

Mineral Industry Surveys

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MAGNESIUM IN THE SECOND QUARTER 2016

U.S. magnesium exports in the first half of 2016 were 11% less than exports in the first half of 2015. Canada (53%) and Mexico (29%) were the principal destinations. Exports of metal decreased by 61% (1,730 metric tons) in the first half of 2016. This decline was partially offset by 201%, 10%, and 12% increases, respectively, in scrap, alloy, and semifabricated magnesium exports during the same period. Magnesium imports for consumption in the first half of 2016 were 3% more than imports in the first half of 2015. Israel was the source of 71% and Russia was the source of 11% of imported magnesium metal during the first half of 2016 (fig. 1, table 2). Scrap accounted for 51% of the total second quarter 2016 imports, 42% of which came from Canada, 23% came from the United Kingdom, and 13% came from Mexico.

Although the U.S. spot Western price range for magnesium was unchanged, U.S. spot dealer prices for imported magnesium continued to decrease during the second quarter of 2016. Average daily magnesium prices in China increased by 5% during the second quarter of 2016 (table 2). Average daily magnesium prices in Europe increased at the start of the quarter, and were 10% higher at the end of the second quarter than those at the end of the first quarter.

In June, the U.S. International Trade Commission (ITC) completed a 5-year sunset review of anti-dumping duties on magnesium alloy imports from China. The ITC ruled that the duty rate of 141.49% remain and be reviewed again in 2021 (U.S. Department of Commerce, International Trade Administration, 2016).

Update

Advanced Magnesium Alloys Corp. announced that it would expand secondary magnesium metal production to 50,000 metric tons per year (t/yr) from 25,000 t/yr. A production line would be restarted in October with rampup expected to be completed by yearend. The plant in Andersonville, IN, produces magnesium ingot from scrap for use by aluminum smelters and diecasters (McBeth, 2016).

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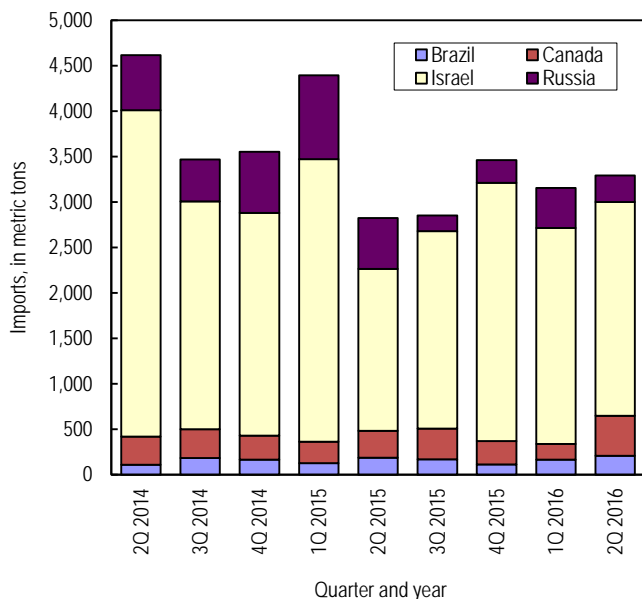


Figure 1. Quarterly imports of magnesium metal from the second quarter 2014 through the second quarter 2016. Source: U.S. Census Bureau.

References Cited

McBeth, Karen, 2016, US Mg recycler Amacor doubling production to 50,000 mt/year: *Platts Metals Daily*, v. 5, no. 133, July 8, p. 11–12.
 U.S. Department of Commerce, International Trade Administration, 2016, Magnesium metal from the People’s Republic of China—Final results of expedited second sunset review of antidumping duty order: *Federal Register*, v. 81, no. 110, June 8, p. 36874–36875. (Accessed September 1, 2016, at <http://www.gpo.gov/fdsys/pkg/FR-2016-06-08/pdf/2016-13574.pdf>.)

TABLE 1
U.S. IMPORTS FOR CONSUMPTION AND EXPORTS OF MAGNESIUM¹

(Metric tons)

	2015	2016				
		January– March	April	May	June	January– June
Imports for consumption:						
Metal	13,800	3,260	945	1,210	1,240	6,660
Waste and scrap	21,300	5,730	2,010	2,010	2,300	12,000
Alloys (magnesium content)	13,100	2,460	693	1,000	728	4,880
Sheet, tubing, ribbons, wire, powder, and other (magnesium content)	1,070	290	150	114	105	659
Total	49,300	11,700	3,800	4,330	4,380	24,200
Exports:						
Metal	5,220	666	145	165	122	1,100
Waste and scrap	432	420	13	56	19	508
Alloys (gross weight)	8,540	2,420	1,030	860	731	5,050
Sheet, tubing, ribbons, wire, powder, and other (gross weight)	998	338	77	110	105	631
Total	15,200	3,850	1,270	1,190	976	7,280

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

Source: U.S. Census Bureau.

TABLE 2
MAGNESIUM PRICES, SECOND QUARTER 2016

		Beginning of quarter	End of quarter
U.S. spot dealer import	dollars per pound	1.60–1.64	1.52–1.58
U.S. spot Western	do.	2.10–2.20	2.10–2.20
China	dollars per metric ton	1,980–2,020	2,080–2,110
European free market	do.	1,925–1,975	2,100–2,200
do. Ditto.			

Source: Platts Metals Week.