

# Mineral Industry Surveys

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## IRON ORE IN APRIL 2014

Average daily U.S. mine production of iron ore in April 2014 was 131,000 metric tons (t), 9% less than that of March 2014 and 14% more than that of April 2013. Average daily U.S. iron ore shipments were 89,700 t, 112% greater than those of March and 42% less than those of April 2013. Mine stocks at the end of April 2014 were 10% more than those held in March and 69% more than those in April 2013 (table 1). Large increases in stocks were the result of reduced shipments owing to the closure of the Soo Locks at Sault Ste. Marie, MI, which were closed for seasonal maintenance, and inclement weather and ice on the Great Lakes.

U.S. exports of iron ore were 796,000 t in April 2014, 124% greater than those in March 2014 and 31% less than those of April 2013 (table 4). U.S. imports of iron ore were 510,000 t in April 2014, 52% greater than those in March 2014 and 134% greater than those of April 2013 (table 5).

### Industry News

Armco Metals Holdings, Inc. entered into an agreement to acquire 100% of Draco Resources, Inc. via a stock exchange valued at approximately \$46 million. Draco Resources, a company involved in iron ore exploration and trading, owns exclusive rights of management, operation, distribution, and sale of 5 million metric tons (Mt) of iron ore fines in Alabama. The company transported its first shipment, 55,000 t of iron ore, to China in March 2014, and planned to ship one to three vessels monthly to China during the next 4 years to transfer the stockpile (Armco Metals Holdings, Inc, 2014).

U.S. Steel Corp. planned to resume limited production at the Gary Works steel mill, the largest in the nation, following a week-long idling of its blast furnaces owing to lack of iron ore

shipments caused by extensive ice cover on the Great Lakes. The mill was to be operated at reduced capacity while iron ore stockpiles were replenished (Ngai, 2014).

The Metallurgical Corp. of China (MCC) signed an agreement with the Government of Pakistan to explore iron ore deposits in Chiniot (Punjab, Pakistan), with 18 months to give final opinion. Pakistan's Chief Minister requested MCC's opinion within 10 months to expedite construction of domestic-ore-consuming steel mills in Punjab Province. The Chiniot iron ore project was estimated to contain 600 Mt of iron ore, with 500 Mt of inferred or undiscovered resources, ranging from 44% to 77% iron content (Siddiqui, 2014).

The Supreme Court of India lifted mining bans in Goa after 19 months, although production was capped at 20 Mt of iron ore annually (Mohanty and Serapio, 2014).

### References Cited

- Armco Metals Holdings, Inc., 2014, Armco Metals Holdings enters into agreement to acquire 100% of Draco Resources, Inc.: Shanghai, China, Armco Metals Holdings, Inc. press release, April 16. (Accessed June 19, 2014, at [http://www.armcometawise.com/News/Armco Metals Holdings Enters Into Agreement to Acquire 100 of Draco Resources Inc.](http://www.armcometawise.com/News/Armco%20Metals%20Holdings%20Enters%20Into%20Agreement%20to%20Acquire%20100%20of%20Draco%20Resources%20Inc.))
- Mohanty, Suchitra, and Serapio, Manolo, Jr., 2014, SC lifts iron ore mining ban in Goa, caps annual output: Reuters, April 21. (Accessed June 19, 2014, at <http://in.reuters.com/article/2014/04/21/uk-india-courts-mining-idINKBN0D70CX20140421>.)
- Ngai, Christina, 2014, USS' Gary Works receives iron ore shipment: American Metal Market, v. 122, no. 15-2, April 8, p. 2.
- Siddiqui, Engr, 2014, Focus shifts to iron ore deposits: Dawn [Karachi, Pakistan], April 21. (Accessed June 19, 2014, at <http://www.dawn.com/news/1101248>.)

TABLE 1  
U.S. PRODUCTION, SHIPMENTS, AND STOCKS OF IRON ORE<sup>1,2</sup>  
(Exclusive of ore containing 5% or more of manganese)

(Thousand metric tons)

Period	Production		Shipments <sup>3</sup>		Stocks <sup>4</sup>
	Monthly	Year to date	Monthly	Year to date	End of Month
2013:					
April	3,460	16,000	4,670	10,400	7,830
May	4,280	20,200	5,680	16,100	6,350
June	3,990	24,200	5,170	21,300	5,390
July	4,400	28,600	5,650	26,900	4,130
August	4,610	33,200	5,430	32,300	3,320
September	4,780	38,000	5,400	37,700	2,770
October	4,460	42,500	5,120	42,900	2,110
November	4,650	47,100	4,280	47,100	2,470
December	3,870	51,000	4,660	51,800	3,690
2014:					
January	3,900	3,900	2,390	2,390	5,200
February	5,460	12,700	1,900	4,290	8,820
March	4,440	17,200	1,310	5,600	11,900
April	3,930	15,600	2,690	7,110	13,200

<sup>1</sup>Data are rounded to no more than three significant digits.

<sup>2</sup>Excludes byproduct ores.

<sup>3</sup>Includes rail and vessel.

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

TABLE 2  
CANADA: SHIPMENTS OF IRON ORE<sup>1,2</sup>

(Thousand dry metric tons)

Period	Newfoundland and Labrador	Quebec	Total
2013:			
April	1,730	1,730	3,460
May	1,950	1,650	3,600
June	2,220	2,060	4,280
July	1,880	2,140	4,030
August	1,840	2,260	4,100
September	1,640	2,000	3,640
October	1,710	2,300	4,010
November	1,640	1,690	3,330
December	1,390	2,440	3,830
January–December	18,900	22,900	41,800
2014:			
January	1,010	1,570	2,580
February	919	2,380	3,300
March	821	1,680	2,510
April	NA	NA	NA

NA Not available.

