

Mineral Industry Surveys

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TIN IN JANUARY 2005

Domestic consumption of primary tin in January was estimated by the U.S. Geological Survey to be 7% above that of December 2004 and 4% above that of January 2004. Tin imports for consumption for 2004 totaled 47,600 metric tons (t), a 28% increase over that of 2003.

The Platts Metals Week average composite price for tin in January was \$5.04 per pound, a 9% decline from that of December 2004 and a 16% increase over that of January 2004.

In Europe, tin consumption increased owing to a new application in cement production. In 2005, about 1,000 to 2,000 metric tons (t) of tin was expected to be used to reduce the hexavalent chromium content of concrete in the European Union (EU) market. Quantities could increase to 15,000 to 20,000 metric tons per year (t/yr) in Europe alone. The new application was driven by a new EU directive, implemented in January 2005, restricting the chromium content of cement. Tin sulfate-based products compete with ferrous sulfate in this application, and the latter chemical accounts for the majority of this application in the European cement market (International Cement Review, 2005; CRU Tin Monitor, 2005).

The Swiss trading organization Glencore International AG purchased Bolivian tin miner Cia. Minera del Sur (Comsur) for \$220 million. Comsur mines gold, lead, silver, tin, and zinc in Argentina and Bolivia. Glencore intends to make immediate investments in the company to improve mining operations. A \$20-million project will be undertaken at the Colquiri tin and zinc mine in the La Paz region to recover metal from 40 years' worth of tailings. A program will be started to upgrade equipment and processes at the 11,000-t/yr Vinto tin smelter in Oruro in southwest Bolivia that Comsur owns through its subsidiary Empresa Metalurgica Vinto. The smelter is co-owned by Commonwealth Development Corp. plc (London, England) (American Metal Market, 2005).

In Peru, Minsur SA reported that it had increased its tin mine production by 3% to a new record level of 41,400 t of tin-in-concentrate in 2004. Its output of refined tin metal rose 3% to 40,200 t, also a record. Minsur could overtake PT Timah (Indonesia) to become the world's largest tin miner in 2004, depending on Timah's yet-to-be-released fourth quarter results.

However, Timah's reported production includes purchases of tin concentrate from small mines in Indonesia, while Minsur's production comes only from its own San Rafael Tin Mine (CRU Week in the News, 2005a§¹).

In Australia, Van Dieman Mines announced plans to establish tin mining operations in Tasmania, Australia, by the fourth quarter of 2005. Initially, attention was focused on the Scotia and Endurance projects, but the firm has applied to develop other tenements in the area. The company planned for an initial tin production capacity of 1,700 t/yr. Van Dieman owns the right to 13 exploration and retention licenses in Tasmania. Historically, records show that the island of Tasmania produced a total of over 40,000 t of tin from its alluvial operations (CRU Week in the News, 2005c§).

In Spain, it was announced that Goldtech Mining Corp. (Alberta, Canada) was proceeding toward reopening the Golpejas tin property, located west of Salamanca, Spain. Drilling to help evaluate the deposit is in progress, and if it shows good results, Goldtech plans to install a pilot plant and eventually a full-sized plant, or rehabilitate the old mill already on the property, to recover tin and tantalite (Platts Metals Week, 2005).

In Malaysia, Bina Puri Holdings Bhd announced that it will be conducting a preliminary tin mining survey in Indonesia. Bina Puri has started negotiating for mining rights from PT Sangkai Duta Segura Indah, an Indonesian firm that holds a mining concession on Bangka Island. A survey made by an Indonesian agency shows that there are ample tin deposits in the concession area. Bina's partners are evaluating the deposits. Bina was expected to be offered a stake of 51% in the operating company if the survey results are positive (Platts Metals Week, 2005).

In Brazil, tin producer Cesbra, controlled by the Brascan Group (Canada), announced plans to double tin production at its Itapua do Oeste Mine in Rondonia from 1,500 t/yr to 3,000 t/yr by 2007. About 70% of the capital expenditure on the project would be financed by the BNDES development bank (CRU Tin Monitor, 2005).

¹References that include a section mark (§) are found in the Internet References Cited Section.

Centurion Gold Holdings (Johannesburg, South Africa) signed a memorandum of understanding to acquire the assets of Zaaiplaats Tin Mining (South Africa). The Zaaiplaats Mine was formerly operated by a subsidiary of Anglo American and ceased production owing to low tin prices in 1992. The old underground mine is located near Potgietersrus in Limpopo Province. Centurion is considering producing up to 2,500 t/yr by a combination of mining and tailings retreatment. The firm anticipated developing the project jointly with Mine Waste Solutions, which specializes in tailings treatment and mine rehabilitation (CRU Week in the News, 2005a§).

Malaysia Smelting Corp. (MSC) signed cooperation agreements with several Indonesian companies which hold exploration permits on Bangka Island, the country's tin production center. The agreements are between its 100%-owned subsidiary PT MSC Indonesia and PT Mutiara Prima Sejahtera, PT Permata Mustika Rajawali, and PT Prima Stania Nusantara, which together hold permits covering some 6,000 hectares. MSC has budgeted about \$3 million for exploration in the area and would take a 75% share in any mining operations developed. MSC's 75%-owned Indonesian subsidiary PT Koba Tin produced 23,400 t of refined tin in 2004. This new agreement is part of the company's plan to expand its mining interests, moving away from its traditional role as a custom smelter (CRU Week in the News, 2005b§).

Update

On March 4, 2005, the Platts Metals Week composite price for tin was \$5.46 per pound.

