

Mineral Industry Surveys

For information, contact:

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

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

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

IRON ORE IN FEBRUARY 2015

U.S. mine production and shipments of iron ore in February 2015 were 4.13 million metric tons (Mt) and 194,000 metric tons (t), respectively. Average daily production was 147,000 t, 9% more than that of January 2015 and 22% more than that of February 2014. Average daily shipments were 6,930 t, 92% less than those in January 2015 and 73% less than those in February 2014. Mine stocks at the end of February 2015 were 59% more than those held in January 2015 and 14% more than those in February 2014 (table 1).

Above-average ice extent and a shortage of icebreaking ships led to a greater-than-average seasonal drop in shipments and rise in stocks (Lake Carriers Association, 2015).

U.S. exports of iron ore were 219,000 t in February 2015, about 68% less than those in both January 2015 and February 2014. U.S. imports of iron ore were 67,000 t in February 2015, 74% less than those in January 2015 and 77% less than those of February 2014.

Industry News

Magnetation LLC announced that it would indefinitely idle its Plant 1 iron ore concentrate facility in Keewatin, MN, by the end of March 2015. The company cited low global iron ore prices and market uncertainty as causes for placing the mine on a care-and-maintenance program. The company expected this action to improve its cost competitiveness. Plant 1 was Magnetation's highest cost and smallest operation, which had been scheduled to produce 350,000 t of iron ore concentrate in 2015. The company planned to replace reduced output by increasing production at its other operations (Magnetation LLC, 2015).

Gogebic Taconite LLC abandoned its iron ore project in Ashland County, WI, owing to regulatory uncertainty and federal requirements for mitigating wetlands. While conducting environmental fieldwork, the company found more wetland

areas than expected and was concerned with the cost of replacing them as required under U.S. Environmental Protection Agency regulations (Verburg, 2015).

Cliffs Natural Resources Inc. finalized an interim power agreement for its Michigan operations, cited as a key step to ensure the viability of its iron ore mines in the Upper Peninsula. The agreement was expected to reduce costs for the company and eliminate system support resource payments (Cliffs Natural Resources Inc., 2015).

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References Cited

- Cliffs Natural Resources Inc., 2015, Cliffs Natural Resources Inc. finalizes energy agreements in U.P. of Michigan: Cleveland, OH, Cliffs Natural Resources Inc. press release, February 18 (Accessed May 11, 2015, at <http://ir.cliffsnaturalresources.com/English/investors/news-releases/news-releases-details/2015/Cliffs-Natural-Resources-Inc-Finalizes-Energy-Agreement-in-UP-of-Michigan/default.aspx>.)
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- Magnetation LLC, 2015, Magnetation LLC announces indefinite idling of Plant One iron ore concentrate facility: Grand Rapids, MN, Magnetation LLC news release, February 23, 1 p. (Accessed May 11, 2015, at <http://www.magnetation.com/magnetation-llc-announces-indefinite-idling-plant-one-iron-ore-concentrate-facility/>.)
- Verburg, Steven, 2015, Gogebic Taconite says Wisconsin mine isn't feasible; cites wetlands, EPA: Wisconsin State Journal, February 28. (Accessed May 11, 2015, at http://host.madison.com/wsj/news/local/environment/gogebic-taconite-blames-epa-says-mine-isn-t-feasible-won/article_28a5c294-a19e-5b16-9020-0f9a1300b9a3.html.)

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

(Thousand metric tons)

Period	Production		Shipments ³		Stocks
	Monthly	Year to date	Monthly	Year to date	End of Month
2014:					
February	3,370	7,300	724	3,130	9,240
March	4,440	11,700	1,310	4,440	12,400
April	3,930	15,700	2,690	7,130	13,600
May	4,740	20,400	5,880	13,000	12,500
June	4,690	25,100	5,940	19,000	11,300
July	4,930	30,000	6,490	25,400	9,770
August	4,790	34,800	6,370	31,800	8,190
September	4,860	39,700	5,780	37,600	7,320
October	5,050	44,700	5,770	43,400	6,600
November	4,810	49,500	5,130	48,500	6,290
December	4,770	54,300	5,630	54,100	5,430
2015:					
January	4,210	4,210	2,610	2,610	6,640
February	4,130	8,340	194	2,810	10,600

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

²Excludes byproduct ores and iron metallics.

