

# Mineral Industry Surveys

---

## For information, contact:

Candice C. Tuck, Iron Ore Commodity Specialist  
U.S. Geological Survey  
989 National Center  
Reston, VA 20192  
Telephone: (703) 648-4912, Fax: (703) 648-7757  
E-mail: ctuck@usgs.gov

Michelle B. Blackwell (Data)  
Telephone: (703) 648-7943  
Fax: (703) 648-7975  
E-mail: mblackwell@usgs.gov

**Internet:** <http://minerals.usgs.gov/minerals>

## IRON ORE IN FEBRUARY 2014

Average daily U.S. mine production of iron ore in February 2014 was 120,000 metric tons (t), 4% less than that of January 2014 and 14% less than that of February 2013. Average daily U.S. iron ore shipments were 25,900 t, 66% less than those of January and 18% greater than those of February 2013.

Mine stocks at the end of February 2014 were 52% more than those held at the end of January and 20% more than those for February 2013. U.S. imports of iron ore were 288,000 t in February 2014, 37% less than those in January 2014, but 243% more than those in February 2013. U.S. exports of iron ore were 676,000 t in February 2014, 13% less than those in January 2014, but 40% more than those in February 2013.

Cliffs Natural Resources Inc. announced that its Empire Mine (Ishpeming, MI) would remain open through January 2017, owing to extension of supply and joint-operating agreements with ArcelorMittal USA Inc., set to expire at yearend 2014. Cliffs retained 79% ownership in the mine and ArcelorMittal the remaining 21%. Cliffs' U.S. taconite production totals for 2014 were not expected to be affected (Cliffs Natural Resources, 2014a).

Cliffs also announced they would be closing the Wabush Scully Mine (Newfoundland and Labrador, Canada) by the end of March 2014 owing to high operating costs. The Wabush Scully Mine had an annual capacity of 5.5 million metric tons (Mt) of concentrates. Cliffs' Pointe Noire pellet plant (Sept-Îles, Quebec), which pelletized concentrates from Wabush Scully, was idled in June 2013. Bloom Lake (75% ownership), a joint venture mine and concentrator with Wisco Canada (25% ownership), would be the company's only operating mine in Canada. Bloom Lake was expected to produce 5.5 to 6.5 Mt from Phase I operations in 2014 unless prices decreased for an extended period of time, in which case Phase I would be idled (Cliffs Natural Resources, 2014a; Komnenic, 2014).

Stockpiles of iron ore in China surpassed 100 Mt for the first time since July 2012. Traders reportedly increased stockpiles of iron ore to use as collateral for credit. Imports were 87 Mt in January, an 18% increase from December 2013 and a 32% increase from January 2013. Spot prices for iron ore have fallen since November 2013 following record production from Australia owing to the completion of several capacity expansion projects. Rio Tinto Group's output rose by 7% in the fourth quarter 2013 compared with that in the same period in 2012. Fortescue Metals Group Ltd. expected to increase capacity to 155 Mt by the end of March (Bloomberg News, 2014). The average spot price for iron ore fines at 62% iron content (cost and freight Tianjin port) fell to \$121.37 per dry metric ton in February 2014, 5% lower than in January 2014 and 22% lower than in February 2013 (Index Mundi, undated).

