



MINERAL INDUSTRY SURVEYS

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



Donald Paul Hodel, Secretary

Robert C. Horton, Director

For information call Peter H. Kuck
Telephone: (202) 634-1023

Iron Ore, Monthly

IRON ORE IN SEPTEMBER 1986

U.S. mine production and shipments of iron ore were slightly lower than those in August, according to the Bureau of Mines, U.S. Department of the Interior. Shipments from U.S. loading docks on the Great Lakes rose 7% from the previous month, but were still 22% lower than those of September 1985. Mine production remained at a low level primarily because of (1) a sustained reduction in domestic pig iron production since May, (2) the prolonged work stoppage at the Minntac Mine and other operations of the USX Corp., and (3) continued competition from imports of steel, iron, and ore. Both imports and exports of ore were substantially higher than those in August. Stocks of ore and agglomerates at consuming plants and U.S. receiving/transfer docks increased 7% during the month to 16.5 million long tons. Monthly consumption of ore and agglomerates dropped below the 3.8 million ton level for the first time since December 1982. On September 30, only 31 blast furnaces were in operation, 10 less than on August 31. These latest shutdowns raised the number of idled furnaces to 60.

Data for the first 9 months of 1986 indicated declines in production (17%), shipments (12%), exports (15%), and consumption (10%), compared with those for the same period in 1985. In contrast, imports rose 11%, signalling a potential problem in the competitiveness of the domestic iron ore industry.

In late summer, workers began dismantling the last ore concentrating plant on the Cuyuna Range of Minnesota. The plant, at the Virginia Mine site near Iron-ton, is owned by the Pittsburgh Pacific Co. of Hibbing. Pittsburgh Pacific bought the plant from the Zontelli brothers in 1958 and used it to process ores from the nearby Algoma-Zeno Mine up until 1981. Between 1911 and 1984, mines on the Cuyuna Range shipped a total of 106.4 million tons of manganese-bearing iron ore, of which 62.4 million tons was direct shipping ore and 44.0 million tons was gravity concentrate or sinter. Production of usable ore containing less than 5% manganese totaled 70.3 million tons for the 73-year period.

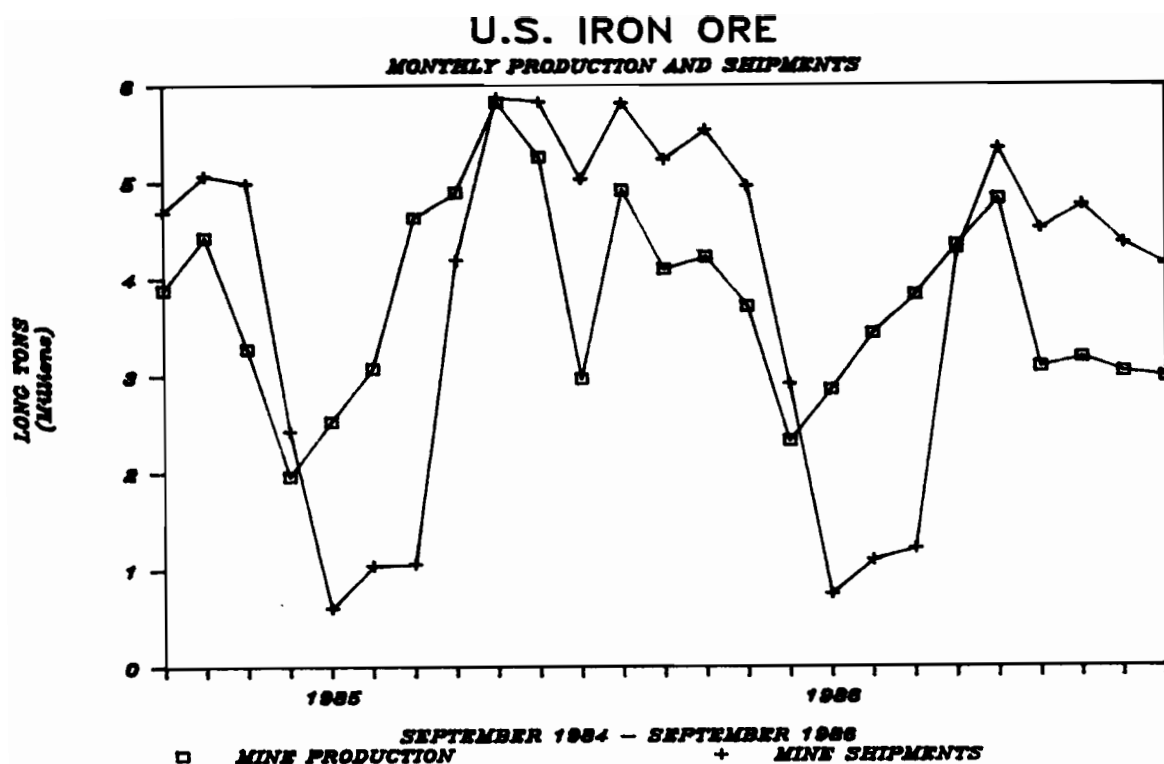


Table 1.--U.S. production and shipments of iron ore, by districts 1/
(Exclusive of ore containing 5% or more manganese)
(Thousand long tons)

Period	Lake Superior	Other U.S.	Total <u>2/</u>	
			1986 <u>3/</u>	1985
Production:				
1985-----	47,388	1,363	--	48,751
1986:				
1st Quarter----	9,853	292	10,144	10,246
2nd Quarter----	12,122	174	12,297	15,976
July-----	<u>r/</u> 3,131	59	<u>r/</u> 3,190	2,974
August-----	2,984	57	3,041	4,925
September-----	2,928	58	2,986	4,102
Shipments:				
1985 <u>4/</u> -----	47,606	1,804	--	49,411
1986:				
1st Quarter----	2,832	257	3,087	2,718
2nd Quarter----	13,953	205	14,158	15,893
July-----	<u>r/</u> 4,709	66	<u>r/</u> 4,775	5,037
August-----	<u>r/</u> 4,311	65	<u>r/</u> 4,377	5,819
September-----	4,076	71	4,147	5,234

r/ Revised.