³Includes rail and vessel.

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

(Thousand dry metric tons)

Period	Newfoundland and Labrador	Quebec	Total
2014:			
February	919	2,380	3,300
March	821	1,680	2,510
April	1,250	2,560	3,810
May	1,250	2,680	3,930
June	1,250	2,550	3,800
July	1,400	2,780	4,180
August	1,400	2,330	3,720
September	1,400	2,430	3,830
October	1,290	2,500	3,790
November	1,290	2,370	3,660
December	1,290	2,350	3,640
January–December	14,600	28,200	42,700
2015:			
January	1,080	1,820	2,900
February	1,100	1,460	2,560

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

²Includes production from steel plant waste oxides.

Source: Natural Resources Canada.

TABLE 3
U.S. PRODUCTION OF PIG IRON AND RAW STEEL, 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
2014:						
February	2,450	4,880	2,580	5,250	4,230	8,880
March	2,820	7,700	2,490	7,740	4,690	13,600
April	2,580	10,300	2,120	9,860	4,580	18,100
May	2,710	13,000	2,380	12,200	4,740	22,900
June	2,760	15,800	2,500	14,700	4,590	27,500
July	2,930	18,700	2,630	17,400	4,760	32,200
August	2,920	21,600	2,600	20,000	4,840	37,100
September	2,740	24,300	2,550	22,500	4,560	41,600
October	2,690	27,000	2,340	24,900	4,700	46,300
November	2,740	29,800	2,400	27,300	4,480	50,800
December	2,860	32,600	2,490	29,700	4,350	55,200
2015:						
January	2,760	2,760	2,380	2,380	4,500	4,500
February	2,310	5,070	1,980	4,370	3,870	8,370

¹Data 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 OF IRON ORE, BY COUNTRY AND TYPE ^{1, 2}
(Exclusive of ore containing 20% or more manganese)

Country and type of product	2014	February		2015	January–February	
	January–February	Thousand metric tons	Value ³ (thousand dollars)	Thousand metric tons	Value ³ (thousand dollars)	Value ³ (dollars per ton)
	Thousand metric tons					
Canada	789	137	\$16,100	785	\$90,900	\$116.00
Mexico	151	82	4,820	124	7,940	64.04
Other	514	(4)	17	1	62	62.00
Total	1,450	219	20,900	909	98,900	108.83
Concentrates	424	(4)	17	6	668	111.33
Fine ores	27	(4)	12	(4)	20	109.07
Pellets	880	136	16,100	788	91,600	116.23
Other	122	82	4,810	115	6,660	57.88
Total	1450	219	20,900	909	98,900	108.83

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

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

³Customs value. Excludes international freight and insurance charges.

⁴Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 5
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	2014	2015		2015		
	January–February	February		January–February		
	Thousand metric tons	Thousand metric tons	Value ³ (thousand dollars)	Thousand metric tons	Value ³ (thousand dollars)	Value ³ (dollars per ton)
Canada	516	59	\$9,060	260	\$34,600	\$133.15
South Africa	--	8	2,250	8	2,250	281.75
Other	228	--	--	52	4,180	135.65
Total	743	67	11,300	319	41,100	128.69
Concentrates	(4)	--	--	30	2,990	99.67
Fine ores	149	(4)	11	22	1,230	55.95
Pellets	594	67	11,300	267	36,800	137.85
Other	--	(4)	27	(4)	27	250.36
Total	743	67	11,300	319	41,100	128.69

--Zero.

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

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

³Customs value. Excludes international freight and insurance charges.

⁴Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 6
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.)	Pellets			Total, all products		
	January–February		February	January–February		February
	2014	2015	2015	2014	2015	2015
Baltimore, MD (13)	189	187	59	189	187	59
Mobile, AL (19)	--	8	8	--	8	8
Other	405	73	--	556	125	1
Total	594	267	67	743	319	67

--Zero.

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

²Customs Districts with less than 5,000 metric tons included in "Other."

Source: U.S. Census Bureau.