

Mineral Industry Surveys

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ZINC IN AUGUST 2014

Domestic mine production (recoverable) of zinc in August 2014 was 66,000 metric tons (t). Average daily mine production in August was 2,130 t, slightly more than that in July 2014 and 6% more than that in August 2013.

The Platts Metals Week average price for North American Special High Grade (SHG) zinc for August 2014 was 114.65 cents per pound, essentially unchanged from the July 2014 average price and 20% more than the August 2013 average price. The average London Metal Exchange Ltd. (LME) cash price of SHG zinc for August 2014 was \$2,328.88 per metric ton, essentially unchanged from the July 2014 average price and 23% more than the August 2013 average price. In August 2014, global LME stocks of SHG zinc increased by 85,300 t to 740,575 t.

Update

In early October, Horsehead Holding Corp. (Pittsburgh, PA) announced that its recently commissioned Mooresboro, NC, zinc plant produced 3,900 t (4,300 short tons) of zinc metal in the third quarter of 2014, compared to 3,080 t (3,400 short tons) in the previous quarter. Production and rampup efforts in the third quarter were adversely affected by a temporary closure at the beginning of the quarter and problems with the clarifier unit. Horsehead also announced that it had commissioned the casting line for Special High Grade and Continuous Galvanizing Grade “jumbo” ingots. Horsehead expected Mooresboro’s production rate to increase in October and through the fourth quarter of 2014 (Horsehead Holding Corp., 2014).

In mid-October, the International Lead and Zinc Study Group (ILZSG) released its zinc market projections for 2014 and 2015. The Group forecast that zinc mine production would increase slightly in 2014 to 13.33 million metric tons (Mt) owing to an increase in China that would more than offset substantial decreases in production at the Rampura

Agucha Mine in India and at the Antamina Mine in Peru. In 2015, mine production was expected to increase by 4% to 13.80 Mt owing to increases in several countries, more than offsetting a significant decrease forecast for Ireland. In Australia, a production loss from the closure of the Century Mine in the third quarter of 2015 was expected to be balanced by production increases at other mines in the country. Global zinc metal production was expected to increase by 3% in both 2014 (to 13.25 Mt) and 2015 (to 13.68 Mt) owing to increased production in China. ILZSG forecast zinc metal consumption to increase by 5% in 2014 to 13.65 Mt and by 3% in 2015 to 14.05 Mt owing to a significant rise in demand for galvanized sheet in China. Outside of China, global consumption was expected to increase slightly in both 2014 and 2015. Overall, ILZSG projected that zinc metal consumption would exceed production by about 400,000 t in 2014 and by 370,000 t in 2015 (International Lead and Zinc Study Group, 2014).

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References Cited

- Horsehead Holding Corp., 2014, Horsehead update on Mooresboro, NC facility: Pittsburgh, PA, Horsehead Holding Corp. news release, October 1. (Accessed on October 1, 2014, at http://www.horsehead.net/financial_news.php?showall=&FiFinancialNe=&ID=134.)
- International Lead and Zinc Study Group, 2014, ILZSG session/forecasts: Lisbon, Portugal, International Lead and Zinc Study Group news release, October 17, 5 p. (Accessed on October 20, 2014, via http://www.ilzsg.org/generic/pages/list.aspx?table=document&ff_aa_document_type=R&from=2.)

TABLE 1
SALIENT ZINC STATISTICS¹

(Metric tons, unless otherwise specified)

| | 2013 ^P | 2014 | | |
|--|----------------------|---------------------|----------|--------------------|
| | January– December | July | August | January– August |
| Production: | | | | |
| Mine, zinc content of concentrate ² | 784,000 ^r | 66,900 | 68,400 | 546,000 |
| Mine, recoverable zinc ² | 758,000 ^r | 64,600 | 66,000 | 528,000 |
| Smelter, refined zinc ⁵ | 233,000 | 12,100 ^r | 12,100 | 130,000 |
| Consumption of refined zinc: | | | | |
| Apparent ³ | 935,000 | 70,600 ^r | 93,400 | 672,000 |
| Imports for consumption: | | | | |
| Ore and concentrate (zinc content) | 2,550 | -- | -- | -- |
| Refined zinc | 713,000 | 58,700 | 81,800 | 552,000 |
| Exports: | | | | |
| Ore and concentrate (zinc content) | 669,000 | 183,000 | 114,000 | 369,000 |
| Refined zinc | 11,500 | 249 | 450 | 10,200 |
| Price: ⁴ | | | | |
| London Metal Exchange cash, average, dollars per metric ton | 1,910.04 | 2,310.69 | 2,328.88 | 2,117.94 |
| Platts Metals Week North American, average, cents per pound | 95.57 | 113.83 | 114.65 | 105.23 |

^eEstimated. ^PPreliminary. ^rRevised. -- Zero.

