	6,380
June	811	11,200	2,440	8,810
July	1,480	12,700	3,080	11,900
August	1,780	14,500	3,190	15,100
September	2,560	17,100	3,120	18,200
October	3,080	20,100	3,370	21,600
November	3,140	23,300	4,380	26,000

¹Data are rounded to no more than three significant digits.

²Excludes byproduct ores.

TABLE 2
U.S. PRODUCTION, SHIPMENTS, AND STOCKS OF IRON ORE IN NOVEMBER^{1, 2}

(Thousand metric tons)

State	Production		Shipments ³		Stocks ⁴	
	2009	2008	2009	2008	2009	2008
Michigan	1,060	744	1,210	966	1,370	2,320
Minnesota	2,080	3,190	3,170	2,950	2,530	3,510
Total	3,140	3,940	4,380	3,910	3,900	5,830

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

²Excludes byproduct ore.

³Includes rail and vessel.

⁴Includes usable (marketable) material at mines, concentrators, pelletizing plants, and loading docks. Excludes stocks of crude ore at mine and concentrates at agglomerating complexes.

TABLE 3
CANADA: SHIPMENTS OF IRON ORE^{1,2}

(Thousand dry metric tons)

Period	Newfoundland and Labrador	Quebec	British Columbia	Total
2008:				
October	1,760	984	8	2,750
November	1,370	801	6	2,170
December	832	737	4	1,570
Year total	18,700	13,400	77	32,100
2009:				
January	1,030	600	3	1,640
February	793	823	2	1,620
March	662	1,450	1	2,120
April	1,630	871	8	2,510
May	2,090	1,260	7	3,350
June	820	1,080	10	1,910
July	1,360	1,430	10	2,800
August	1,480	1,570	8	3,060
September	1,540	1,580	8	3,130
October	2,060	1,510	7	3,580

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

²Includes production from steel plant waste oxides.

Source: Natural Resources Canada.

TABLE 4
PRODUCTION OF PIG IRON AND RAW STEEL IN THE UNITED STATES, BY TYPE OF
FURNACE¹

(Thousand metric tons)

Period	Pig iron production, blast furnace		Raw steel production			
	Monthly	Year to date	Basic oxygen furnace		Electric furnace	
			Monthly	Year to date	Monthly	Year to date
2008:						
October	2,770	30,800	2,330	34,100	3,990	48,200
November	2,040	32,800	1,980	36,100	2,660	50,800
December	1,690	34,500	1,390	37,500	2,220	53,100
2009:						
January	1,450	1,450	1,320	1,320	2,630	2,630
February	1,510	2,960	1,180	2,500	2,440	5,070
March	1,630	4,580	1,430	3,930	2,330	7,400
April	1,410	5,990	1,230	5,170	2,390	9,800
May	1,370	7,360	1,070	6,240	2,760	12,600
June	1,380	8,740	1,210	7,440	2,980	15,500
July	1,840	10,600	1,630	9,070	3,200	18,700
August	2,090	12,700	1,810	10,900	3,460	22,200
September	1,930	14,600	2,230	13,100	3,540	25,700
October	2,510	17,100	2,080	15,200	3,480	29,200

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

Source: American Iron and Steel Institute.

TABLE 5
U.S. EXPORTS OF IRON ORE, BY COUNTRY OF DESTINATION AND TYPE^{1,2}

(Thousand metric tons)

Country of destination and type of product	2008	2009				
		1st quarter	2nd quarter	3rd quarter	September	October
Algeria	80	--	--	--	--	--
Belgium	218	(3)	19	25	25	98
Canada	9,030	425	653	1,100	369	175
China	91	4	3	92	58	--
Colombia	11	8	7	1	(3)	(3)
Czech Republic	83	--	--	--	--	--
France	210	(3)	74	105	78	(3)
Germany	156	--	--	81	81	49
Malaysia	25	1	--	--	--	--
Mexico	328	12	2	1	(3)	11
Poland ⁴	103	--	--	--	--	--
Romania	128	--	--	--	--	--
Serbia	51	--	--	--	--	--
Slovakia	505	--	--	--	--	--
South Africa	--	--	--	27	27	25
Spain	102	--	--	--	--	--
Other ⁵	18	1	5	1	(3)	2
Total	11,100	450	763	1,430	639	360
Concentrates	142	9	8	101	57	1
Coarse ores	46	(3)	1	--	--	3
Fine ores	136	10	5	7	1	2
Pellets	10,800	431	746	1,330	581	354
Briquettes	(3)	--	3	(3)	(3)	--
Other agglomerates	20	--	(3)	(3)	--	--
Roasted pyrites	(3)	--	(3)	1	1	(3)
Total	11,100	450	763	1,430	639	360

-- Zero.

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

²Includes agglomerates.

³Less than ½ unit.

⁴Correction to previous months' information should read Poland, not Peru.

⁵Other includes all countries receiving less than 5,000 metric tons in any month during the two-year period.

Source: U.S. Census Bureau.

