

Mineral Industry Surveys

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TIN IN SEPTEMBER 2002

Domestic consumption of primary tin in September was estimated by the U.S. Geological Survey to be slightly more than that in August and 7% less than in September 2001. The Platts Metal Week average composite price for tin in September was \$2.86 per pound, an increase of 2% from that in August, and also a 2% increase from that in September 2001.

Rio Tinto plc (formerly known as RTZ Corp.) is facing more than 700 claims for personal injury compensation related to alleged toxic emissions at its former Capper Pass tin smelter, in England. A British law firm announced that it has lodged 730 notices of intention to make claims with an independent review board set up to consider claims for compensation. Claimants include former workers at the smelter as well as residents who lived near the smelter. The plant, which operated for many decades, was decommissioned in 1995 and is located near Hull, England. Rio Tinto assumed ownership of the smelter in 1967 and maintained that status until the smelter was demolished in 1995. The process of reviewing claim against Rio Tinto could take up to 2 years (Metal Bulletin, 2002).

Ball Corp. (Broomfield, CO) announced further details of its agreement to acquire Schmalbach-Lubeca AG, the second largest beverage can manufacturer in Europe. Combined, the two companies produce more than 45 billion beverage cans annually in North America and Europe. Both are major users of tinplate for cans. Ball will be acquiring the German-based company for about \$885 million in cash and the assumption of about \$16 million of net debt. The transaction is expected to close in late 2002 or early in 2003. Schmalbach-Lubeca, headquartered in Ratingen, Germany, operates 12 manufacturing plants—4 each in Germany and Britain, 2 in France, and 1 each in the Netherlands and Poland. The addition of Schmalbach-Lubeca will position Ball as a solid second in the European can market, along with its number one position in the larger North American market. The European beverage can market produced about 38 billion units in 2001, and Schmalbach has about 31% of installed beverage can manufacturing capacity in Europe (Ball Corporation, 2002).

Amcor plc. (Australia) has emerged in recent years as a major

player in world container markets. Recently, the company completed a \$1.6 billion purchase of Germany's Schmalbach-Lubeca polyethylene terephthalate (PET) and closures businesses, an entity almost half as large as Amcor itself. A few years ago, Melbourne-based Amcor was almost unknown beyond Australia and New Zealand, where it controls 60% of the packaging market. Although PET sales comprise Amcor's major activity, it also commands 3% of the world market for metal (usually tinplate) and plastic closures. Currently, Amcor is ranked as the world's ninth largest packaging firm (Canning and Filling, 2002).

The Chinese Government adopted a quota system for the export of tin products, starting January 1, 2002, according to an announcement by the country's Ministry of Foreign Trade and Economic Cooperation. The export quota on tin products was set at 400 metric tons (t) for 2002. The quota was set by the Ministry to trim exports of tin products and thereby reduce the illegal shipments of refined tin disguised as semifinished or end-use items. China ranks as the world's major tin producer and is a major supplier to the United States (China Metal Market, 2002).

Malaysia Smelting Corp. announced plans to reduce the company's 2003 tin metal output from its Butterworth, Malaysia tin smelter to 60% of its usual target of 25,000 t. The smelter will operate only two of its four furnaces after November 2002. Officials attributed the revisions to the continuing weak global tin market, low tin prices, and the consequent closure of most marginal and high-cost mines in many tin-producing countries (Platts Metals Week, 2002).

Update

On November 8, 2002, the Platts Metals Week composite price for tin was \$3.00 per pound.

References Cited

Ball Corporation, 2002, Ball Corporation news: Broomfield, CO, Ball Corporation Controller's Department news release, November 13, 2002, 4 p.

Canning & Filling, 2002, What's the game?: Canning & Filling, August, p. 18-20.

China Metal Market, 2002, Chinese tin products export under government control: China Metal Market, no. 64, January, p. 6.

Metal Bulletin, 2002, Rio Tinto faces 730 compensation claims over Capper Pass: Metal Bulletin, no. 8717, October 21, p. 7.

Platts Metals Week, 2002, MSC to cut 2003 output 40% to 15,000 mt: Platts Metals Week, v. 73, no. 40, October 7, p. 13.

TABLE 1
SALIENT TIN STATISTICS 1/

(Metric tons, unless otherwise noted)

	2002			
	2001	August	September	January- September
Production, secondary e/ 2/	13,900 r/	900	900	8,100
Consumption:				
Primary	34,200 r/	3,050 r/	3,060	27,900
Secondary	6,990 r/	792 r/	775	7,080
Imports for consumption, metal	37,500	5,050	NA	NA
Exports, metal	4,350	249	NA	NA
Stocks at end of period	14,800 r/	6,670	7,140	XX
Prices (average cents per pound): 3/				
Metals Week composite 4/	314.88	279.74	286.19	XX
Metals Week New York dealer	211.48	185.44	190.94	XX
London, standard grade, cash	203.00	174.00	179.00	XX
Kuala Lumpur	200.77	175.44	180.05	XX

e/ Estimated. r/ Revised. NA Not available. XX Not applicable.