## References Cited

- Bloomberg News, 2014, China ore stockpiles rise to record on financing deals: Bloomberg News, February 17. (Accessed April 28, 2014, at <http://www.bloomberg.com/news/2014-02-17/china-s-iron-ore-stockpiles-surge-to-record-on-financing-deals.html>.)
- Cliffs Natural Resources Inc., 2014a, Cliffs Natural Resources Inc. announces extended supply agreement with ArcelorMittal USA Inc.: Cleveland, OH, Cliffs Natural Resources press release, February 27, 3 p. (Accessed May 14, 2014, at [http://ir.cliffsnaturalresources.com/files/doc\\_news/2014/CLF\\_20140227\\_Cliffs\\_Natural\\_Resources\\_Inc.\\_announces\\_extended\\_supply\\_agreement\\_with\\_ArcelorMittal\\_USA\\_Inc..pdf](http://ir.cliffsnaturalresources.com/files/doc_news/2014/CLF_20140227_Cliffs_Natural_Resources_Inc._announces_extended_supply_agreement_with_ArcelorMittal_USA_Inc..pdf).)
- Cliffs Natural Resources Inc., 2014b, Cliffs Natural Resources Inc. announces significant reduction in 2014 capital expenditures: Cleveland, OH, Cliffs Natural Resources press release, February 11, 4 p. (Accessed May 14, 2014, at [http://ir.cliffsnaturalresources.com/files/doc\\_news/2014/CLF\\_News\\_2014\\_2\\_11\\_General\\_Releases\\_\(1\).pdf](http://ir.cliffsnaturalresources.com/files/doc_news/2014/CLF_News_2014_2_11_General_Releases_(1).pdf).)
- Index Mundi, [undated], Iron ore monthly price: Index Mundi. (Accessed April 28, 2014, at <http://www.indexmundi.com/commodities/?commodity=iron-ore&months=120>.)
- Komnenic, Ana, 2014, Cliffs cutting capital expenditures by 50%, laying off 500 employees: Mining.com, February 11, 2014. (Accessed April 28, 2014, via <http://www.mining.com/cliffs-cutting-capital-expenditures-by-50-laying-off-500-employees-94243/>.)

TABLE 1  
U.S. PRODUCTION, SHIPMENTS, AND STOCKS OF IRON ORE<sup>1,2</sup>  
(Exclusive of ore containing 5% or more of manganese)

(Thousand metric tons)

Period	Production		Shipments <sup>3</sup>		Stocks <sup>4</sup>
	Monthly	Year to date	Monthly	Year to date	End of Month
2013:					
February	3,900	8,100	611	3,720	6,580
March	4,400	12,500	2,020	5,740	8,960
April	3,460	16,000	4,670	10,400	7,830
May	4,280	20,200	5,680	16,100	6,350
June	3,990	24,200	5,170	21,300	5,390
July	4,400	28,600	5,650	26,900	4,130
August	4,610	33,200	5,430	32,300	3,320
September	4,780	38,000	5,400	37,700	2,770
October	4,460	42,500	5,120	42,900	2,110
November	4,650	47,100	4,280	47,100	2,470
December	3,870	51,000	4,660	51,800	3,690
2014:					
January	3,900	3,900	2,390	2,390	5,200
February	3,370	7,280	724	3,120	7,900

<sup>1</sup>Data are rounded to no more than three significant digits.

<sup>2</sup>Excludes byproduct ores.

<sup>3</sup>Includes rail and vessel.

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

TABLE 2  
CANADA: SHIPMENTS OF IRON ORE<sup>1,2</sup>

(Thousand dry metric tons)

Period	Newfoundland and Labrador	Quebec	Total
2013:			
February	1,000	1,430	2,430
March	845	1,620	2,470
April	1,730	1,730	3,460
May	1,950	1,650	3,600
June	2,220	2,060	4,280
July	1,880	2,140	4,030
August	1,840	2,260	4,100
September	1,640	2,000	3,640
October	1,710	2,300	4,010
November	1,640	1,690	3,330
December	1,390	2,440	3,830
January–December	18,900	22,900	41,800
2014:			
January	1,370	1,570	2,940
February	1,200	2,380	3,580
-- Zero.			

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

<sup>2</sup>Includes production from steel plant waste oxides.

Source: Natural Resources Canada.

