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Mineral Industry Surveys

For information, contact:
James F. Carlin, Jr., Tin Commodity Specialist
U.S. Geological Survey
989 National Center
Reston, VA 20192
Telephone: (703) 648-4985, Fax: (703) 648-7757
E-mail: jcarlin@usgs.gov

Elsie D. Isaac (Data)
Telephone: (703) 648-7950
Fax: (703) 648-7975
E-mail: eisaac@usgs.gov
MINES FaxBack: (703) 648-4999
Internet: http://minerals.usgs.gov/minerals

TIN IN MARCH 2001

Domestic consumption of primary tin in March was estimated by the U.S. Geological Survey to be about 3% lower than that in February and 9% lower than that in March 2000.

The Platts Metals Week average composite price for tin in March was $3.48 per pound, down 2% from that in February and 7% lower than that in March 2000.

The Steel Recycling Institute (Pittsburgh, PA) announced that the domestic steel can recycling rate edged up from 57.9% in 1999 to 58.4% in 2000, as more than 19.5 billion cans, nearly all made from tinplate, were recycled (Steel Recycling Institute, 2001).

Industry analysts have begun to evaluate the recently proposed merger of Usinor SA, Arbed SA, and Aceralia Corporación Siderúrgica to create a huge new steelmaking organization in Western Europe to be known as NewCo. If approved by the European Union (EU), NewCo will be the world's largest steel producer and will be one of the world's major tinplate producers. Analysts calculate that the addition of Aceralia to Usinor's tin mill capacity will give NewCo more than 40% of EU tinplate capacity. Analysts believe this heavy concentration will cause the EU to scrutinize the proposed merger carefully. If the EU requires divestments of tinplate capacity by NewCo, other tinplate producers will have an opportunity to acquire greater market share (Metal Bulletin, 2001d).

Kawasaki Steel Corp. and NKK Corp. announced plans to combine their entire operations by April 2003. Both companies are major tinplate producers and rank as important consumers of tin. The merger would create a new Japanese steel giant to rival the size of Nippon Steel Corp., itself the product of a merger in the early 1970's. Specifically, the union would have a combined raw steel output of at least 34 million metric tons (Mt), topping Nippon Steel's 30 Mt. By October 2002, Kawasaki and NKK expect to establish a holding company under which several separate, wholly owned subsidiaries will be established to manage their steel, engineering, and services operations. Analysts believe there could be some rationalization of overlapping operations as well (Metal Bulletin, 2001b).

Wheeling-Pittsburgh Steel Corp. and Ohio Coatings Co. have announced agreements with Nippon Steel Trading America Inc. for the distribution of Ohio Coatings tin mill products. The new agreements are designed to improve the liquidity and profitability of both Wheeling-Pittsburgh and Ohio Coatings, which is a joint venture with Korea's Dongyang in Yorkville, OH. Under terms of the agreements, Wheeling-Pittsburgh retains the exclusive distributorship for all Ohio Coatings tin mill products, but has appointed Nippon Steel Trading as its distributor. Nippon Steel Trading America (formerly Nittetsu Shoji America) holds a preferred stock position in Ohio Coatings, the only electrolytic tinning line constructed in the United States in more than 30 years (Metal Bulletin, 2001h).

PT Timah (Indonesia), the world's largest tin mining organization, announced that it has begun exploring for new reserves off the coast of Vietnam in a joint venture with the Vietnamese Government. Timah has begun offshore drilling after dispatching a crew of 26 employees into Vietnamese waters. Initial drilling will last for 3 months, after which Timah will decide whether to proceed further with the project (Metal Bulletin, 2001g).

Malaysia Mining Corp. announced that it plans to sell its remaining stakes in two international mining companies. The firm retains minority holdings in Homestake Mining Co. (USA) and Hillgrove Gold Corp. (Australia). The firm had abandoned mining operations in its home country several years ago. It now focuses on power and public utility sectors in Malaysia. The company plans to change its name to reflect its current interests. The firm once had been a major tin producer (Metal Bulletin, 2001c).

