

Mineral Industry Surveys

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ZINC IN JUNE 2017

Domestic mine production (recoverable) of zinc in June 2017 was 53,400 metric tons (t) (table 2). Average daily mine production in June was 1,780 t, 3% more than that in May and 22% less than that in June 2016 (fig. 1).

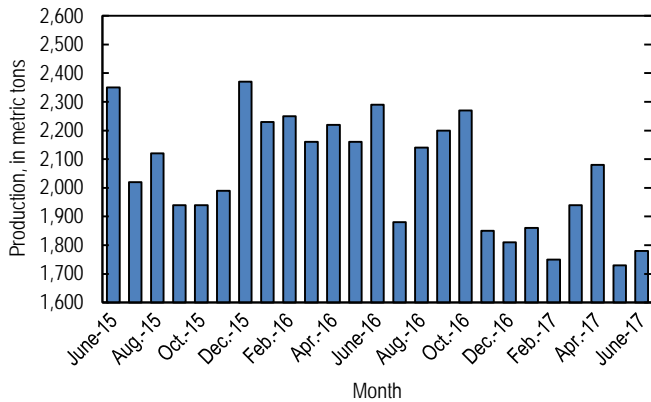


Figure 1. Average daily domestic zinc mine production (recoverable) from June 2015 through June 2017. Source: U.S. Geological Survey.

Global London Metal Exchange Ltd. (LME) stocks of Special High Grade (SHG) zinc decreased by 40,650 t to 289,275 t in June, 12% less than stocks at the end of May 2017 and 35% less than stocks at the end of June 2016 (fig. 2, table 7).

The monthly average Platts Metals Week North American SHG zinc price in June 2017 was \$1.25 per pound, a slight decrease from that in May 2017 and 27% more than that in June 2016. The June 2017 average LME cash price for SHG zinc was \$2,571.53 per metric ton, a slight decrease from that in the previous month and 27% more than that in June 2016.

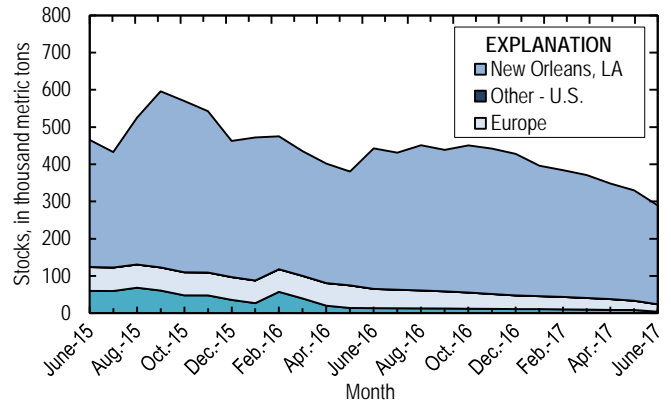


Figure 2. Global LME stocks of Special High Grade zinc, monthend, from June 2015 through June 2017. Source: London Metal Exchange Ltd.

The North American premium to the LME cash price in June averaged about 8.54 cents per pound, a slight decrease from that in May and 26% more than that in June 2016 (fig. 3, table 6).

In June 2017, 60,000 t of on-warrant zinc ingots were cancelled in LME-approved warehouses in New Orleans, LA. Then over a 3-day trading period in July, 77,150 t of zinc ingots were rewarranted in the same LME-approved warehouses in New Orleans. The scale of recent cancellations and rewarrants in the same location was likely an indication of warehouse-related negotiations to decrease the cost of rent, rather than an indication of changes in market conditions. More than 99% of total LME zinc inventory was stored in New Orleans (Luk, 2017; Mason, 2017).

Update

In June, Trafigura Ltd. (Switzerland) announced that a new zinc and lead mine in Cuba was on track to start production toward the end of 2017. The Castellanos Mine would be operated by Empresa Minera del Caribe S.A., a joint venture between Trafigura (49%) and the Cuban state-owned company Geominera S.A. (51%). Full production of 100,000 t of zinc concentrate was expected in the first quarter of 2018 (Dent, 2017a).

