

Mineral Industry Surveys

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MAGNESIUM IN THE THIRD QUARTER 2016

U.S. magnesium exports in the first three quarters of 2016 were 15% more than exports in the first three quarters of 2015. Canada (52%) and Mexico (29%) were the principal destinations. Exports of alloys increased by 15% but exports of metal decreased by 13%. Magnesium imports for consumption in the first three quarters of 2016 were 6% more than imports in the first three quarters of 2015. Israel was the source of 70% of imported magnesium metal and Russia was the source of 11%. Scrap accounted for 45% of the imports in the first three quarters of 2016, 44% of which came from Canada, and 24% came from the United Kingdom.

decline from October 2014. Average daily magnesium prices in China increased by 13% during the third quarter of 2016 (table 2). Average daily magnesium prices in Europe increased throughout the quarter, and were 9% higher at the end of the third quarter than those at the end of the second quarter.

Update

US Magnesium LLC shut down an undisclosed amount of magnesium capacity at its Rowley, UT, smelter after Allegheny Technologies Inc. (ATI) shut down an adjacent titanium sponge plant in August. Consequently, US Magnesium announced that completion of expansion of its magnesium smelter to 76,500 metric tons per year (t/yr) from 63,500 t/yr would be delayed until at least 2018 (Maltais, 2016; US Magnesium LLC, 2016).

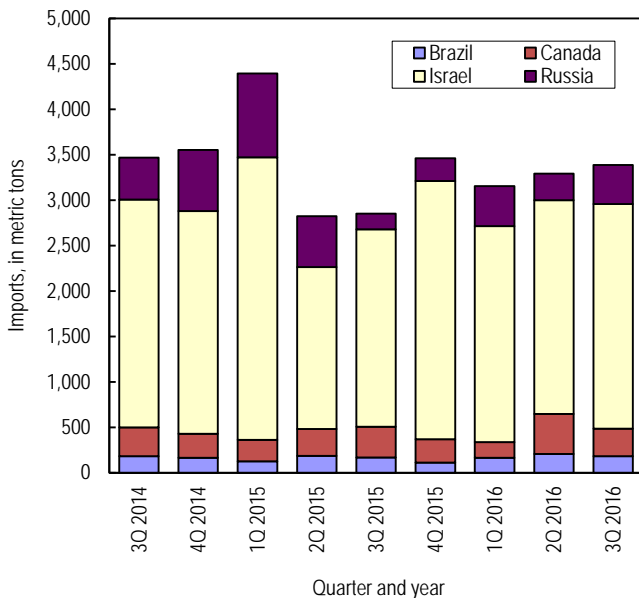


Figure 1. Quarterly imports of magnesium metal from the third quarter 2014 through the third quarter 2016. Source: U.S. Census Bureau.

Although the U.S. spot Western price range for magnesium was unchanged, U.S. spot dealer prices for imported magnesium decreased by 3% during the third quarter of 2016, continuing the

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References Cited

Maltais, Kirk, 2016, US Mag’s expansion on hold after ATI sponge idling: American Metal Market, v. 124, no. 42–2, October 18, p. 8.
 US Magnesium LLC, 2016, US Magnesium delays long-term expansion project: Salt Lake City, UT, US Magnesium LLC news release, October 14. (Accessed October 14, 2016, at <http://www.intlmag.org/news/313337/US-Magnesium-Delays-Long-Term-Expansion-Project.htm>.)

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

(Metric tons)

	2015	2016				
		January– June	July	August	September	January– September
Imports for consumption:						
Metal	14,200 ^r	6,970 ^r	1,550	980	1,110	10,600
Waste and scrap	21,300	12,000	1,970	1,540	1,540	17,100
Alloys (magnesium content)	11,300 ^r	5,090 ^r	823	790	786	7,490
Sheet, tubing, ribbons, wire, powder, and other (magnesium content)	6,740 ^r	2,050 ^r	233	281	115	2,670
Total	53,600 ^r	26,200 ^r	4,580	3,590	3,560	37,900
Exports:						
Metal	5,220	1,100	665	492	1,200	3,460
Waste and scrap	432	508	--	--	84	591
Alloys (gross weight)	7,490 ^r	4,380 ^r	482	1,250	1,250	7,370
Sheet, tubing, ribbons, wire, powder, and other (gross weight)	2,060 ^r	1,300 ^r	96	119	167	1,680
Total	15,200	7,290 ^r	1,240	1,860	2,700	13,100

^rRevised. -- Zero.

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, THIRD QUARTER 2016

		Beginning of quarter	End of quarter
U.S. spot dealer import	dollars per pound	1.52–1.58	1.49–1.53
U.S. spot Western	do.	2.10–2.20	2.10–2.20
China	dollars per metric ton	2,080–2,110	2,350–2,400
European free market	do.	2,100–2,200	2,300–2,375

do. Ditto.

Source: Platts Metals Week.