

Mineral Industry Surveys

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GOLD IN MARCH 2009

U.S. mines produced 20,200 kilograms (kg) of gold in March, a 21% increase compared with revised February production, according to the U.S. Geological Survey. Production in the first quarter 2009 was 54,900 kg or a 6% increase as compared with that of same quarter 2008. The average daily gold production for U.S. mines was 652 kilograms per day (kg/d) in March, compared with 594 kg/d for February and 626 kg/d for full year 2008.

The average Engelhard Industries' gold price was \$926.49 per troy ounce for March, down 2% compared with the average gold price in February. The price was between \$900 and \$950 per troy ounce for most of the month. On March 18, the price dropped to the lowest point of the month, \$895.40 per troy ounce; the next day the price jumped to the highest price of the month, \$958.78 per troy ounce.

Yukon-Nevada Gold Corp. (Vancouver, British Columbia, Canada) completed the environmental compliance requirements, and the Nevada Division of Environmental Protection authorized the restart of milling operations at the Jerritt Canyon Mine. The mine was shut down in August 2008 because of inefficient operational practices. The company conducted an extensive evaluation of the mill operations and made changes to reduce or eliminate air emissions (Yukon-Nevada Gold Corp., 2009).

Gold imports into India were zero for February and March; however, 1.9 metric tons (t) was imported in January 2009. High prices reduced consumption and increased the scrap supply of gold. In 2008, India imported 18 t, 23 t, and 21 t in January, February, and March, respectively. India has been the world's leading consumer of gold, but only produces about 3 t annually and relies on its imports and scrap gold for supply (Mineweb, 2009).

Industrias Peñoles SAB (Mexico City, Mexico) has declared *force majeure* at its Met-Mex metallurgical complex in Mexico owing to a workers strike. The stoppage had an impact on the processing of precious metal doré and precipitates, and lead concentrates from several mining operations, but its zinc operations at Met-Mex were unaffected by the strike. The mines

have not been affected and have reached an alternative plan with other refiners and smelters in Canada, Eastern Europe, the Republic of Korea, and South America. The complex was the leading producer in Latin America and produced 54,000 kg of gold, 580,000 kg of silver, and 460,000 t of zinc in 2007 (Mining Journal, 2009).

Many mints around the world have experienced an increase in demand for gold coins; analysts attributed this to the public perception of financial instability and concerns about inflation. The United States Mint reported that coin sales of the 1-ounce American Eagle bullion gold coin in the first quarter of 2009 were 342,000 coins, up 230% as compared with those of the first quarter of 2008. In 2008, sales of American Eagle bullion gold coin were 1,172,000 coins, representing 26,800 kg of gold as compared with the coin sales in 2007 of 409,500 coins representing 6,170 kg of gold. Other mints experienced similar increases in 2008, such as the Royal Canadian Mint, French Mint, and South African Mint Co. According to United States Mint sales data, the increase in coin purchases began in the summer of 2008 (Metals Place, 2009; United States Mint, 2009).

References Cited

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TABLE 1
MINE PRODUCTION OF RECOVERABLE GOLD IN THE UNITED
STATES, BY STATE¹

(Kilograms)

	Nevada	Other States ²	Total
2008: ^P			
March	14,400	3,980	18,400
April	12,100 ^r	4,240	16,300
May	13,700	5,000	18,700
June	16,600	4,510	21,100
July	15,500	5,130	20,700 ^r
August	14,500	4,670	19,200
September	15,200	5,160 ^r	20,400 ^r
October	16,200	4,420	20,600
November	16,100 ^r	4,580	20,600
December	14,800	4,800	19,600
January-December	175,000	54,300 ^r	229,000
2009:			
January	13,900 ^r	4,220	18,100 ^r
February ^r	12,200	4,450	16,600
March	14,200	5,960	20,200
January-March	40,300	14,600	54,900

^PPreliminary. ^rRevised.

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

²Includes Alaska, Arizona, California, Colorado, Idaho, Montana, New Mexico, South Dakota, and Utah.