TABLE 3  
U.S. PRODUCTION OF PIG IRON AND RAW STEEL, BY TYPE OF FURNACE<sup>1,2</sup>

(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
2013:						
February	2,760	5,820	2,530	5,280	4,050	8,350
March	3,040	8,860	2,660	7,940	4,300	12,600
April	2,800	11,700	2,510	10,500	4,340	17,000
May	2,880	14,500	2,660	13,100	4,480	21,500
June	2,760	17,300	2,440	15,500	4,340	25,800
July	2,760	20,100	2,430	18,000	4,680	30,500
August	2,890	22,900	2,550	20,500	4,580	35,100
September	2,880	25,800	2,460	23,000	4,400	39,500
October	2,870	28,700	2,510	25,500	4,490	44,000
November	2,760	31,500	2,430	27,900	4,340	48,300
December	2,780	34,200	2,380	30,300	4,340	52,600
2013:						
January	2,430	2,430	2,680	2,680	4,650	4,650
February	2,450	4,880	2,580	5,250	4,230	8,880

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

Source: American Iron and Steel Institute.

TABLE 4  
U.S. EXPORTS FOR CONSUMPTION OF IRON ORE, BY COUNTRY AND TYPE<sup>1,2</sup>  
(Exclusive of ore containing 20% or more manganese)

Country of origin and type of product	2013	2014				
	January–February	February		January–February		
	Thousand metric tons	Thousand metric tons	Value <sup>3</sup> (thousand dollars)	Thousand metric tons	Value <sup>3</sup> (thousand dollars)	Value <sup>3,4</sup> (dollars per ton)
Canada	1,160	343	48,800	789	109,000	138.15
China	98	259	26,000	461	48,300	104.75
Mexico	223	49	4,430	151	14,700	97.52
United Kingdom	23	26	1,580	26	1,580	60.65
Other	1	-5	67	27	3,600	133.26
Total	1,510	676	80,900	1,450	177,000	122.07
Coarse ores	223	--	--	--	--	--
Concentrates	120	173	19,900	424	47,900	112.97
Fine ores	1	-5	12	27	3,520	130.19
Pellets	1,160	434	55,600	880	116,000	131.54
Other	-5	69	5,400	122	10,000	82.16
Total	1,510	676	80,900	1,450	177,000	121.87

-- Zero.

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

<sup>2</sup>All countries with less than 5,000 metric tons of exports per month of report included in "Other."

<sup>3</sup>Customs value. Excludes international freight and insurance charges.

<sup>4</sup>Values are calculated and may not reflect actual amounts per ton.

<sup>5</sup>Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 5  
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE, BY COUNTRY AND TYPE<sup>1, 2</sup>  
(Exclusive of ore containing 20% or more manganese)

Country of origin and type of product	2013			2014		
	January–February Thousand metric tons	February		January–February		
		Thousand metric tons	Value <sup>3</sup> (thousand dollars)	Thousand metric tons	Value <sup>3</sup> (thousand dollars)	Value <sup>3, 4</sup> (dollars per ton)
Brazil	--	77	12,700	227	34,600	152.59
Canada	165	210	30,200	516	75,000	145.37
Other	1	(5)	7	1	15	15.00
Total	166	288	42,900	743	110,000	147.60
Coarse ores	3	--	--	--	--	--
Concentrates	--	--	--	(5)	8	164.55
Fine ores	84	149	19,800	149	19,800	132.67
Pellets	78	139	23,100	594	89,900	151.33
Other	(5)	--	--	--	--	--
Total	166	288	42,900	743	110,000	147.60

-- Zero.

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

<sup>2</sup>All countries with less than 5,000 metric tons of imports per month of report included in "Other."

<sup>3</sup>Customs value. Excludes international freight and insurance charges.

<sup>4</sup>Values are calculated and may not reflect actual amounts per ton.

<sup>5</sup>Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 6  
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE,  
BY CUSTOMS DISTRICT<sup>1, 2</sup>  
(Exclusive of ore containing 20% or more manganese)

(Thousand metric tons)

Customs district (code no.)	Pellets			Total, all products		
	January–February		February 2014	January–February		February 2014
	2013	2014		2013	2014	
Baltimore, MD (13)	--	189	61	--	189	61
New Orleans, LA (20)	78	377	77	162	527	227
Other	--	28	--	2	29	(3)
Total	78	594	139	166	743	288

-- Zero.

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

<sup>2</sup>Customs Districts with less than 5,000 metric tons total per month of report included in "Other."

<sup>3</sup>Less than ½ unit.

Source: U.S. Census Bureau.