

Mineral Industry Surveys

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LEAD IN FEBRUARY 2002

Domestic mine production, based on the net quantity of lead recovered from concentrate, decreased by 10% in February compared with that of January. Secondary refinery production decreased by 8% in February and reported consumption was down by about 1% in February compared with the previous month.

According to Platts Metals Week published quotations, the average North American producer price and the average London Metal Exchange (LME) cash price (U.S. dollars) decreased by 0.23% and 6.44%, respectively, compared with that of January.

Demand for lead in North America continued a downward trend in February as the slow rate of automotive battery failures and consequent weaker demand for replacement batteries persisted. In Europe, the demand for lead slowed following a promising January in which orders for refined lead had increased as a result of fairly cold weather across most of the Continent (CRU International Ltd., 2002).

The National Defense Stockpile monthly cash disposal (sale) of lead in February was 700 metric tons (t) (772 short tons). Sale of lead through the first 5 months of fiscal year 2002 (October 2001 through September 2002) was 2,390 t (2,635 short tons).

The Defense National Stockpile Center announced the award of 5,000 t (5,512 short tons) of lead on February 8, under its Long-Term Solicitation of Offers (DLA-LEAD-004) issued on January 12, 2002. The awards were made to two companies for an approximate market value of \$2.5 million (U.S. Defense National Stockpile Center, 2002).

China's Yunnan Xinlu Nonferrous Co. reportedly plans to expand its refined lead production capacity by 25%, contingent upon available funds and market conditions. The expansion project is expected to begin during 2002 and likely would be

completed in about 2 years. Lead production in 2002 will be about 80,000 t, up 10,000 t from that of the previous year (Platts Metals Week, 2002a).

Yubei Metal Smelter in China's Henan Province reportedly plans to increase its exports to 70% of plant output in 2002, up from 60% of output in 2001. Production capacity at Yubei was doubled to 120,000 metric tons per year (t/yr) in December 2001. Thus, at full production, Yubei expects to export about 84,000 t of lead, mainly to Japan, the Republic of Korea, and the United States. Yubei's lead exports totaled about 40,000 t in 2001 (Platts Metals Week, 2002b).

Indian Lead Co., a producer of secondary lead in India, hopes to restart its smelters by May 2002. The company had been the second largest secondary lead producer in India with a total production capacity of 32,000 t/yr before production was halted in May 2001. According to a company spokesperson, Indian Lead had located a strategic investor that would enable the company to restart operations at all three of its facilities. Two plants are located in Maharashtra and one is located in West Bengal (Metal Bulletin, 2002).

References Cited

- CRU International Ltd., 2002, Market commentary: CRU Monitor—Lead, March, p. 3.
- Metal Bulletin, 2002, Indian Lead hopes to restart production at three plants: Metal Bulletin, v. 8653, February 28, p. 9.
- Platts Metals Week, 2002a, Xinlu may expand lead capacity: Platts Metals Week, v. 73, no. 8, February 25, p. 11.
- Platts Metals Week, 2002b, Yubei to lift lead exports: Platts Metals Week, v. 73, no. 5, February 4, p. 12.
- U.S. Defense National Stockpile Center, 2002, Stockpile long-term lead offers: Fort Belvoir, VA, U.S. Defense National Stockpile Center news release, February 8, 1 p.

TABLE 1
SALIENT LEAD STATISTICS IN THE UNITED STATES 1/

(Metric tons, lead content, unless otherwise specified)

	2001		2002		
	January - December	January - February	January	February	January - February
Production:					
Mine (recoverable)	450,000	80,600	39,500 r/	35,500	75,100
Primary refinery	290,000	NA	NA	NA	NA
Secondary refinery:					
Reported by smelters/refineries	1,090,000	182,000	87,200	80,300	167,000
Estimated	11,000	1,840	880	810	1,690
Recovered from copper-base scrap e/	15,000	2,500	1,250	1,250	2,500
Total secondary	1,110,000	186,000	89,300	82,300	172,000
Stocks, end of period:					
Primary refineries	NA	NA	NA	NA	NA
Secondary smelters and consumers	86,100	62,700	83,600	84,200	84,200
Imports for consumption:					
Ore and concentrates (lead content)	2,240	2,240	--	NA	-- 2/
Refined metal	271,000	25,500	21,900	NA	21,900 2/
Consumption:					
Reported	1,550,000	265,000 r/	120,000	119,000	239,000
Undistributed e/	153,000	26,200 r/	11,900	11,800	23,700
Total	1,700,000	292,000 r/	132,000	131,000	263,000
Exports (lead content):					
Ore and concentrates	181,000	4,280	7,730	NA	7,730 2/
Bullion	3,470	1,530	82	NA	82 2/
Wrought and unwrought lead	34,700	7,970	1,690	NA	1,690 2/
Ash and residues	14,200	129	--	NA	-- 2/
TEL/TML preparations, based on lead compounds	3,470	2,750	4	NA	4 2/
Exports (gross weight): Scrap	108,000	15,100	7,350	NA	7,350 2/
Platt's Metals Week average North American producer price (cents per pound)					
	43.64	43.68	43.75	43.65	43.70

e/ Estimated. r/ Revised. NA Not available. -- Zero.