TABLE 2
GOLD PRICES

(Dollars per troy ounce)

Engelhard Industries:	
2008:	
Low/date	714.36 Oct. 24
High/date	1,013.62 Mar. 17
Average	767.57
2009:	
February:	
Low/date	897.17/9
High/date	991.33/20
Average	945.45
March:	
Low/date	895.40/18
High/date	958.78/19
Average	926.49
Year to date:	
Low/date	812.03 Jan. 15
High/date	991.33 Feb. 20
Average	910.05
Handy and Harman:	
2008, Average	766.00
2009:	
February	943.20
March	924.27
Year to date	909.09
London Final:	
2008, Average	765.79
2009:	
February	943.16
March	924.27
Year to date	908.41

[†]Revised.

Source: Platts Metals Week.

TABLE 3
U.S. IMPORTS AND EXPORTS OF GOLD¹

(Kilograms of gold content, unless otherwise specified)

Period and country	Ores and concentrates ²	Doré and precipitates	Refined bullion ³	Total ⁴	Waste and scrap (gross weight)	Metal powder (gross weight)	Gold compounds (gross weight)
Imports for consumption:							
2008:							
December	1,630	10,800	5,560	18,000	3,280	29	--
Year	27,500	85,100	118,000	231,000	36,500	322	102,000
2009:							
January	1,210	8,970	7,620	17,800	3,290	34	2
February:							
Canada	--	--	5,530	5,530	316	3 ⁵	--
Chile	--	1,520	350	1,870	--	--	--
Colombia	--	1,750	1,330	3,080	--	--	--
Costa Rica	--	94	--	94	135 ⁵	--	--
Dominican Republic	--	5	28	33	505 ⁵	--	--
El Salvador	--	--	--	--	232	--	--
Guatemala	--	403	--	403	56 ⁵	--	--
Honduras	--	153	--	153	492	--	--
Japan	--	--	--	--	1 ⁵	--	2,710 ⁵
Mexico	7,160 ⁵	4,710	2,290	14,200	884 ⁵	--	--
Netherlands	--	--	--	--	--	--	6,600 ⁵
Nicaragua	--	95	12 ⁵	107	68	--	--
Peru	--	1,310	--	1,310	--	--	--
United Kingdom	--	230	228	458	--	--	8 ⁵
Other	--	225	310 ⁵	535 ⁵	333 ⁵	34	--
Total	7,160	10,500	10,100	27,700	3,020	37	9,320
Exports:							
2008:							
December	125	9,390	24,700	34,300	31,900	24	174,000
Year	2,430	106,000	460,000	568,000	886,000	1,200	2,920,000
2009:							
January	152	16,100	24,900	41,100	65,400	25	168,000
February:							
Belgium	--	--	--	--	1,840 ⁵	--	--
Canada	--	--	1,140	1,140	7,450 ⁵	2	47,300 ⁵
China	--	--	--	--	--	--	32,500 ⁵
Dominican Republic	--	--	--	--	--	--	55,600 ⁵
Germany	23 ⁵	--	--	23	51,600 ⁵	--	10,900 ⁵
Hong Kong	1 ⁵	--	2	3	(6) ⁵	2	2,410 ⁵
Israel	--	--	--	--	--	--	722 ⁵
Korea, Republic of	--	--	--	--	--	--	449 ⁵
Malaysia	--	--	11	11	--	(6)	4,410 ⁵
Mexico	42 ⁵	--	134	176	--	--	--
Netherlands	--	--	--	--	--	--	239 ⁵
Singapore	2 ⁵	--	--	2	--	--	52,800 ⁵
Switzerland	--	6,560	113	6,670	--	--	--
Taiwan	--	--	--	--	--	--	8,410 ⁵
Thailand	--	--	(6)	(6)	--	1 ⁵	694 ⁵
United Kingdom	5	10	20,100	20,200	32,100 ⁵	7 ⁵	20 ⁵
Other	34	--	102	136	95 ⁵	12 ⁵	230 ⁵
Total	107	6,570	21,600	28,300	93,000	25	217,000

-- Zero.

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

²Includes gold content of base metal ores, concentrates, and matte imported for refining.

³Bullion also moves in both directions between U.S. markets and foreign stocks on deposit in the Federal Reserve Bank. Monetary gold excluded.

⁴"Waste and scrap," "Metal powder," and "Gold compounds" not included in "Total."

⁵All or part of these data have been referred to the U.S. Census Bureau for verification.

⁶Less than ½ unit.

Source: U.S. Census Bureau.