

Mineral Industry Surveys

For information, contact:

E. Lee Bray, Magnesium Commodity Specialist
 National Minerals Information Center
 U.S. Geological Survey
 989 National Center
 Reston, VA 20192
 Telephone: (703) 648-4979, Fax: (703) 648-7757
 Email: lbray@usgs.gov

Paula R. Neely (Data)
 Telephone: (703) 648-7949
 Fax: (703) 648-7975
 Email: pneely@usgs.gov

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

MAGNESIUM IN THE FIRST QUARTER 2015

U.S. magnesium exports in the first quarter of 2015 were 11% less than exports in the first quarter of 2014. Mexico (28%), Canada (18%), Singapore (18%), and Brazil (8%) were the principal destinations. Exports of metal, semifabricated products, and scrap decreased by 30%, 4%, and 61%, respectively, and exports of alloys increased by 13%. Magnesium imports for consumption in the first quarter of 2015 were 10% less than imports in the first quarter of 2014. Israel and Russia were the sources with 69% and 20%, respectively, of imported magnesium metal (fig. 1). The leading sources of alloy imports in the first 3 months of 2015 were Taiwan (37%) and Israel (24%). Scrap accounted for 31% of the total first quarter 2015 imports, 51% and 19% of which came from Canada and Mexico, respectively.

The quoted U.S. magnesium price range (table 2) was unchanged during the first quarter of 2015. However, U.S. spot dealer prices for imported magnesium declined slightly and those in China and Europe declined by 6% and 7%, respectively. The price declines in China were attributed to relative changes in currency valuations, stagnant demand for magnesium in China, weak demand in overseas markets, and abundant supplies of magnesium in China. The price decreases in Europe were attributed to the strength of the U.S. dollar relative to the euro and weak demand (Yee, 2015a, b). The weak demand for magnesium in China and in other markets was cited as the reason for several producers in China shutting down capacity in April for scheduled maintenance ahead of planned shutdowns in July or August (Leung, 2015).

Update

In April, Dead Sea Magnesium Co. Ltd. (DSM), a subsidiary of Israel Chemicals Ltd. (ICL), confirmed that it had reduced its magnesium production rate owing to a labor strike at its facility that produces chlorine. However, DSM reported that it was able to fill its contracted orders and only capacity used to fill spot orders was affected (Barry, 2015). On February 18, workers at the chlorine plant had gone on strike in solidarity with workers

at another ICL subsidiary, Dead Sea Bromine Co. Ltd. (See Magnesium in the Fourth Quarter 2014.)

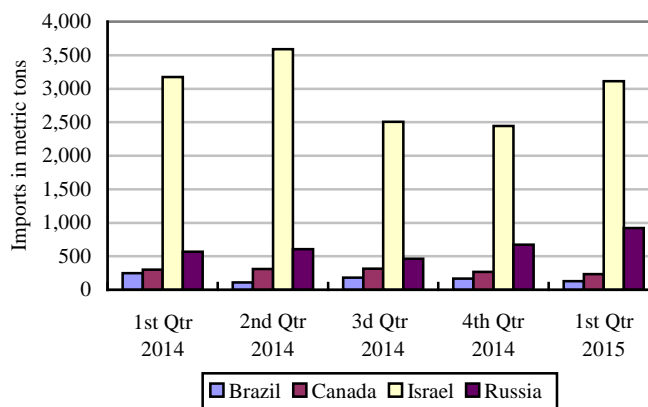


Figure 1. Quarterly imports of magnesium metal. Source: U.S. Census Bureau.

List services and Web feed subscribers are the first to receive notification of USGS minerals information publications and data releases. For information on how to subscribe, go to <http://minerals.usgs.gov/minerals/>.

References Cited

- Barry, Sean, 2015, Dead Sea Magnesium adjusts production as ICL strike action drags: Metal-Pages, April 14. (Accessed June 2, 2015, at <http://www.metal-pages.com/news/story/86613/dead-sea-magnesium-adjusts-production-as-icl-strike-action-drags/>.)
- Leung, Joshua, 2015, Chinese magnesium plants in Fugu County advance shutdowns on low prices and poor margins: Platts Metals Daily, v. 4, no. 67, April 7, p. 1, 10.
- Yee, Alvin, 2015a, China Mg export offers steady but domestic prices stay weak: Platts Metals Daily, v. 4, no. 55, March 19, p. 3–4.
- Yee, Alvin, 2015b, China Mg export offers track lower domestic prices: Platts Metals Daily, v. 4, no. 50, March 12, p. 4–5.

TABLE 1
U.S. IMPORTS FOR CONSUMPTION AND EXPORTS OF MAGNESIUM¹

(Metric tons)

	2015				
	2014	January	February	March	January– March
Imports for consumption:					
Metal	16,200	1,390	1,090	2,020	4,500
Waste and scrap	19,000	974	1,400	1,450	3,830
Alloys (magnesium content)	15,600	1,240	1,100	1,440	3,770
Sheet, tubing, ribbons, wire, powder, and other (magnesium content)	1,200	74	61	62	198
Total	52,000	3,670	3,650	4,970	12,300
Exports:					
Metal	6,010	344	499	384	1,230
Waste and scrap	923	95	--	1	97
Alloys (gross weight)	8,900	541	506	896	1,940
Sheet, tubing, ribbons, wire, powder, and other (gross weight)	1,160	67	84	125	276
Total	17,000	1,050	1,090	1,410	3,540

-- Zero.

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

Source: U.S. Census Bureau.

TABLE 2
MAGNESIUM PRICES, FIRST QUARTER 2015

		Beginning of quarter	End of quarter
U.S. spot dealer import	dollars per pound	1.83–1.89	1.80–1.85
U.S. spot Western	do.	2.10–2.20	2.10–2.20
China	dollars per metric ton	2,300–2,350	2,150–2,200
European free market	do.	2,375–2,475	2,220–2,300
do. Ditto.			

Source: Platts Metals Week.