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

²Reported zinc content in both zinc and lead concentrates.

³Smelter production plus imports for consumption minus domestic exports.

⁴Special High Grade Zinc.

TABLE 2
MINE AND SMELTER PRODUCTION OF ZINC
IN THE UNITED STATES¹

(Metric tons)

| Period | Mine ² | | Smelter ⁵ |
|------------------|----------------------|----------------------|----------------------|
| | Zinc content | Recoverable | |
| 2013: | | | |
| August | 64,600 | 62,400 | 20,100 |
| September | 69,000 | 66,700 | 20,100 |
| October | 68,700 | 66,300 | 18,700 |
| November | 62,700 | 60,600 | 18,700 |
| December | 70,900 | 68,500 | 18,700 |
| January–December | 784,000 ^r | 758,000 ^r | 233,000 |
| 2014: | | | |
| January | 77,100 | 74,500 | 18,000 |
| February | 65,400 | 63,100 | 18,000 |
| March | 70,500 | 68,200 | 18,000 |
| April | 69,200 | 66,800 | 17,100 ³ |
| May | 65,500 | 63,300 | 17,100 ³ |
| June | 63,400 | 61,200 | 17,100 ³ |
| July | 66,900 | 64,600 | 12,100 ^r |
| August | 68,400 | 66,000 | 12,100 |
| January–August | 546,000 | 528,000 | 130,000 |

^eEstimated. ^rRevised.

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

²Includes the zinc content in both lead and zinc concentrates.

³Data are based partially on smelter shipments rather than production.

TABLE 3
U.S. IMPORTS FOR CONSUMPTION OF ZINC¹

(Gross weight, unless otherwise specified)

| Material | 2013 | | 2014 | | | |
|------------------------------------|---------------------------|----------------------|---------------------------|----------------------|---------------------------|----------------------|
| | Quantity (metric tons) | Value (thousands) | August | | January–August | |
| | | | Quantity (metric tons) | Value (thousands) | Quantity (metric tons) | Value (thousands) |
| Ore and concentrate (zinc content) | 2,550 | \$4,420 | -- | -- | -- | -- |
| Unwrought: | | | | | | |
| Refined zinc | 713,000 | 1,420,000 | 81,800 | \$180,000 | 552,000 | \$1,160,000 |
| Zinc alloys | 7,940 | 16,100 | 443 | 1,080 | 5,190 | 11,200 |
| Wrought: | | | | | | |
| Bars, rods, profiles, wire | 2,540 | 7,360 | 252 | 768 | 1,740 | 5,400 |
| Plates, sheets, strip, foil | 3,570 | 13,900 | 421 | 1,710 | 2,750 | 9,670 |
| Other: | | | | | | |
| Dross, ashes, fume (zinc content) | 13,000 | 16,400 | 932 | 1,190 | 5,960 | 8,780 |
| Powders, flakes, dust | 24,500 | 71,400 | 2,660 | 8,770 | 21,800 | 69,400 |
| Waste and scrap | 21,000 | 25,300 | 2,000 | 2,490 | 16,400 | 20,200 |
| Chemicals: | | | | | | |
| Oxide | 97,400 | 192,000 | 11,200 | 23,300 | 85,700 | 179,000 |
| Chloride | 278 | 1,900 | 4 | 34 | 115 | 938 |
| Sulfate | 52,600 | 44,100 | 7,090 | 5,140 | 47,100 | 34,600 |
| Compounds, other ² | 3,310 | 11,800 | 107 | 476 | 3,160 | 9,090 |

-- Zero.

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

²Includes zinc sulfide (HTS 2830.90.1000 and 2830.90.1500), chromates of zinc or of lead (HTS 2841.90.4500), and lithopone and other pigments and preparations based on zinc sulfide (HTS 3206.42.000).

Source: U.S. Census Bureau, U.S. International Trade Commission.

