

# Mineral Industry Surveys

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## IRON ORE IN OCTOBER 2014

U.S. mine production and shipments of iron ore in October 2014 were 5.05 million metric tons (Mt) and 5.77 Mt, respectively. Average daily production in October was 163,000 metric tons (t), nearly the same as that of September 2014 and 13% more than that of October 2013. Average daily shipments in October were 186,000 t, 3% less than those of September, and 13% more than those of October 2013. Mine stocks at the end of October 2014 were 10% less than those held in September and almost three times those in October 2013 owing to the continued delays caused by record-high Great Lakes ice coverage in early 2014.

U.S. imports of iron ore were 519,000 t in October 2014, 23% less than those in September 2014 and 36% greater than those of October 2013. U.S. exports of iron ore were 1.15 Mt in October 2014, slightly less than those in September 2014 and 32% greater than those of October 2013.

### Industry News

In October, CML Metals Corp. (St. George, UT) idled its 2-million-metric-ton-per-year (Mt/yr) Iron Mountain Mine and concentrator in Cedar City, UT, for an indefinite period. The mine, which was the only domestic operation that was idled in 2014, exported the majority of its production and was the only iron ore mine in the Western United States. The idling was the result of significant decreases in the price of iron ore exports following oversupply in the global market (Palladon Ventures Ltd., 2014).

Essar Steel Minnesota LLC (Hibbing, MN) concluded a financing agreement that would allow construction to be completed on the 7-Mt/yr open-pit iron mine, concentrating facility, and pelletizing plant. The facility was scheduled to commence production by the second half of 2015 as the only U.S. facility capable of producing standard, fluxed, and direct-reduced grade pellets (Essar Steel Minnesota LLC, 2014).

Magnetation LLC (Grand Rapids, MN) began production at its new pelletizing plant in Reynolds, IN. The plant's 3-Mt/yr flux pellet capacity would feed partner AK Steel's blast furnaces in Ohio and Kentucky. Concentrates were supplied from Magnetation's iron ore reclamation operations in Minnesota.

Additional concentrates were expected to be supplied to the Reynolds pellet plant by Magnetation's new 2-Mt/yr reclamation facility, Plant Four, in Grand Rapids, MN, in the first quarter of 2015 (Magnetation LLC, 2014).

U.S. Steel Corp. (Pittsburgh, PA) announced it would not pursue the expansion of the Keetac Mine in Keewatin, MN. The company's planned expansion of the iron ore mine would have included increasing production by 3.6 Mt, restarting an idled pelletizing line, and upgrading existing processes and facilities (U.S. Steel Corp., 2014, p. 11).

London Mining PLC (London, United Kingdom) announced it would idle its Marampa Mine in Sierra Leone. The 2.5-Mt/yr Marampa Mine contains approximately 1,000 Mt of iron ore resources. Low iron ore prices and high production costs, as well as the impact of the Ebola outbreak in West Africa, forced the closure of the mine (Els, 2014).

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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:					
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	9,370	1,900	4,290	8,820
March	4,440	13,800	1,310	5,600	11,900
April	3,930	17,700	2,690	8,290	13,200
May	4,740	22,500	5,880	14,200	12,000
June	4,690	27,200	5,940	20,100	10,900
July	4,930	32,100	6,490	26,600	9,350
August	4,790	36,900	6,370	33,000	7,770
September	4,860	41,700	5,780	38,800	6,890
October	5,050	46,800	5,770	44,500	6,180

<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:			
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	1,250	2,560	3,810
May	1,250	2,680	3,930
June	1,250	2,550	3,800
July <sup>f</sup>	1,400	2,780	4,180
August	1,400	2,330	3,720
September	1,400	2,430	3,830
October	1,480	2,500	3,980

<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</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:						
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
May	2,710	13,000	2,380	12,200	4,740	22,900
June	2,760	15,800	2,500	14,700	4,590	27,500
July	2,930	18,700	2,630	17,400	4,760	32,200
August	2,920	21,600	2,600	20,000	4,840	37,100
September	2,740	24,300	2,550	22,500	4,560	41,600
October	2,690	27,000	2,340	24,900	4,700	46,300

<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 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–October Thousand metric tons	October		January–October Thousand metric tons	Value <sup>3</sup> (thousand dollars)	Value <sup>3,4</sup> (dollars per ton)
		Thousand metric tons	Value <sup>3</sup> (thousand dollars)			
Canada	4,900	1,060	\$125,000	7,230	\$869,000	\$120.15
China	1,720	1	291	1,660	147,000	88.37
Mexico	973	86	6,500	1,440	113,000	78.20
Other	1,050	( <sup>5</sup> )	9	172	17,500	101.58
Total	8,630	1,150	132,000	10,500	1,150,000	109.07
Concentrates	1,960	32	3,280	1,440	134,000	92.99
Fine ores	344	1	89	95	10,800	113.79
Pellets	5,850	1,080	126,000	8,200	939,000	114.45
Other	479	32	1,910	763	61,900	81.15
Total	8,630	1,150	132,000	10,500	1,150,000	109.07

<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 price per ton.

<sup>5</sup>Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 5  
U.S. IMPORTS 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–October	October		January–October	Value <sup>3, 4</sup>	
	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)
Brazil	471	233	\$30,200	1,600	\$217,000	\$135.65
Canada	1,820	163	22,000	2,470	354,000	143.66
Chile	50	30	3,270	70	8,640	123.40
Peru	(5)	11	697	30	3,800	126.50
Venezuela	--	82	4,770	91	6,270	68.90
Other	311	(5)	44	234	29,500	126.00
Total	2,650	519	61,000	4,490	620,000	137.94
Concentrates	328	112	8,040	506	44,700	88.27
Fine ores	554	11	744	357	45,700	128.15
Pellets	1,740	396	52,200	3,600	526,000	146.41
Other	21	(5)	3	36	3,000	83.28
Total	2,650	519	61,000	4,490	620,000	137.94

-- 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 price 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–October		October	January–October		October
	2013	2014	2014	2013	2014	2014
Chicago, IL (39)	--	110	30	391	647	112
Cleveland, OH (41)	1,280	728	54	1,280	728	54
Houston-Galveston, TX (53)	--	44	--	(3)	44	--
Mobile, AL (19)	--	149	--	18	154	--
New Orleans, LA (20)	463	2,280	311	952	2,620	352
Other	(3)	282	--	7	305	1
Total	1,740	3,600	396	2,650	4,490	519

-- 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.