References Cited

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Internet References Cited

- CRU Week in the News, 2005a (February 3), TIN, accessed February 3, 2005, via URL <http://www.crumonitor.com>.
- CRU Week in the News, 2005 b (February 17), TIN, accessed February 17, 2005, via URL <http://www.crumonitor.com>.
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TABLE 1
SALIENT TIN STATISTICS¹

(Metric tons, unless otherwise noted)

	2004 ^P	2004	2005
		December	January
Production, secondary ^{e,2}	10,800	900	900
Consumption:			
Primary	38,500	3,100 ^r	3,310
Secondary	8,200	672	768
Imports for consumption, metal	47,600	4,720	NA
Exports, metal	3,650	229	NA
Stocks at end of period	6,140 ^r	6,140 ^r	5,290
Prices (average cents per pound): ³			
Metals Week composite ⁴	547.30	555.57	503.78
Metals Week New York dealer	409.38	414.33	377.78
London, standard grade, cash	385.00	387.00	351.00
Kuala Lumpur	385.11	392.12	349.22

^eEstimated. ^PPreliminary. ^rRevised. NA Not available.

¹Data are rounded to no more than three significant digits, except prices.

²Includes tin recovered from alloys and tinplate. The detinning of tinplate (coated steel) yields only a small part of the total.

³Source: Platts Metals Week.

⁴The Metals Week composite price is a calculated formula, not a market price, that includes fixed and finance charges and a risk factor. It is normally substantially higher than other tin prices.

TABLE 2
METALS WEEK COMPOSITE PRICE¹

(Cents per pound)

Period	High	Low	Average
2004:			
January	439.98	424.94	432.53
February	456.45	429.49	442.15
March	549.13	459.43	495.71
April	596.03	561.93	575.65
May	624.98	575.07	592.12
June	622.44	568.24	589.38
July	583.13	565.64	576.07
August	590.50	563.04	573.74
September	585.04	566.00	576.55
October	586.56	568.98	578.10
November	584.93	570.24	580.02
December	569.06	505.64	555.57
Year	624.98	424.94	547.30
2005:			
January	521.70	492.15	503.78

¹The Metals Week composite price is a calculated formula, not a market price, that includes fixed and finance charges and a risk factor. It is normally substantially higher than other tin prices.

Source: Platts Metals Week.

TABLE 3
TINPLATE PRODUCTION AND SHIPMENTS IN THE UNITED STATES¹

(Metric tons, unless otherwise noted)

Period	Tinplate waste (waste, strips, cobble, etc.) (gross weight)	Tinplate (all forms)			Shipments ²
		Gross weight	Tin content	Tin per metric ton of plate (kilograms)	
2004: ^P	W	2,550,000	7,700	3.0	2,190,000
December	W	196,000	588	3.0	198,000
2005:					
January	W	207,000	676	3.3	NA

^PPreliminary. NA Not available. W Withheld to avoid disclosing company proprietary data.

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

²Source: American Iron and Steel Institute monthly publication.

TABLE 4
U.S. TIN IMPORTS FOR CONSUMPTION AND EXPORTS¹

(Metric tons)

Country or product	2004			
	2003	November	December	January- December
Imports:				
Metal (unwrought tin):				
Bolivia	5,720	454	639	5,060
Brazil	3,000	450	274	4,330
Chile	636	80	--	281
China	4,340	370	374	5,310
Indonesia	3,070	40	120	4,660
Japan	136	--	--	540
Malaysia	490	742	969	6,600
Peru	19,100	1,560	2,310	19,600
Switzerland	(2)	--	--	178
Thailand	--	40	40	500
United Kingdom	143	19	--	97
Other	426	--	--	472
Total	37,100	3,760	4,720	47,600
Other (gross weight):				
Alloys	3,820	645	197	5,180
Bars and rods	338	85	9	625
Foil, tubes, pipes	4	4	--	6
Plates, sheets, strip	270	48	4	509
Waste and scrap	921	672	72	1,950
Miscellaneous	2,670	287	234	3,330
Total	8,030	1,740	516	11,600
Exports (metal)	3,690	338	229	3,650

-- Zero.

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

²Less than 1/2 unit.

Source: U.S. Census Bureau.

TABLE 5
CONSUMPTION OF TIN IN THE UNITED STATES, BY FINISHED PRODUCT¹

(Metric tons of contained tin)

Product	2004 ^P	2004			2005		
		December			January		
		Primary	Secondary	Total	Primary	Secondary	Total
Alloys (miscellaneous) ²	2,800	246	W	246	226	W	226
Babbitt	264	21 ^r	W	21 ^r	26	W	26
Bar tin and anodes	182	11	W	11	25	W	25
Bronze and brass	2,490	89	97	186	177	130	307
Chemicals	8,490	704	W	704	728	W	728
Collapsible tubes and foil	W	W	W	W	W	W	W
Solder	12,500	710 ^r	265	975 ^r	732	326	1,060
Tinning	451	39	--	39	29	--	29
Tinplate ³	7,360	588	--	588	676	--	676
Tin powder	W	W	--	W	W	--	W
White metal ⁴	W	W	--	W	W	--	W
Other	1,310	91	10	101	88	12	100
Total reported	35,900	2,500 ^r	372	2,870 ^r	2,710	468	3,180
Estimated undistributed consumption ⁵	10,800	600	300	900	600	300	900
Grand total	46,700	3,100 ^r	672	3,770 ^r	3,310	768	4,080

^PPreliminary ^rRevised. W Withheld to avoid disclosing company proprietary data; included with "Other." -- Zero.

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

²Includes terre metal.

³Includes secondary pig tin and tin components of tinplating chemical solutions.

⁴Includes pewter, britannia metal, and jewelers' metal.

⁵Estimated consumption of plants reporting on an annual basis.