TABLE 6
 U.S. IMPORTS FOR CONSUMPTION OF IRON ORE, BY COUNTRY AND TYPE^{1,2}
 (Exclusive of ore containing 20% or more manganese)

Country of origin and type of product	2009					2008
	October		Year to date			January-October
	Thousand metric tons	Value ³ (thousand dollars)	Thousand metric tons	Value ³ (thousand dollars)	Value ³ (dollars per ton)	Thousand metric tons
Bosnia and Herzegovina	--	--	--	--	--	23
Brazil	46	2,800	188	13,100	69.83	2,380
Canada	309	24,500	2,190	249,000	113.62	5,030
Chile	5	348	154	12,500	81.54	173
China	--	--	(4)	2	2,100.00	14
Finland	--	--	6	367	62.89	6
Italy	--	--	--	--	--	1
Japan	--	--	--	--	--	(4)
Mexico	(4)	7	54	4,510	83.77	25
Netherlands	--	--	--	--	--	1
Norway	1	13	3	47	18.00	--
Peru	--	--	34	1,670	49.31	39
Russia	66	3,970	136	8,240	60.68	66
South Africa	--	--	29	1,850	64.28	--
Spain	--	--	4	159	39.94	1
Sweden	28	3,120	31	3,190	102.12	50
Switzerland	--	--	--	--	--	70
United Kingdom	--	--	8	1,630	197.51	--
Venezuela	21	825	21	825	40.00	68
Total	475	35,600	2,860	297,000	103.98	7,940
Concentrates	--	--	229	18,500	80.68	1,070
Coarse ores	--	--	8	1,630	197.74	37
Fine ores	86	6,400	461	34,700	75.25	1,620
Pellets	389	29,200	2,150	242,000	112.57	5,200
Briquettes	--	--	4	159	39.94	1
Other agglomerates	(4)	7	2	84	38.00	--
Roasted pyrites	--	--	6	367	62.89	12
Total	475	35,600	2,860	297,000	103.98	7,940

-- Zero.

¹Data, with the exception of the dollars per ton column, are rounded to no more than three significant digits; may not add to totals shown.

²Includes agglomerates.

³Customs value. Excludes international freight and insurance charges.

⁴Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 7
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE IN OCTOBER 2009^{1,2}
(Exclusive of ore containing 20% or more manganese)

(Thousand metric tons)

Country of origin	Type of product						Total
	Concentrates	Coarse ores	Fine ores	Pellets	Briquettes and other agglomerates	Roasted pyrites	
Brazil	--	--	46	--	--	--	46
Canada	--	--	6	303	--	--	309
Chile	--	--	5	--	--	--	5
Mexico	--	--	--	--	(3)	--	(3)
Norway	--	--	1	--	--	--	1
Russia	--	--	--	66	--	--	66
Sweden	--	--	28	--	--	--	28
Venezuela	--	--	--	21	--	--	21
Total	--	--	86	389	(3)	--	475

-- Zero.

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

²Includes agglomerates.

³Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 8
U.S. IMPORTS FOR CONSUMPTION OF PELLETS, BY COUNTRY¹

Country of origin	2009					2008
	October		Year to date			January-October
	Thousand metric tons	Value ² (thousand dollars)	Thousand metric tons	Value ² (thousand dollars)	Value ² (dollars per ton)	Thousand metric tons
Bosnia and Herzegovina	--	--	--	--	--	23
Brazil	--	--	38	3,510	93.23	596
Canada	303	24,400	1,950	229,000	117.47	4,500
Peru	--	--	5	283	57.11	18
Russia	66	3,970	136	8,240	60.68	--
Venezuela	21	825	21	825	40.00	68
Total	389	29,200	2,150	242,000	112.57	5,200

-- Zero.

¹Data, with the exception of the dollars per ton column, are rounded to no more than three significant digits; may not add to totals shown.

²Customs value. Excludes international freight and insurance charges.

Source: U.S. Census Bureau.

TABLE 9
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE,
BY CUSTOMS DISTRICT^{1,2}
(Exclusive of ore containing 20% or more manganese)

(Thousand metric tons)

Customs district (code no.)	October	January-October	
	2009	2009	2008
Baltimore, MD (13)	149	494	3,250
Buffalo, NY (09)	--	--	1
Charleston, SC (16)	--	6	24
Chicago, IL (39)	76	323	1,010
Cleveland, OH (41)	201	1,500	2,610
Detroit, MI (38)	--	--	(3)
Houston-Galveston, TX (53)	--	38	31
Los Angeles, CA (27)	--	(3)	--
Mobile, AL (19)	23	28	50
New Orleans, LA (20)	21	406	946
New York, NY (10)	--	--	1
Nogales, AZ (26)	(3)	2	--
Norfolk, VA (14)	--	--	10
Ogdensburg, NY (07)	2	16	10
Philadelphia, PA (11)	--	6	6
Port Arthur, TX (21)	--	8	--
Seattle, WA (30)	4	28	--
Total	475	2,860	7,940

-- Zero.

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

²Includes agglomerates.

³Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 10
U.S. IMPORTS FOR CONSUMPTION OF PELLETS,
BY CUSTOMS DISTRICT¹

(Thousand metric tons)

Customs district (code no.)	October	January-October	
	2009	2009	2008
Baltimore, MD (13)	139	484	1,720
Chicago, IL (39)	30	101	199
Cleveland, OH (41)	200	1,500	2,580
Houston - Galveston, TX (53)	--	38	30
Mobile, AL (19)	--	5	18
New Orleans, LA (20)	21	21	658
Total	389	2,150	5,200

-- Zero.

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

Source: U.S. Census Bureau.