

Mineral Industry Surveys

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IRON ORE IN MARCH 2010

U.S. mine production of iron ore in March 2010, on a daily average basis, was about the same as that for the prior month, and was 62% greater than that of March 2009, according to the U.S. Geological Survey (USGS). Average daily production, at 117,000 metric tons (t), was less than 400 t greater than that of February 2010.

Average daily shipments in March 2010, at 86,100 t, were 52,500 t more than those of the prior month, and more than 4 times those of March 2009. Mine stocks at the end of March 2010 were 958,000 t greater than the stocks held on February 28, a 16% increase. U.S. net imports of iron ore in February 2010 were 285,000 t, with imports 2.4 times exports.

Prices.—Amidst the closing of the trial of Rio Tinto plc (London, United Kingdom) employees in China, annual iron ore price negotiations continued. Vale S.A. (Rio de Janeiro, Brazil) and BHP Billiton Ltd. (Melbourne, Australia) reached agreement with major steelmakers from China, Japan, and the Republic of Korea to accept quarterly ore repricing, with increases almost 100% greater than the price of the 2009 contract year (Jenkins, 2010).

North American Production.—Cliffs Natural Resources Inc. (Cleveland, OH) announced production for the first quarter of 2010 for its North American operations. Mine production for all of Cliffs' managed mines was 6.0 million metric tons (Mt), a slight increase over that of the same period of 2009. Cliffs' share of the total production for the first quarter of 2010 was 5.4 Mt, a 36% increase over that of the same period in 2009, resulting from increased ownership in the Wabush Mine in Canada (Cliffs Natural Resources Inc., 2010).

World Production.—Rio Tinto announced first quarter production for 2010. Rio Tinto's share of saleable iron ore and pellets worldwide for the 3 months ending March 31 was 43.4 Mt—a 39% increase compared with that of the same period in 2009. Rio Tinto's Pilbara region iron ore production reported a 48% increase compared with that of the first quarter of 2009. This dramatic increase was the result of the 2010 startup of the Mesa A/Warramboe Mine and reduced production in the first quarter of 2009, when heavy rains interrupted operations (Rio Tinto plc, 2010, p. 2, 9).

BHP Billiton announced that its share of worldwide iron ore (wet) production for the first 3 months of 2010 was 31.2 Mt—an 11% increase compared with that of the corresponding period in 2009. Although iron ore production did show a significant increase, weather-related impacts and expansion tie-in activities offset some of the increased production from expansion projects (BHP Billiton Ltd., 2010, p. 1, 3).

In the first 3 months of 2010, Vale reported iron ore production of 69.1 Mt (including its Samarco joint venture). Iron ore production for the first quarter of 2010 represented a 9% increase compared with that of the previous quarter and a 43% increase compared with that of the same quarter the previous year. Vale's pellet production for the first 3 months of 2010 was 10.5 Mt—a 20% increase compared with production in the previous quarter and a greater than 260% increase compared with production in the same quarter the previous year. These significant increases resulted from resumed production at the Jangada and Mar Azul Mines and the Fábrica and São Luis pellet plants (Vale S.A., 2010).

World Exploration and Development.—Rio Tinto signed a memorandum of understanding with Aluminum Corporation of China (Chinalco) which would establish a joint venture to develop and operate the 70-million-metric-ton-per-year Simandou iron ore project in Guinea. With an investment of \$1.35 billion, Chinalco would obtain a 44.65% interest in the project (Rio Tinto plc, 2010, p. 2, 3).

References Cited

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TABLE 1
U.S. PRODUCTION AND SHIPMENTS OF IRON ORE^{1, 2}
(Exclusive of ore containing 5% or more of manganese)

(Thousand metric tons)

Period	Production		Shipments	
	Monthly	Year to date	Monthly	Year to date
2009:				
March	2,240	7,890	663	1,980
April	1,700	9,590	1,930	3,910
May	850	10,400	2,470	6,380
June	811	11,200	2,440	8,810
July	1,480	12,700	3,080	11,900
August	1,780	14,500	3,190	15,100
September	2,560	17,100	3,120	18,200
October	3,080	20,100	3,370	21,600
November	3,140	23,300	4,380	26,000
December	3,180	26,500	3,960	29,900
2010:				
January	3,040	3,040	2,400	2,400
February	3,270	6,300	943	3,340
March	3,630	9,930	2,670	6,010

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

²Excludes byproduct ores.