TABLE 4
U.S. IMPORTS OF ZINC, BY TYPE OF MATERIAL AND COUNTRY¹

(Metric tons, gross weight, unless otherwise specified)

| Material and country | General imports | | | Imports for consumption | | |
|--|-----------------|--------|----------------|-------------------------|--------|----------------|
| | 2013 | 2014 | | 2013 | 2014 | |
| | | August | January–August | | August | January–August |
| Ore and concentrate (zinc content): | | | | | | |
| Canada | 2,500 | -- | -- | 2,500 | -- | -- |
| Malaysia | 52 | -- | -- | 52 | -- | -- |
| Total | 2,550 | -- | -- | 2,550 | -- | -- |
| Refined zinc: | | | | | | |
| Argentina | 1,000 | -- | -- | 1,000 | -- | -- |
| Australia | -- | 22,000 | 46,000 | 55,100 | 27,100 | 106,000 |
| Belgium | -- | -- | -- | -- | 2,400 | 12,500 |
| Brazil | 9,390 | -- | -- | 2,800 | -- | -- |
| Canada | 480,000 | 37,800 | 283,000 | 480,000 | 37,800 | 283,000 |
| China | 81 | 2 | 24 | 467 | 2 | 626 |
| Japan | -- | -- | -- | 74 | -- | -- |
| Korea, Republic of | -- | -- | -- | 365 | 1,500 | 36,900 |
| Mexico | 97,800 | 6,940 | 66,400 | 97,800 | 6,940 | 67,900 |
| Netherlands | -- | -- | -- | -- | -- | 1,130 |
| Peru | 75,200 | 3,370 | 30,000 | 75,200 | 3,370 | 30,000 |
| Spain | -- | -- | -- | 23 | 2,570 | 15,000 |
| Taiwan | 81 | 19 | 59 | 81 | 19 | 59 |
| Other | 7 | -- | 1 | 7 | -- | 1 |
| Total | 664,000 | 70,100 | 425,000 | 713,000 | 81,800 | 552,000 |
| Oxide: | | | | | | |
| Australia | 1,020 | 53 | 269 | 1,020 | 53 | 269 |
| Belgium | 265 | 44 | 462 | 265 | 41 | 459 |
| Brazil | 382 | -- | -- | 382 | -- | -- |
| Canada | 54,500 | 6,220 | 51,000 | 54,500 | 6,220 | 51,000 |
| China | 365 | 13 | 230 | 365 | 13 | 230 |
| Congo (Brazzaville) | 1,320 | -- | -- | 1,320 | -- | -- |
| Congo (Kinshasa) | 895 | 1,440 | 1,440 | 895 | 1,440 | 1,440 |
| France | 699 | -- | (2) | 699 | -- | (2) |
| Germany | 3,190 | 66 | 1,680 | 3,190 | 66 | 1,680 |
| India | 233 | -- | 234 | 233 | -- | 234 |
| Indonesia | 216 | 64 | 64 | 216 | 64 | 64 |
| Italy | 185 | -- | -- | 185 | -- | -- |
| Japan | 1,170 | 35 | 837 | 1,170 | 35 | 837 |
| Malaysia | 39 | -- | 214 | 39 | -- | 214 |
| Mexico | 28,000 | 2,770 | 23,800 | 28,000 | 2,770 | 23,800 |
| Netherlands | 3,280 | 204 | 3,320 | 3,280 | 204 | 3,320 |
| Peru | 928 | 177 | 1,760 | 928 | 177 | 1,760 |
| Sri Lanka | -- | 60 | 60 | -- | 60 | 60 |
| Taiwan | 7 | -- | 16 | 7 | -- | 16 |
| Trinidad and Tobago | 205 | -- | 68 | 205 | -- | 68 |
| Turkey | 405 | 38 | 271 | 405 | 38 | 271 |
| Other | 109 | 4 | 20 | 109 | 4 | 20 |
| Total | 97,400 | 11,200 | 85,700 | 97,400 | 11,200 | 85,700 |

-- Zero.

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

²Less than ½ unit.

Source: U.S. Census Bureau, U.S. International Trade Commission.

TABLE 5
U.S. EXPORTS OF ZINC¹

(Gross weight, unless otherwise specified)

| Material | 2013 | | 2014 | | | |
|------------------------------------|---------------------------|----------------------|---------------------------|----------------------|---------------------------|----------------------|
| | Quantity (metric tons) | Value (thousands) | August | | January–August | |
| | | | Quantity (metric tons) | Value (thousands) | Quantity (metric tons) | Value (thousands) |
| Ore and concentrate (zinc content) | 669,000 | \$868,000 | 114,000 | \$208,000 | 369,000 | \$680,000 |
| Unwrought: | | | | | | |
| Refined zinc | 11,500 | 11,000 | 450 | 1,120 | 10,200 | 34,100 |
| Zinc alloys | 23,200 | 58,600 | 1,570 | 4,250 | 19,900 | 51,000 |
| Wrought: | | | | | | |
| Bars, rods, profiles, wire | 8,580 | 16,400 | 781 | 1,560 | 6,970 | 13,400 |
| Plates, sheets, strip, foil | 6,520 | 22,700 | 579 | 2,010 | 4,660 | 16,500 |
| Other: | | | | | | |
| Dross, ashes, fume (zinc content) | 18,600 | 25,600 | 3,230 | 6,190 | 15,700 | 25,500 |
| Powders, flakes, dust | 10,700 | 28,900 | 864 | 2,750 | 6,300 | 18,800 |
| Waste and scrap | 88,000 | 105,000 | 5,160 | 7,630 | 45,400 | 61,400 |
| Chemicals: | | | | | | |
| Oxide | 17,500 | 32,000 | 448 | 1,670 | 4,160 | 14,400 |
| Chloride | 776 | 1,070 | 71 | 111 | 509 | 716 |
| Sulfate | 525 | 660 | 75 | 89 | 331 | 338 |
| Compounds, other ² | 6,720 | 21,000 | 155 | 2,040 | 1,380 | 16,100 |