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

2/ Includes data for January only; February data not available at time of publication.

TABLE 2
MONTHLY AVERAGE LEAD PRICES

	North American producer price cents/lb	LME		Sterling exchange rate dollars/£
		\$/metric ton	£/metric ton	
2001:				
February	43.72	501.46	345.24	1.452511
November	43.67	486.09	338.60	1.435610
December	43.66	482.84	335.01	1.441265
Year	43.57	453.58	300.08	1.515869
2002:				
January	43.75	512.63	355.67	1.441270
February	43.65	479.63	337.15	1.422568

Source: Platts Metals Week.

TABLE 3
CONSUMPTION OF PURCHASED LEAD-BASE SCRAP 1/

(Metric tons, gross weight)

Item	Stocks	Net receipts	Consumption	Stocks
	January 31, 2002			February 28, 2002
Battery-lead	12,500	72,300	73,000	11,700
Soft lead	W	W	W	W
Drosses and residues	2,550	3,660	3,650	2,560
Other 2/	1,550	1,940	1,790	1,700
Total	16,600	77,900	78,500	16,000
Percent change from preceding month	XX	-13.7	-10.1	-3.4

W Withheld to avoid disclosing company proprietary data; included with "Other." XX Not applicable.

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

2/ Includes solder, common babbitt, antimonial lead, cable covering, type metals, and other lead-base scrap not elsewhere classified.

TABLE 4
LEAD, TIN, AND ANTIMONY RECOVERED FROM LEAD-BASE
SCRAP IN FEBRUARY 2002 1/

(Metric tons)

Product recovered	Secondary metal content		
	Lead	Tin	Antimony
Soft and calcium lead	47,400	--	--
Remelt lead	W	W	W
Antimonial lead	19,800	W	W
Other 2/	W	W	--
Total lead-base	80,300	46	454

W Withheld to avoid disclosing company proprietary data; included in "Total."

-- Zero.

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

2/ Includes cable lead, lead-base babbitt, solder, type metals, and other products

TABLE 5
CONSUMPTION OF LEAD IN THE UNITED STATES 1/

(Metric tons, lead content)

Uses	2001		2002		
	January - December	January - February r/	January	February	January - February
Metal products:					
Ammunition, shot and bullets	38,500	5,310	3,350	4,320	7,660
Brass and bronze, billet and ingots	3,490	656	277	289	566
Cable covering, power and communication and cabling lead, building construction	3,770	740	304	300	604
Casting metals	7,410	1,020	653	656	1,310
Sheet lead, pipes, traps and other extruded products	21,800	2,970	1,550	1,520	3,070
Solder	1,560	469	139	133	272
Storage batteries, including oxides	1,400,000	242,000	106,000	105,000	212,000
Terne metal, type metal, and other metal products 2/	6,250	307	220	117	337
Total metal products	1,480,000	254,000	113,000	113,000	226,000
Other oxides and miscellaneous uses	62,300	11,500	7,360	6,430	13,800
Total reported	1,550,000	265,000	120,000	119,000	239,000
Undistributed consumption e/	153,000	26,200	11,900	11,800	23,700
Grand total	1,700,000	292,000	132,000	131,000	263,000

e/ Estimated.

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

2/ Includes lead consumed in foil, collapsible tubes, annealing, plating, galvanizing, and fishing weights.