TABLE 2
U.S. PRODUCTION, SHIPMENTS, AND STOCKS OF IRON ORE IN MARCH^{1, 2}

(Thousand metric tons)

State	Production		Shipments ³		Stocks ⁴	
	2010	2009	2010	2009	2010	2009
Michigan	860	544	850	499	1,570	3,470
Minnesota	2,770	1,700	1,820	164	5,470	9,010
Total	3,630	2,240	2,670	663	7,040	12,500

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

²Excludes byproduct ore.

³Includes rail and vessel.

⁴Includes usable (marketable) material at mines, concentrators, pelletizing plants, and loading docks. Excludes stocks of crude ore at mine and concentrates at agglomerating complexes.

TABLE 3
CANADA: SHIPMENTS OF IRON ORE^{1,2}

(Thousand dry metric tons)

Period	Newfoundland and Labrador	Quebec	British Columbia	Total
2009:				
February	793	823	2	1,620
March	662	1,450	1	2,120
April	1,630	871	8	2,510
May	2,090	1,260	7	3,350
June	820	1,080	10	1,910
July	1,360	1,430	10	2,800
August	1,480	1,570	8	3,060
September	1,540	1,580	8	3,130
October	2,060	1,510	7	3,580
November	2,010	1,000	8	3,020
December	1,660	1,320	(3)	2,980
Year total	17,100	14,500	73	31,700
2010:				
January	1,300	1,090	3	2,390
February	1,130	872	2	2,000

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

²Includes production from steel plant waste oxides.

³Less than ½ unit.

Source: Natural Resources Canada.

TABLE 4
PRODUCTION OF PIG IRON AND RAW STEEL IN THE UNITED STATES, BY TYPE OF
FURNACE¹

(Thousand metric tons)

Period	Pig iron production, blast furnace		Raw steel production			
	Monthly	Year to date	Basic oxygen furnace		Electric furnace	
			Monthly	Year to date	Monthly	Year to date
2009:						
February	1,510	2,960	1,180	2,500	2,440	5,070
March	1,630	4,580	1,430	3,930	2,330	7,400
April	1,410	5,990	1,230	5,170	2,390	9,800
May	1,370	7,360	1,070	6,240	2,760	12,600
June	1,380	8,740	1,210	7,440	2,980	15,500
July	1,840	10,600	1,630	9,070	3,200	18,700
August	2,090	12,700	1,810	10,900	3,460	22,200
September	1,930	14,600	2,230	13,100	3,540	25,700
October	2,510	17,100	2,080	15,200	3,480	29,200
November	2,240	19,400	2,000	17,200	3,470	32,700
December	2,410	21,800	2,120	19,300	3,450	36,100
2010:						
January	2,350	2,350	1,830	1,830	3,890	3,890
February	2,530	4,870	1,960	3,790	3,720	7,610

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

Source: American Iron and Steel Institute.

TABLE 5
U.S. EXPORTS OF IRON ORE, BY COUNTRY OF DESTINATION AND TYPE^{1,2}

(Thousand metric tons)

Country of destination and type of product	2009				2010	
	3rd quarter	4th quarter	December	Total	January	February
Belgium	25	150	53	194	1	--
Canada	1,100	877	399	3,060	564	129
China	92	(3)	--	99	--	--
Colombia	1	3	2	19	2	1
France	105	(3)	--	179	--	--
Germany	81	153	--	234	--	--
Mexico	1	55	33	70	32	81
South Africa	27	25	--	52	--	--
Other ⁴	1	3	(3)	10	(3)	(3)
Total	1,430	1,270	487	3,910	599	211
Concentrates	101	5	1	123	3	1
Coarse ores	--	4	--	5	--	--
Fine ores	7	2	(3)	24	(3)	(3)
Pellets	1,330	1,260	485	3,760	596	209
Briquettes	(3)	--	--	3	(3)	--
Other agglomerates	(3)	(3)	(3)	(3)	--	--
Roasted pyrites	1	(3)	--	1	--	(3)
Total	1,430	1,270	487	3,910	599	211

-- Zero.

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

²Includes agglomerates.

³Less than ½ unit.

⁴Includes all countries receiving less than 5,000 metric tons in any month during the two-year period.

Source: U.S. Census Bureau.