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

²Includes zinc sulfide (Schedule B 2830.90.1000 and 2830.90.1500), chromates of zinc or of lead (Schedule B 2841.90.4500), and lithopone and other pigments and preparations based on zinc sulfide (Schedule B 3206.42.0000).

Source: U.S. Census Bureau, U.S. International Trade Commission.

TABLE 6
AVERAGE PRICES FOR SPECIAL HIGH GRADE ZINC

| Period | North American ¹ ¢/lb. | London Metal Exchange | |
|------------------|---|----------------------------|----------|
| | | cash ² ¢/lb. | \$/t |
| 2013: | | | |
| August | 95.19 | 85.92 | 1,894.24 |
| September | 93.09 | 83.83 | 1,848.17 |
| October | 94.65 | 85.39 | 1,882.50 |
| November | 94.01 | 84.75 | 1,868.36 |
| December | 98.80 | 89.53 | 1,973.88 |
| January–December | 95.57 | 86.64 | 1,910.04 |
| 2014: | | | |
| January | 101.71 | 92.45 | 2,038.11 |
| February | 101.57 | 92.31 | 2,035.01 |
| March | 100.62 | 91.36 | 2,014.07 |
| April | 101.36 | 92.09 | 2,030.28 |
| May | 102.65 | 93.44 | 2,060.01 |
| June | 105.47 | 96.45 | 2,126.46 |
| July | 113.83 | 104.81 | 2,310.69 |
| August | 114.65 | 105.64 | 2,328.88 |
| January–August | 105.23 | 96.07 | 2,117.94 |

¹Platts Metals Week North American price. Based on the London Metal Exchange cash price plus premium.

²Average of the cash buyer price and the cash seller and settlement price.

Source: Platts Metals Week.

TABLE 7
LONDON METAL EXCHANGE (LME) STOCKS OF SPECIAL HIGH GRADE ZINC, END OF PERIOD

(metric tons)

| Period | United States | | | | Europe | Other | Total LME |
|-----------|---------------|-----------------|-------|---------|---------|--------|-----------|
| | Detroit, MI | New Orleans, LA | Other | Total | | | |
| 2013: | | | | | | | |
| August | 112,675 | 605,650 | 5,750 | 724,075 | 244,225 | 31,900 | 1,000,200 |
| September | 112,675 | 643,075 | 5,450 | 761,200 | 231,225 | 31,600 | 1,024,025 |
| October | 112,375 | 659,850 | 4,975 | 777,200 | 218,675 | 31,500 | 1,027,375 |
| November | 112,375 | 619,550 | 4,350 | 736,275 | 192,775 | 31,200 | 960,250 |
| December | 109,025 | 635,575 | 3,750 | 748,350 | 151,925 | 30,900 | 931,175 |
| 2014: | | | | | | | |
| January | 102,175 | 594,950 | 3,025 | 700,150 | 119,125 | 30,825 | 850,100 |
| February | 92,250 | 543,625 | 2,250 | 638,125 | 92,100 | 27,725 | 757,950 |
| March | 84,275 | 643,000 | 2,000 | 729,275 | 76,725 | 27,575 | 833,575 |
| April | 82,025 | 590,525 | 1,550 | 674,100 | 70,950 | 26,425 | 771,475 |
| May | 71,325 | 555,825 | 1,100 | 628,250 | 54,575 | 25,600 | 708,425 |
| June | 64,100 | 537,625 | 750 | 602,475 | 40,600 | 24,875 | 667,950 |
| July | 59,225 | 539,400 | 450 | 599,075 | 31,550 | 24,650 | 655,275 |
| August | 52,350 | 634,900 | 200 | 687,450 | 28,825 | 24,300 | 740,575 |

Source: London Metal Exchange, Ltd.