On August 15, Blue Moon Zinc Corp. (Canada) announced plans to reopen its zinc mine in Mariposa County, CA. The company expected to begin construction to reopen the mine in the next 2 to 3 years, after necessary studies had been completed and relevant permits had been acquired (Dent, 2017b).

References Cited

- Dent, Millicent, 2017a, Cuba zinc-lead mine sees year-end start-up: American Metal Market, July 24. (Accessed August 10, 2017, via <http://www.amm.com/>.)
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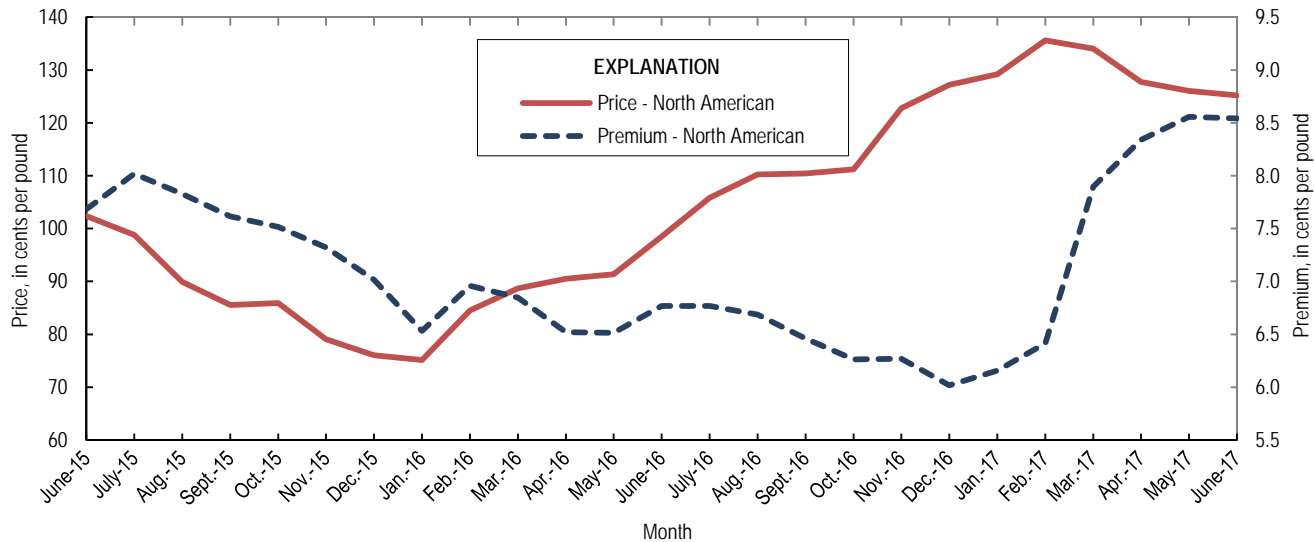


Figure 3. Average monthly North American price and premium for Special High Grade zinc from June 2015 through June 2017. Source: Platts Metals Week.

TABLE 1
SALIENT ZINC STATISTICS¹

(Metric tons, unless otherwise specified)

	2016	2017		
	January– December ^p	May	June	January– June ²
Production:				
Mine, zinc content of concentrate ³	805,000	55,600 ^r	55,200	348,000
Mine, recoverable zinc ³	778,000	53,700 ^r	53,400	336,000
Smelter, refined zinc ^e	126,000	11,300 ^r	11,300	66,500
Consumption of refined zinc, apparent ⁴	792,000	64,300 ^r	65,300	466,000
Imports for consumption:				
Ore and concentrate (zinc content)	60	--	--	30
Refined zinc	713,000	54,600	56,900	418,000
Exports:				
Ore and concentrate (zinc content)	597,000	8,660	12,700	89,300
Refined zinc	46,900	1,560	2,910	18,600
Price:⁵				
London Metal Exchange cash, average, dollars per metric ton	2,090.34	2,589.77	2,571.53	2,689.31
Platts Metals Week North American, average, cents per pound	101.37	126.03	125.18	129.64

^eEstimated. ^pPreliminary. ^rRevised. -- Zero.