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

<sup>2</sup>Includes production from steel plant waste oxides.

Source: Natural Resources Canada.

TABLE 3  
U.S. PRODUCTION OF PIG IRON AND RAW STEEL, BY TYPE OF FURNACE<sup>1,2</sup>

(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
2013:						
April	2,800	11,700	2,510	10,500	4,340	17,000
May	2,880	14,500	2,660	13,100	4,480	21,500
June	2,760	17,300	2,440	15,500	4,340	25,800
July	2,760	20,100	2,430	18,000	4,680	30,500
August	2,890	22,900	2,550	20,500	4,580	35,100
September	2,880	25,800	2,460	23,000	4,400	39,500
October	2,870	28,700	2,510	25,500	4,490	44,000
November	2,760	31,500	2,430	27,900	4,340	48,300
December	2,780	34,200	2,380	30,300	4,340	52,600
2014:						
January	2,430	2,430	2,680	2,680	4,650	4,650
February	2,450	4,880	2,580	5,250	4,230	8,880
March	2,820	7,700	2,490	7,740	4,690	13,600
April	2,580	10,300	2,120	9,860	4,580	18,100

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

Source: American Iron and Steel Institute.

TABLE 4  
U.S. EXPORTS FOR CONSUMPTION OF IRON ORE, BY COUNTRY AND TYPE<sup>1,2</sup>  
(Exclusive of ore containing 20% or more manganese)

Country of origin and type of product	2013			2014		
	January–April Thousand metric tons	April		January–April Thousand metric tons	Value <sup>3,4</sup> (thousand dollars)	
		Thousand metric tons	Value <sup>3</sup> (thousand dollars)		Value <sup>3,4</sup> (dollars per ton)	
Canada	2,010	297	\$35,800	1,210	\$160,000	\$132.47
China	587	282	22,500	885	86,800	98.08
Mexico	368	217	17,800	422	37,300	88.30
Other	506	--	--	85	8,880	104.49
Total	3,470	796	76,100	2,610	293,000	112.54
Coarse ores	213	--	--	--	--	--
Concentrates	648	96	10,300	663	74,300	112.00
Fine ores	286	(5)	12	59	7,250	122.90
Pellets	2,260	635	60,300	1,640	192,000	116.69
Other	67	64	5,450	241	20,200	83.72
Total	3,470	796	76,100	2,610	293,000	112.54

-- Zero.

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

<sup>2</sup>All countries with less than 5,000 metric tons of exports per month of report included in "Other."

<sup>3</sup>Customs value. Excludes international freight and insurance charges.

<sup>4</sup>Values are calculated and may not reflect actual amounts per ton.

<sup>5</sup>Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 5  
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE, BY COUNTRY AND TYPE<sup>1,2</sup>  
(Exclusive of ore containing 20% or more manganese)

Country of origin and type of product	2013			2014		
	January–April	April		January–April		
	Thousand metric tons	Thousand metric tons	Value <sup>3</sup> (thousand dollars)	Thousand metric tons	Value <sup>3</sup> (thousand dollars)	Value <sup>3,4</sup> (dollars per ton)
Argentina	41	46	\$5,510	46	\$5,510	\$119.72
Brazil	(5)	103	16,000	406	63,200	155.57
Canada	676	361	54,000	1,120	165,000	148.13
Other	79	--	--	21	3,130	148.95
<b>Total</b>	<b>795</b>	<b>510</b>	<b>75,500</b>	<b>1,590</b>	<b>237,000</b>	<b>149.32</b>
Coarse ores	3	--	--	--	--	--
Concentrates	77	25	3,280	25	3,280	131.36
Fine ores	342	46	5,530	215	28,400	132.14
Pellets	372	439	66,700	1,350	206,000	152.39
Other	(5)	--	--	--	--	--
<b>Total</b>	<b>795</b>	<b>510</b>	<b>75,500</b>	<b>1,590</b>	<b>237,000</b>	<b>149.32</b>

-- Zero.

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

<sup>2</sup>All countries with less than 5,000 metric tons of imports per month of report included in "Other."

<sup>3</sup>Customs value. Excludes international freight and insurance charges.

<sup>4</sup>Values are calculated and may not reflect actual amounts per ton.

<sup>5</sup>Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 6  
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE,  
BY CUSTOMS DISTRICT<sup>1,2</sup>  
(Exclusive of ore containing 20% or more manganese)

(Thousand metric tons)

Customs district (code no.)	Pellets			Total, all products		
	January–April		April	January–April		April
	2013	2014	2014	2013	2014	2014
Chicago, IL (39)	--	27	27	27	52	52
Cleveland, OH (41)	294	219	192	294	219	192
New Orleans, LA (20)	78	821	220	470	1,030	266
Other	(3)	282	--	5	288	(3)
<b>Total</b>	<b>372</b>	<b>1,350</b>	<b>439</b>	<b>795</b>	<b>1,590</b>	<b>510</b>

-- Zero.

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

<sup>2</sup>Customs Districts with less than 5,000 metric tons total per month of report included in "Other."

<sup>3</sup>Less than ½ unit.

Source: U.S. Census Bureau.