

# Mineral Industry Surveys

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## MAGNESIUM IN THE THIRD QUARTER 2017

U.S. magnesium exports in the third quarter of 2017 were 8% less than exports in the second quarter of 2017 and 48% less than those in the third quarter of 2016. Mexico (45%), Canada (27%), and Brazil (14%) were the principal destinations. Exports of metal and semifabricated products increased by 270% and 45%, respectively, but alloys decreased by 34%, and scrap was essentially unchanged, compared with exports in the second quarter 2017. Compared with those in the third quarter of 2016, exports of semifabricated products and scrap increased by 41% and 200%, respectively, metal and alloys decreased by 77% and 48%, respectively, (table 1).

Magnesium imports for consumption in the third quarter of 2017 were 4% more than imports in the second quarter of 2017 but slightly less than those in the third quarter of 2016. Imports of metal and scrap increase by 16% and 41%, respectively, but imports of alloys and semifabricated products decreased by 59% and 37%, respectively, compared with those in the second quarter of 2017. Compared with those in the third quarter of 2016, imports of metal and semifabricated products increased by 34% and 9%, respectively, but alloys and scrap decreased by 60% and 6%, respectively. In the third quarter of 2017, magnesium metal accounted for 43% of the imports with Israel (61%) and Russia (27%) being the leading sources (fig. 1). Scrap accounted for 43% of the imports in the third quarter of 2017, with Mexico (36%), Canada (29%), and the United Kingdom (19%) as the leading sources (table 1).

The U.S. spot Western average price for magnesium was unchanged in the third quarter 2017. The average U.S. spot dealer price for imported magnesium decreased slightly during the third quarter 2017. Outside of the United States, average magnesium prices increased 4% in China and Europe during the quarter (table 2). Most of the magnesium consumed in the United States is purchased on annual contracts which are negotiated during the fourth quarter of the year. Consumers and traders reported contract prices ranging from about \$1.40 per pound to \$1.60 per pound for primary magnesium delivered in 2018. The contract price range for secondary magnesium (90% magnesium, 10% aluminum content) delivered in 2018 was

reported to be \$1.32 per pound to \$1.35 per pound (McBeth, 2017).

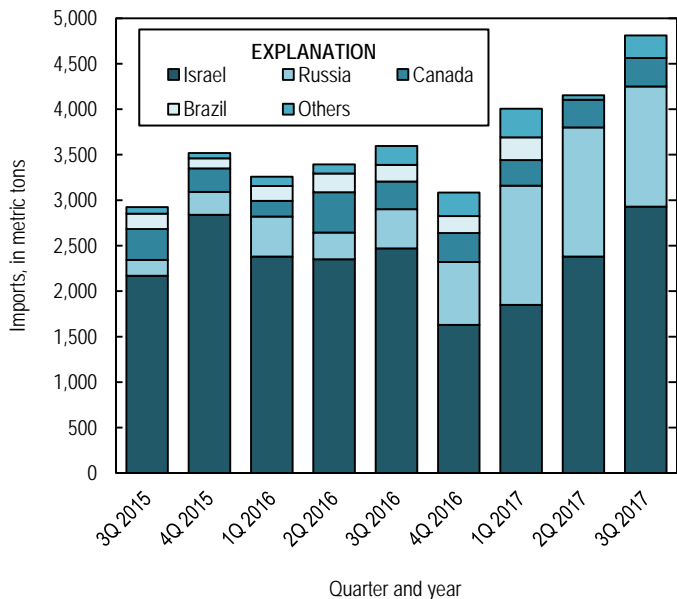


Figure 1. Quarterly imports of magnesium metal from the third quarter 2015 through the third quarter 2017. Source: U.S. Census Bureau.

**Reference Cited**

McBeth, Karen, 2017, US magnesium 2018 contract prices near spot ranges: *Platts Metals Daily*, v. 6, no. 228, November 20, p. 7–9.

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TABLE 1  
U.S. IMPORTS FOR CONSUMPTION AND EXPORTS OF MAGNESIUM<sup>1</sup>

(Metric tons)

	2016	2017				
		January– June	July	August	September	January– September
<b>Imports for consumption:</b>						
Metal	13,300	8,160	1,370	1,680	1,760	13,000
Waste and scrap	21,900	7,270	1,430	1,580	1,730	12,000
Alloys (magnesium content)	7,040	3,660	167	188	480	4,490
Sheet, tubing, ribbons, wire, powder, and other (magnesium content)	3,260	1,920	263	216	189	2,590
Total	45,600	21,000	3,220	3,660	4,160	32,100
<b>Exports:</b>						
Metal	5,270	981	165	228	167	1,540
Waste and scrap	996	689	141	88	96	1,010
Alloys (gross weight)	10,700	5,350	601	549	454	6,960
Sheet, tubing, ribbons, wire, powder, and other (gross weight)	2,080	706	277	167	114	1,260
Total	19,100	7,730	1,180	1,030	831	10,800

<sup>1</sup>Data 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 2017

		Beginning of quarter	End of quarter
U.S. spot dealer import	dollars per pound	1.40–1.48	1.40–1.44
U.S. spot Western	do.	2.10–2.20	2.10–2.20
China	dollars per metric ton	2,170–2,220	2,200–2,360
European free market	do.	2,175–2,300	2,275–2,400
do. Ditto.			

Source: Platts Metals Week.