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

²May include revisions to previously published data.

³Reported zinc content in both zinc and lead concentrates.

⁴Smelter production plus imports for consumption minus domestic exports.

⁵Special High Grade Zinc.

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

(Metric tons)

Period	Mine ²		
	Zinc content	Recoverable	Smelter ^e
2016:			
June	71,000	68,600	10,600
July	60,200	58,200	9,580
August	68,500	66,300	9,580
September	68,300	66,100	9,580
October	72,700	70,300	11,300
November	57,400	55,500	11,300
December	58,100	56,200	11,300
January–December	805,000	778,000	126,000
2017:			
January	59,600	57,700	10,900
February	50,700	49,100	10,900
March	62,100	60,000	10,900
April	64,400 ^r	62,400 ^r	11,300 ^r
May	55,600 ^r	53,700 ^r	11,300 ^r
June	55,200	53,400	11,300
January–June	348,000	336,000	66,500

^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.

TABLE 3
U.S. IMPORTS FOR CONSUMPTION OF ZINC¹

(Gross weight, unless otherwise specified)

Material	2016		2017			
	Quantity (metric tons)	Value (thousands)	June		January–June ²	
			Quantity (metric tons)	Value (thousands)	Quantity (metric tons)	Value (thousands)
Ore and concentrate (zinc content)	60	\$15	--	--	30	\$7,910
Unwrought:						
Refined zinc	713,000	1,500,000	56,900	\$149,000	418,000	1,140,000
Zinc alloys	7,570	15,600	590	1,530	4,200	11,600
Wrought:						
Bars, rods, profiles, wire	2,740	8,370	154	571	1,540	5,640
Plates, sheets, strip, foil	3,650	12,000	314	1,210	1,840	7,080
Ash and residues:						
Hard zinc spelter	247	392	--	--	190	344
Zinc dross and skimmings	3,770	5,620	473	862	3,530	6,620
Other (zinc content)	1,180	886	48	28	1,120	621
Other:						
Powders, flakes, dust	27,800	85,400	2,620	9,200	13,700	48,100
Waste and scrap	11,300	12,800	995	1,520	4,520	8,700
Chemicals:						
Lithopone	2,670	6,310	12	117	1,030	825
Zinc oxide	123,000	239,000	9,090	23,600	57,600	146,000
Zinc chloride	137	1,290	10	80	78	670
Zinc sulfate	79,900	60,400	6,870	6,700	40,500	37,600
Zinc sulfide	579	1,600	273	789	1,140	3,310

-- Zero.

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

²May include revisions to previously published data.

Source: U.S. Census Bureau.

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		
	2016	2017		2016	2017	
		June	January–June ²		June	January–June ²
Ore and concentrate (zinc content):						
Canada	--	--	23	--	--	23
Japan	10	--	--	10	--	--
Korea, Republic of	50	--	--	50	--	--
Peru	--	--	7	--	--	7
Total	60	--	30	60	--	30
Refined zinc:						
Australia	26,000	--	47,700	29,200	--	103,000
Belgium	--	--	--	2,190	--	1,790
Canada	506,000	32,200	216,000	506,000	32,200	216,000
China	5	1	5	405	1	682
India	3,020	3,020	7,500	3,020	3,020	7,500
Japan	--	--	--	397	--	--
Korea, Republic of	6	--	--	9,310	--	1,220
Mexico	88,800	9,040	43,800	88,800	9,040	43,800
Namibia	--	--	--	123	249	375
Netherlands	--	--	--	346	274	1,600
Peru	66,600	5,350	28,900	66,600	5,350	28,900
Poland	294	--	292	294	--	292
Spain	--	--	--	6,190	6,850	13,000
Taiwan	31	--	15	31	--	15
Other (5 countries)	5	1	255	5	1	255
Total	691,000	49,600	345,000	713,000	56,900	418,000
Oxide:						
Australia	97	35	54	97	35	54
Belgium	12	--	2	12	--	2
Canada	69,100	5,580	34,000	69,100	5,580	34,000
China	428	44	130	427	44	130
France	31	4	4	31	4	4
Germany	2,490	201	1,470	2,490	201	1,470
India	101	10	26	101	10	26
Indonesia	27	--	--	27	--	--
Israel	34	--	--	34	--	--
Japan	352	21	241	352	21	240
Korea, Republic of	14	4	16	14	4	16
Mexico	35,100	2,470	16,400	35,100	2,470	16,400
Netherlands	5,390	686	4,590	5,390	686	4,590
Peru	9,180	38	524	9,180	38	524
Russia	11	--	--	11	--	--
Switzerland	8	--	--	8	--	--
Taiwan	10	--	--	10	--	--
Thailand	14	--	2	14	--	2
United Kingdom	273	--	182	273	--	182
Other (4 countries)	4	--	9	4	--	9
Total	123,000	9,090	57,600	123,000	9,090	57,600