1/ Excludes byproduct ore, except where noted.

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

3/ Includes estimated data.

4/ Includes byproduct ore.

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

District	Production September		Shipments September		Mine Stocks September 30	
	1986	1985	1986	1985	1986	1985
Lake Superior:						
Michigan-----	559	707	1,251	1,581	2,510	2,381
Minnesota-----	2,370	3,296	2,825	3,519	4,413	6,119
Other U.S.-----	58	99	71	134	243	290
Total <u>2/</u> -----	2,986	4,102	4,147	5,234	7,166	8,790

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)

Period	Canada	Other	Total <u>1/</u>	
			1986	1985
1985-----	5,033	1	--	5,033
1986:				
1st Quarter-----	156	1	157	276
2nd Quarter-----	1,339	1	1,340	1,412
July-----	393	--	393	586
August-----	487	<u>2/</u> (<u>3/</u>)	487	560
September-----	737	1	738	811

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

2/ Being questioned.

3/ Less than one-half unit.

Source: U.S. Bureau of the Census.

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

Period	Newfound- land	Quebec	Ontario	British Columbia	1986 Total <u>1/</u>	1985 Total <u>1/</u>
1985-----	20,229	14,723	4,220	42	--	39,215
1986:						
1st Quarter---	1,470	3,100	1,041	8	5,619	6,000
2nd Quarter---	6,450	3,293	853	6	10,600	12,039
July-----	2,169	1,073	175	2	3,419	3,442
August-----	1,533	961	176	2	2,673	3,498
September-----	2,110	1,001	282	2	3,394	4,202

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)

Country of origin	September 1986		Year to date 1986			Year to date 1985 (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-----	446	9,282	2,806	54,122	19.29	1,807
Canada-----	<u>2/</u> 771	<u>2/</u> 25,857	<u>2/</u> 6,527	<u>2/</u> 233,611	35.79	6,745
Chile-----	--	--	93	2,126	22.86	84
Liberia-----	133	1,946	1,103	16,187	14.68	1,402
Peru-----	20	367	92	2,428	26.39	96
Sweden-----	--	--	61	1,351	22.15	27
Venezuela <u>3/</u> --	74	832	<u>2/</u> 2,127	<u>2/</u> 37,200	17.49	1,479
Other-----	<u>4/</u> (<u>5/</u>)	14	<u>2/</u> 171	<u>2/</u> 5,232	30.60	50
Total <u>6/</u> ----	1,444	38,298	12,980	352,257	27.14	11,690

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

2/ Part being questioned.

3/ Data for Venezuela includes some shipments of direct-reduced iron reported as iron ore. Verification has been requested.

4/ Being questioned.

5/ Less than one-half unit.

6/ 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)

State or Region	Consumption			Stocks	
	September 1986	Year to date		September 30	
		1986	1985	1986	1985
Alabama, Kentucky, Tennessee, Texas, Missouri-----	248	3,266	4,562	930	1,316
California, Colorado, Utah---	--	1,059	1,440	138	165
Delaware, Maryland, West Virginia-----	516	4,702	4,565	1,992	2,477
Illinois, Indiana-----	1,541	16,781	18,245	6,900	8,055
Michigan, Minnesota-----	436	4,006	4,306	1,705	1,826
New York, Ohio, Pennsylvania, New Jersey, Rhode Island---	1,014	13,913	15,277	3,711	6,579
Total 1/-----	3,754	43,727	48,396	15,375	20,418
Stocks at U.S. receiving/transfer docks-----				1,165	2,007

Consuming Sector	Consumption by process			Pig iron produced		
	September 1986	Year to date		September 1986	Year to date	
		1986	1985		1986	1985
Blast furnaces-----	3,241	37,877	41,475	2,662	30,832	33,900
Steel furnaces-----	3	86	144	--	--	--
Agglomerating plants 2/--	510	5,680	6,359	--	--	--
Miscellaneous 3/--	--	84	418	--	--	--
Total 1/-----	3,754	43,727	48,396	2,662	30,832	33,900

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	September 1986	Year to date	
		1986	1985
Baltimore-----	724	4,283	2,556
Buffalo-----	<u>1/</u> (<u>2/</u>)	(<u>2/</u>)	(<u>2/</u>)
Charleston-----	20	240	143
Chicago-----	120	1,008	1,636
Cleveland-----	52	1,023	1,301
Detroit-----	74	236	396
Houston-----	--	11	164
Mobile-----	60	2,135	2,219
New Orleans-----	110	1,249	664
Philadelphia-----	282	2,790	2,543
Other-----	(<u>2/</u>)	4	65
Total <u>3/</u> -----	1,444	12,980	11,690

1/ Being questioned.

2/ Less than one-half unit.

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