



MINERAL INDUSTRY SURVEYS

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON, D.C. 20241



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Iron Ore, Monthly

IRON ORE IN AUGUST 1985

U.S. mine production of iron ore rebounded in August as three mines resumed production in the Lake Superior district, according to the Bureau of Mines, U.S. Department of the Interior. Production resumed at the Minntac, Minorca, and Tilden mines after being shut down during July. U.S. mine shipments and imports also increased in August, while exports and consumption were slightly below those of the previous month. Total stocks of ore increased by 1.2 million tons. Forty-six blast furnaces were operating at monthend, one less than at the end of July.

Update.--Early in September, Mineral Services Inc. (MSI) lowered its price for Lake Superior iron ore pellets to 58 cents per natural long ton unit of iron, delivered rail-of-vessel at lower lake ports. MSI's previous price was 66 cents per unit. The company's action followed price reductions in August by Pickands Mather & Co. and U.S. Steel Corp. The range of published prices for Lake Superior pellets is now equivalent to approximately \$37.12 to \$55.62 per long ton of pellets containing 64% iron, delivered rail-of-vessel at lower lake ports.

By mid-October, three pellet producers on the Mesabi Range announced plans to suspend production for an indefinite period because of low demand from the steel industry. Inland Steel Co. plans to close the Minorca Mine on November 17. Pickands Mather & Co. plans to shut down operations of Hibbing Taconite Co. on October 26. U.S. Steel Corp. expects to suspend production at Minntac, on or about December 1. A total of about 2,900 employees are to be temporarily laid off. Meanwhile, Oglebay Norton Co. resumed production at Eveleth Mines on October 13 after a 15-week shutdown, and in Michigan, Cleveland-Cliffs Iron Co. resumed production at the Empire Mine on October 20.

On October 14, collapse of a 150-foot section of the west wall of Lock 7 in the Welland Canal halted shipping between Lakes Erie and Ontario. As of October 22, nearly 90 ships including 36 lake vessels were delayed, at anchor or in port. Time needed for repair was uncertain as damage was still being assessed.

MONTHLY PRODUCTION AND SHIPMENTS

Y-axis: LONG TONS (Millions)

X-axis: AUGUST 1983 - AUGUST 1985

Legend:
 □ MINE PRODUCTION
 + MINE SHIPMENTS

Month	Mine Production (Millions)	Mine Shipments (Millions)
Aug 1983	4.0	5.5
Sep 1983	3.2	4.0
Oct 1983	3.2	4.7
Nov 1983	2.7	5.1
Dec 1983	2.6	4.0
Jan 1984	3.1	1.1
Feb 1984	4.3	1.2
Mar 1984	4.8	1.4
Apr 1984	4.9	3.6
May 1984	5.7	6.2
Jun 1984	5.5	6.0
Jul 1984	5.1	7.2
Aug 1984	4.0	5.8
Sep 1984	3.8	4.6
Oct 1984	4.4	5.0
Nov 1984	3.2	4.9
Dec 1984	1.9	2.4
Jan 1985	2.5	0.6
Feb 1985	3.0	1.0
Mar 1985	4.6	1.0
Apr 1985	4.8	4.1
May 1985	5.7	5.7
Jun 1985	5.2	5.7
Jul 1985	2.9	5.0
Aug 1985	4.5	5.5

	Lake Superior	Other U.S.	Total 2/	
			1985	1984
Production:				
1984 p/-----	49,780	1,494	--	51,274
1985:				
1st Quarter-----	9,955	291	10,246	12,325
2st Quarter-----	15,786	190	15,976	16,192
July-----	2,873	100	2,974	5,143
August-----	4,817	108	4,925	4,053
Shipments:				
1984 p/-----	48,648	1,574	--	50,222
1985:				
1st Quarter-----	2,457	263	2,718	3,870
2st Quarter-----	15,713	182	15,893	15,998
July-----	4,900	137	5,037	7,265
August-----	5,683	136	5,819	5,904

2/ Data may not add to totals shown because of independent rounding.

Table 2.—U.S. mine production, shipments, and stocks of iron ore 1/
 (Exclusive of ore containing 5% or more manganese)
 (Thousand long tons)

	Production August		Shipments August		Mine Stocks August 31	
	1985	1984	1985	1984	1985	1984
Lake Superior:						
Michigan-----	1,370	947	1,589	1,267	3,255	2,631
Minnesota-----	3,446	3,003	4,094	4,531	6,270	5,693
Wisconsin-----	--	--	--	--	--	--
Other U.S.-----	108	102	136	106	325	304
Total <u>2/</u> -----	4,925	4,053	5,819	5,904	9,850	8,628

1/ Excludes byproduct ore.

2/ Data may not add to totals shown because of independent rounding.

Table 3.—U.S. exports of iron ore
 (Thousand long tons)

	Canada	Other	Total <u>1/</u>	
			1985	1984
1984 ^{p/} -----	4,988	(<u>2/</u>)	--	4,989
1985:				
1st Quarter-----	276	(<u>2/</u>)	276	314
2nd Quarter-----	1,412	(<u>2/</u>)	1,412	1,340
July-----	586	(<u>2/</u>)	586	932
August-----	560	(<u>2/</u>)	560	487

^{p/} Preliminary.