-- Zero.

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

²May include revisions to previously published data.

³Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 5
U.S. EXPORTS OF ZINC¹

(Gross weight, unless otherwise specified)

Material	2016		2017			
	Quantity (metric tons)	Value (thousands)	June		January–June ²	
			Quantity (metric tons)	Value (thousands)	Quantity (metric tons)	Value (thousands)
Ore and concentrate (zinc content)	597,000	\$938,000	12,700	\$23,900	89,300	\$139,000
Unwrought:						
Refined zinc	46,900	95,300	2,910	3,460	18,600	45,100
Zinc alloys	16,200	40,900	1,050	2,830	7,150	20,500
Wrought:						
Bars, rods, profiles, wire	8,100	20,200	1,010	2,360	4,370	10,800
Plates, sheets, strip, foil	6,960	23,900	668	2,600	4,000	15,100
Ash and residues:						
Hard zinc spelter	12,100	18,200	439	794	3,890	7,010
Other (zinc content)	22,800	29,900	1,260	1,870	8,960	14,100
Other:						
Powders, flakes, dust	12,700	39,600	1,530	4,480	6,890	21,400
Waste and scrap	30,100	37,800	1,430	1,800	12,600	16,500
Chemicals:						
Lithopone	1,260	7,160	108	590	490	2,870
Zinc oxide	55,300	56,300	5,600	6,690	28,400	37,400
Zinc chloride	856	1,130	15	30	123	238
Zinc sulfate	588	850	28	24	358	484
Zinc sulfide	1,040	14,500	40	1,710	293	7,850

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

²May include revisions to previously published data.

Source: U.S. Census Bureau.

TABLE 6
AVERAGE PRICES FOR SPECIAL HIGH GRADE ZINC

Period	North	London Metal Exchange	
	American ¹ ¢/lb.	cash ² ¢/lb. \$/t	
2016:			
June	98.51	91.74	2,022.59
July	105.85	99.08	2,184.43
August	110.22	103.53	2,282.40
September	110.44	103.98	2,292.44
October	111.22	104.95	2,313.83
November	122.77	116.50	2,568.41
December	127.19	121.17	2,671.34
January–December	101.37	94.82	2,090.34
2017:			
January	129.20	123.05	2,712.68
February	135.60	129.18	2,848.04
March	134.06	126.16	2,781.33
April	127.75	119.41	2,632.50
May	126.03	117.47	2,589.77
June	125.18	116.64	2,571.53
January–June	129.64	121.99	2,689.31

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
	New Orleans, LA	Total			
2016:					
June	377,450	377,450	51,700	13,550	442,700
July	368,150	368,150	49,850	13,200	431,200
August	390,000	390,000	48,250	12,850	451,100
September	380,025	380,025	46,050	12,600	438,675
October	395,225	395,225	43,550	11,950	450,725
November	390,475	390,475	39,875	11,650	442,000
December	380,125	380,125	36,750	10,975	427,850
2017:					
January	350,325	350,325	34,775	10,975	396,075
February	340,400	340,400	33,500	10,200	384,100
March	330,100	330,100	31,200	9,650	370,950
April	310,350	310,350	29,150	8,725	348,225
May	296,475	296,475	24,900	8,550	329,925
June	265,400	265,400	19,975	3,900	289,275

Source: London Metal Exchange, Ltd.