

Mineral Industry Surveys

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MAGNESIUM IN THE THIRD QUARTER 2015

U.S. magnesium exports in the first 3 quarters of 2015 were 14% less than exports in the first 3 quarters of 2014. Canada (38%), Mexico (25%), and Singapore (18%) were the principal destinations. Exports of metal and waste and scrap decreased by 20% and 76%, respectively. Magnesium imports for consumption in the first 3 quarters of 2015 were 9% less than imports in the first 3 quarters of 2014. Israel was the source of 69% of imported magnesium metal and Russia was the source of 16%. Scrap accounted for 51% of the total third quarter 2015 imports, 48% of which came from Canada, and 19% came from Mexico.

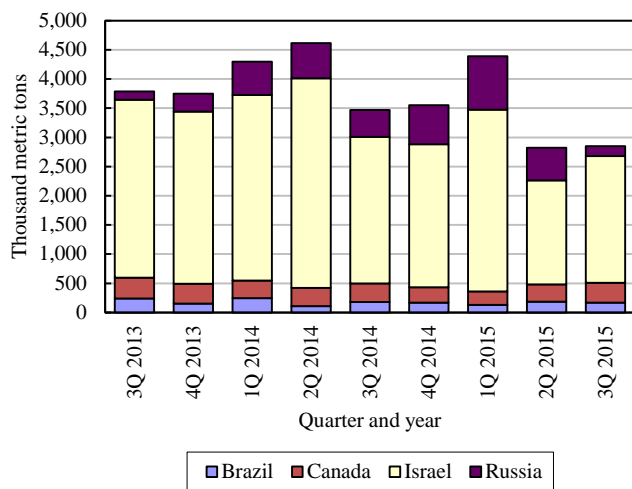


Figure 1. Quarterly imports of magnesium metal from the third quarter 2013 through the third quarter 2015. Source: U.S. Census Bureau.

U.S. spot dealer prices for imported magnesium decreased by 5% during the third quarter of 2015. Magnesium prices in China and Europe (table 2) decreased by 6% and 4%, respectively, during the third quarter of 2015. The U.S. spot western price range for magnesium was unchanged. Stagnant demand for magnesium in China and most other markets during the third

quarter of 2015 was cited for the price declines during the quarter (Yee, 2015).

Update

Magnesium production in the three leading magnesium producing regions of China declined during the first 7 months of the year, reportedly owing to low prices and weak demand. Production in Ningxia Hui Autonomous Region, Shaanxi Province, and Shanxi Province declined by 16%, 8%, and about 1%, respectively, compared with production in the same period of 2014. It was the first time in 5 years that production has declined in these regions. Total production in China through the first 3 quarters of the year was 598,000 metric tons (t), 5% less than in the same period in 2014. Analysts estimated that magnesium production in China would be 800,000 t in 2015, 8% less than was produced in 2014 (Leung, 2015a, b).

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References Cited

Leung, Joshua, 2015a, China's 2015 magnesium output, exports expected to fall: Platts Metals Daily, v. 4, no. 214, October 30, p. 9.
 Leung, Joshua, 2015b, China's key magnesium producing regions record first production decline in five years: Platts Metals Daily, v. 4, no. 180, September 14, p. 1, 10.
 Yee, Alvin, 2015, China magnesium export offers remain under pressure: Platts Metals Daily, v. 4, no. 187, September 23, p. 4.

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

(Metric tons)

	2015					
	2014	January– June	July	August	September	January– September
Imports for consumption:						
Metal	16,200	7,360	1,060	980	879	10,300
Waste and scrap	19,000	8,750	2,200	1,540	2,420	14,900
Alloys (magnesium content)	15,600	6,950	951	782	1,120	9,800
Sheet, tubing, ribbons, wire, powder, and other (magnesium content)	1,200	529	72	103	76	780
Total	52,000	23,600	4,290	3,410	4,500	35,800
Exports:						
Metal	6,010	2,830	460	331	352	3,980
Waste and scrap	923	169	2	33	1	205
Alloys (gross weight)	8,900	4,580	744	542	532	6,400
Sheet, tubing, ribbons, wire, powder, and other (gross weight)	1,160	562	98	56	76	791
Total	17,000	8,140	1,300	962	962	11,400

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, THIRD QUARTER 2015

		Beginning of quarter	End of quarter
U.S. spot dealer import	dollars per pound	1.79–1.85	1.72–1.75
U.S. spot Western	do.	2.10–2.20	2.10–2.20
China	dollars per metric ton	2,150–2,200	2,020–2,060
European free market	do.	2,175–2,250	2,025–2,220
do. Ditto.			

Source: Platts Metals Week.