1/ Data may not add to totals shown because of independent rounding.

2/ Less than one-half unit.

Source: U.S. Bureau of the Census.

Table 4.—Canada: Shipments of iron ore
(Thousand dry long tons)

	Newfound- land	Quebec	Ontario	British Columbia	1985 Total <u>1/</u>	1984 Total <u>1/</u>
1984-----	20,854	14,419	4,557	153	--	39,983
1985:						
1st Quarter---	1,602	3,157	1,230	--	5,988	5,079
2nd Quarter---	7,029	3,970	1,019	8	12,027	<u>r/</u> 10,934
July-----	1,841	1,438	149	4	3,432	4,138
August-----	NA	NA	NA	NA	NA	3,942

r/ revised.

NA Not available.

1/ Data may not add to totals shown because of independent rounding.

Source: Energy, Mines, and Resources Canada.

Table 5.—U.S. imports for consumption of iron ore by countries
(Exclusive of ore containing 10% or more manganese)

	August 1985		Year to date 1985			Year to date 1984 (thousand long tons)
	Thousand long tons	Value <u>1/</u> (thousand dollars)	Thousand long tons	Value <u>1/</u> (thousand dollars)	Value <u>1/</u> (dollars per ton)	
Brazil-----	203	3,854	1,529	28,619	18.72	1,937
Canada-----	882	35,205	4,866	194,497	39.97	6,219
Chile-----	--	--	84	<u>e/</u> 1,206	<u>e/</u> 14.36	--
Liberia-----	--	--	<u>r/</u> 917	<u>r/</u> 13,069	14.25	1,198
Peru-----	--	--	38	727	19.13	7
Sweden-----	--	--	--	--	--	27
Venezuela <u>2/</u> ---	572	10,914	1,214	22,924	18.88	834
Other-----	--	--	<u>r/</u> 3/24	<u>r/</u> 364	15.17	(<u>4/</u>)
Total <u>5/</u> ---	1,657	49,973	8,672	<u>r/</u> 261,406	30.14	10,222

e/ Estimated. r/ Revised.

1/ Customs value. Excludes international freight, insurance, and other c.i.f. charges.

2/ Excludes direct-reduced iron reported as iron ore.

3/ Reported from Greece.

4/ Less than one-half unit.

5/ Data may not add to totals shown because of independent rounding.

Source: U.S. Bureau of the Census data reported under item 601.24 of the Tariff Schedules of the United States.

Table 6.—U.S. consumption and stocks of iron ore and agglomerates
at consuming plants and production of pig iron
(Thousand long tons)

	Consumption			Stocks August 31	
	August 1985	Year to date		1985	1984
		1985	1984		
Alabama, Kentucky, Tennessee, Texas, Missouri-----	500	4,101	3,592	929	1,495
California, Colorado, Utah---	168	1,299	1,422	162	247
Delaware, Maryland, West Virginia-----	510	4,062	4,768	2,234	1,837
Illinois, Indiana-----	2,081	16,192	16,800	7,358	8,040
Michigan, Minnesota-----	443	3,867	4,149	1,612	2,040
New York, Ohio, Pennsylvania, New Jersey, Rhode Island---	1,485	13,961	16,106	6,792	7,222
Total <u>1/</u> -----	5,186	43,482	46,837	19,087	20,880

Stocks at U.S. receiving/transfer docks----- 1,790 2,056

	Consumption by process			Pig iron produced		
	August 1985	Year to date		August 1985	Year to date	
		1985	1984		1985	1984
Blast furnaces-----	4,457	37,287	39,072	3,670	30,436	33,196
Steel furnaces-----	14	129	313	--	--	--
Agglomerating plants <u>2/</u> ---	697	5,667	7,333	--	--	--
Miscellaneous <u>3/</u> -----	17	400	120	--	--	--
Total <u>1/</u> -----	5,186	43,482	46,837	3,670	30,436	33,196

1/ Data may not add to totals shown because of independent rounding.

2/ Iron ore and iron ore concentrates consumed in agglomerating plants not located at the mine site.

3/ Sold to nonreporting companies or used for purposes not listed.

Source: American Iron Ore Association (consumption of iron ore).
American Iron and Steel Institute (production of pig iron).

Table 7.--U.S. imports for consumption of iron ore, by customs district
(Exclusive of ore containing 10% or more manganese)
(Thousand long tons)

Customs district	August 1985	Year to date	
		1985	1984
Baltimore-----	74	<u>1</u> /1,722	3,504
Buffalo-----	--	(<u>2</u> /)	1
Charleston-----	--	62	5
Chicago-----	53	560	1,299
Cleveland-----	86	<u>3</u> /1,132	1,893
Detroit-----	23	322	125
Houston-----	13	154	101
Mobile-----	304	1,777	822
New Orleans-----	49	<u>1</u> /518	440
Philadelphia-----	1,055	<u>2</u> ,360	1,938
Other-----	--	65	95
Total <u>4</u> /-----	1,657	8,672	10,222

1/ Excludes shipments of direct-reduced iron reported as iron ore.

2/ Less than one-half unit.

3/ Probably includes more than 250,000 tons received in late 1984 but not recorded until January 1985.

4/ Data may not add to totals shown because of independent rounding.