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

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

3/ Source: Platts Metals Week.

4/ The 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 PRICE 1/

(Cents per pound)

Period	High	Low	Average
2001:			
September	278.39	262.81	268.50
October	275.81	264.30	270.42
November	301.03	272.87	287.17
December	297.98	283.04	289.64
Year	359.89	262.81	314.88
2002:			
January	287.97	277.20	280.68
February	280.03	267.12	273.15
March	283.34	276.69	278.81
April	291.33	283.90	288.55
May	299.15	290.78	296.72
June	311.49	299.48	304.92
July	316.83	290.53	308.64
August	286.95	272.37	279.74
September	295.72	277.95	286.19

1/ The 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 STATES 1/

(Metric tons, unless otherwise noted)

Period	Tinplate waste (waste, strips, cobble, etc.) (gross weight)	Tinplate (all forms)			
		Gross weight	Tin content	Tin per metric ton of plate (kilograms)	Shipments 2/
2001	97,800 r/	2,000,000 r/	7,800 r/	3.9 r/	2,010,000
2001:					
December	3,880	136,000	668	4.9	130,000
2002:					
January	W	187,000	683	3.6	191,000
February	5,330	191,000	640	3.3	152,000
March	4,440	188,000	588	3.1	163,000
April	5,310	173,000	535	3.1	173,000
May	5,290	204,000	757	3.7	178,000
June	5,080	207,000	615	3.0	178,000
July	5,430	210,000	572	2.7	189,000
August	4,980	208,000	598	2.9	186,000
September	5,070	205,000	581	2.8	183,000

r/ Revised. W Withheld to avoid disclosing company proprietary data.

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

2/ Source: American Iron and Steel Institute monthly publication.

TABLE 4
U.S. TIN IMPORTS FOR CONSUMPTION AND EXPORTS 1/

(Metric tons)

Country or product	2002			
	2001	July	August	January- August
Imports:				
Metal (unwrought tin):				
Bolivia	6,040	105	468	3,770
Brazil	5,510	486	441	3,170
Chile	122	--	--	--
China	6,360	1,050	977	5,310
Hong Kong	20	--	--	--
Indonesia	3,880	560	900	2,080
Malaysia	674	40	--	85
Peru	14,000	1,790	2,250	13,500
Russia	143	--	--	21
Singapore	145	--	--	--
United Kingdom	118	--	--	--
Other	434	25	12	162
Total	37,500	4,060	5,050	28,100
Other (gross weight):				
Alloys	3,830	155	201	2,370
Bars and rods	539	11	20	130
Foil, tubes, pipes	1	(2/)	--	(2/)
Plates, sheets, strip	529	20	5	122
Waste and scrap	3,700	81	23	342
Miscellaneous	13,900	420	416	6,830
Total	22,500	687	665	9,800
Exports (metal)	4,350	195	249	1,870

-- 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.

TABLE 5
CONSUMPTION OF TIN IN THE UNITED STATES, BY FINISHED PRODUCT 1/

(Metric tons of contained tin)

Product	2002								
	2001	August			September			January- September 2/	
		Primary	Secondary	Total	Primary	Secondary	Total		
Alloys (miscellaneous) 3/	W	140 r/	W	140 r/	139	W	139	1,270	
Babbitt	770 r/	20	22	42	26	18	43	390	
Bar tin and anodes	570 r/	14	W	14	15	W	15	153	
Bronze and brass	2,790 r/	101	120 r/	221 r/	93	109	202	1,840	
Chemicals	7,590 r/	630	W	630	630	W	630	5,660	
Collapsible tubes and foil	W	W	W	W	W	W	W	W	
Solder	16,800 r/	837 r/	341	1,180 r/	858	339	1,200	10,800	
Tinning	1,070 r/	34	--	34	34	--	34	306	
Tinplate 4/	7,800 r/	598	--	598	581	--	581	5,570	
Tin powder	W	W	W	W	W	W	W	W	
White metal 5/	1,390 r/	W	W	W	W	W	W	W	
Other	2,390 r/	78	9	87	83	9	92	857	
Total reported	41,200 r/	2,450 r/	492 r/	2,940 r/	2,460	475	2,930	26,900	
Estimated undistributed consumption 6/	--	600	300	900	600	300	900	8,100	
Grand total	41,200 r/	3,050 r/	792 r/	3,840 r/	3,060	775	3,830	35,000	

r/ Revised. W Withheld to avoid disclosing company proprietary data; included with "Other." -- Zero.

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

2/ Includes revisions to previous months' data.

3/ Includes terre metal.

4/ Includes secondary pig tin and tin components of tinning chemical solutions.

5/ Includes pewter, britannia metal, and jewelers' metal.

6/ Estimated consumption of plants reporting on an annual basis.