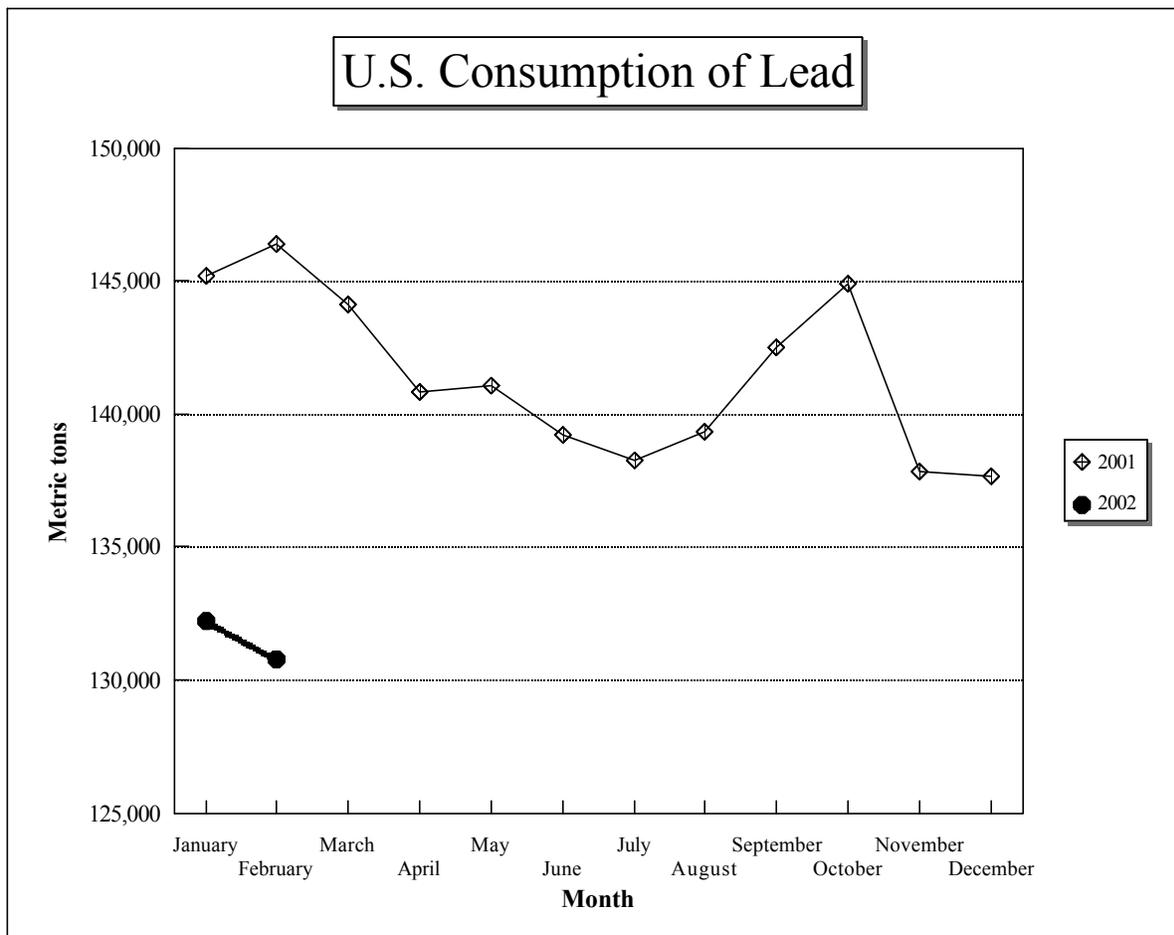


TABLE 6
CONSUMER AND SECONDARY SMELTER STOCKS, RECEIPTS, AND
CONSUMPTION OF LEAD IN FEBRUARY 2002 1/

(Metric tons, lead content)

Type of material	Stocks		Consumption	Stocks
	January 31, 2002	Net receipts		February 28, 2002
Soft lead	42,800	71,100	69,100	44,800
Antimonial lead	28,400	29,400	28,200	29,700
Lead alloys	W	18,800	21,600	W
Copper-base scrap	W	216	221	W
Total	83,600	120,000	119,000	84,200

W Withheld to avoid disclosing company proprietary data; included in "Total."

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

TABLE 7
U.S. EXPORTS OF LEAD, BY CLASS 1/

(Metric tons)

	2001		2002
	December	Year	January
Lead content:			
Ore and concentrates	17,100	181,000	7,730
Bullion	--	3,470	82
Materials excluding scrap	1,750	34,700	1,690
Ash and residues	2,220	14,200	--
TEL/TML preparations, based on lead compounds	7	3,470	4
Total	21,100	237,000	9,510
Gross weight: Scrap	8,070	108,000	7,350

-- Zero.

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

Source: U.S. Census Bureau.

TABLE 8
U.S. IMPORTS OF LEAD BY TYPE OF MATERIALS AND BY COUNTRY OF ORIGIN 1/

(Metric tons, lead content)

Country of origin	General imports				Imports for consumption			
	Year	2001		2002	Year	2001		2002
		January	December	January		January	December	January
Ore, matte, etc.:								
Other	11,200	2,240	--	--	2,240	2,240	--	--
Total	11,200	2,240	--	--	2,240	2,240	--	--
Pigs and bars:								
Australia	18,300	--	5,980	--	18,600	--	--	--
Canada	167,000	17,600	10,400	12,000	167,000	17,600	10,400	12,000
China	53,100	6,000	7,650	9,810	56,300	6,000	7,650	9,810
Germany	120	(2/)	--	--	120	(2/)	--	--
Mexico	12,400	1,710	197	38	12,400	1,710	197	38
Peru	2,330	233	--	--	2,330	233	--	--
Other	3,260	2	--	--	14,500	2	--	--
Total	256,000	25,500	24,200	21,900	271,000	25,500	18,200	21,900
Reclaimed scrap, including ash and residues	203	--	--	--	203	--	--	--
Grand total	268,000	27,800	24,200	21,900	274,000	27,800	18,200	21,900

-- Zero.

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

2/ Less than 1/2 unit.

Source: U.S. Census Bureau.