TABLE 6
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE, BY COUNTRY AND TYPE^{1,2}
(Exclusive of ore containing 20% or more manganese)

Country of origin and type of product	2010					2009
	February		Year to date			January-February
	Thousand metric tons	Value ³ (thousand dollars)	Thousand metric tons	Value ³ (thousand dollars)	Value ³ (dollars per ton)	Thousand metric tons
Brazil	37	3,780	37	3,780	102.16	--
Canada	317	28,400	701	58,200	83.05	148
Chile	--	--	--	--	--	47
Finland	--	--	--	--	--	3
Mexico	--	--	--	--	--	24
Norway	1	13	1	13	13.00	1
Peru	7	315	7	315	45.00	--
Russia	133	11,000	133	11,000	82.77	--
Spain	1	42	1	42	42.00	--
Sweden	--	--	--	--	--	4
Trinidad and Tobago	(4)	11	(4)	11	187.50	--
Total	496	43,600	880	73,400	83.39	227
Concentrates	(4)	11	(4)	11	187.50	72
Coarse ores	--	--	--	--	--	--
Fine ores	113	12,500	114	12,500	110.00	7
Pellets	381	31,000	765	60,800	79.47	146
Briquettes	1	42	1	42	42.00	--
Other agglomerates	--	--	--	--	--	--
Roasted pyrites	--	--	--	--	--	3
Total	496	43,600	880	73,400	83.39	227

-- Zero.

¹Data, with the exception of the dollars per ton column, are rounded to no more than three significant digits; may not add to totals shown.

²Includes agglomerates.

³Customs value. Excludes international freight and insurance charges.

⁴Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 7
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE IN FEBRUARY 2010^{1,2}
(Exclusive of ore containing 20% or more manganese)

(Thousand metric tons)

Country of origin	Type of product						Total
	Concentrates	Coarse ores	Fine ores	Pellets	Briquettes and other agglomerates	Roasted pyrites	
Brazil	--	--	--	37	--	--	37
Canada	--	--	106	211	--	--	317
Norway	--	--	1	--	--	--	1
Peru	--	--	7	--	--	--	7
Russia	--	--	--	133	--	--	133
Spain	--	--	--	--	1	--	1
Trinidad and Tobago	(3)	--	--	--	--	--	(3)
Total	(3)	--	113	381	1	--	496

-- Zero.

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

²Includes agglomerates.

³Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 8
U.S. IMPORTS FOR CONSUMPTION OF PELLETS, BY COUNTRY¹

Country of origin	2010					2009
	February		Year to date			January-February Thousand metric tons
	Thousand metric tons	Value ² (thousand dollars)	Thousand metric tons	Value ² (thousand dollars)	Value ² (dollars per ton)	
Brazil	37	3,780	37	3,780	102.16	--
Canada	211	16,200	595	46,000	77.32	146
Russia	133	11,000	133	11,000	82.77	--
Total	381	31,000	765	60,800	79.47	146

-- Zero.

¹Data, with the exception of the dollars per ton column, are rounded to no more than three significant digits; may not add to totals shown.

²Customs value. Excludes international freight and insurance charges.

Source: U.S. Census Bureau.

TABLE 9
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE,
BY CUSTOMS DISTRICT^{1,2}
(Exclusive of ore containing 20% or more manganese)

(Thousand metric tons)

Customs district (code no.)	February	January-February	
	2010	2010	2009
Baltimore, MD (13)	344	728	130
Charleston, SC (16)	--	--	4
Chicago, IL (39)	--	--	15
Cleveland, OH (41)	1	1	1
Houston-Galveston, TX (53)	37	37	--
New Orleans, LA (20)	112	112	72
Norfolk, VA (14)	1	1	--
Ogdensburg, NY (07)	1	1	2
Philadelphia, PA (11)	--	--	3
Total	496	880	227

-- Zero.

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

²Includes agglomerates.

Source: U.S. Census Bureau.

TABLE 10
U.S. IMPORTS FOR CONSUMPTION OF PELLETS,
BY CUSTOMS DISTRICT¹

(Thousand metric tons)

Customs district (code no.)	February	January-February	
	2010	2010	2009
Baltimore, MD (13)	344	728	130
Chicago, IL (39)	--	--	15
Houston - Galveston, TX (53)	37	37	--
Total	381	765	146

-- Zero.

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

Source: U.S. Census Bureau.