Allied Mining Investments (AMI), (Zimbabwe) announced that it is seeking $7.5 million to reopen the local Kamativi tin mine as a tantalum operation. The mine was closed and liquidated in 1994 because of depressed tin prices and low tin grades. AMI has received permission from the Zimbabwe Government to buy the mine with the aim of concentrating on

tantalum mine production rather than tin. Before its closure, Kamativi was producing an average of 1,200 metric tons (t) of tin-in-concentrate annually and about 60 t of tantalum-in-concentrate annually (Metal Bulletin, 2001a).

Nippon Mining and Metals Corp (NMM) announced that it has reached an agreement with South Korea's largest copper fabricator, Poongsan Corp., concerning the tinning of copper and brass strings. Under the agreement, Poongsan and NMM will form a 60-40% joint venture company called Poongsan-Nikko Tin Plating Corp. that will absorb all the copper and brass tinning operations at Poongsan's Ulsan plant in southeast Korea. Tinned brass strips are used mostly in connectors for auto electronics applications. East Asia's demand for tinned brass strips is estimated to be 50,000 t per year (Metal Bulletin, 2001e).

PT Koba (Indonesia) announced that it has extended its Contract of Work on the island of Bangka. The company's current Contract of Work, which runs until 2003, has been extended by 8 years. Koba estimates the mine life of its resources at about 8 years. In 2000, Koba produced 12,000 t of tin-in-concentrate (Metal Bulletin, 2001f).

Update

On May 4, 2001, the Platts Metals Week composite price for tin was $3.46 per pound.

References Cited

Metal Bulletin, 2001a, AMI looks for finance to reopen Kamativi mine: Metal Bulletin, no. 8569, April 26, p. 7.

———2001b, Kawasaki and NKK plan Japan's first mega-merger: Metal Bulletin, no. 8566, April 19, p. 3.

———2001c, Malaysian firm looks to complete exit from mining: Metal Bulletin, no. 8569, April 26, p. 5.

———2001d, NewCo's anti-trust hurdles: Metal Bulletin, no. 8563, April 2, p. 19.

———2001e, NMM and Poongsan in tin-plated brass deal: Metal Bulletin, no. 8568, April 23, p. 6.

———2001f, PT Koba extends tin rights: Metal Bulletin, no. 8564, April 5, p. 5.

———2001g, PT Timah takes tin exploration to Vietnam: Metal Bulletin, no. 8569, April 26, p. 5.

———2001h, Wheel-Pitts makes tinplate deal with Nippon Steel: Metal Bulletin, no. 8564, April 5, p. 17.

Steel Recycling Institute, 2001, Steel recycling rate continues moderate ascent: Pittsburgh, PA, Steel Recycling Institute news release, April 10, 2 p.

TABLE 1
SALIENT TIN STATISTICS 1/

(Metric tons, unless otherwise noted)

		2001		
	2000 p/	February	March	January-March
Production, secondary e/ 2/	10,800	900	900	2,700
Consumption:				
Primary	42,000	3,320 r/	3,230	9,940
Secondary	10,700	865 r/	877	2,600
Imports for consumption, metal	44,900	2,820	NA	NA
Exports, metal	6,640	544	NA	NA
Stocks at end of period	XX	8,360	8,490	XX
Prices (average cents per pound): 3/				
Metals Week composite 4/	370.16	352.96	348.45	XX
Metals Week New York dealer	254.92	240.85	237.47	XX
London, standard grade, cash	246.00	232.00	229.00	XX
Kuala Lumpur	244.12	230.87	226.99	XX

e/ Estimated. p/ Preliminary. r/ Revised. NA Not available. XX Not applicable.

1/ Data are rounded to no more than three significant digits, except prices.

2/ Includes tin recovered from alloys and tinplate. The detinning of tinplate (coated steel) yields only a small part of the total.

3/ Source: Platts Metals Week.

4/ The Metals Week composite price is a calculated formula, not a market price, that includes fixed and finance charges, and a risk factor. It is normally substantially higher than other tin prices.

TABLE 2
METALS WEEK COMPOSITE PRICE 1/

(Cents per pound)

Period	High	Low	Average
2000:			
March	383.26	364.68	373.01
April	371.49	365.85	368.16
May	369.58	363.91	367.72
June	373.83	362.99	368.23
July	372.25	362.15	366.03
August	372.25	362.15	363.52
September	375.60	365.86	372.11
October	368.35	355.28	362.14
November	364.20	355.77	361.05
December	361.83	355.46	359.43
Year	405.27	355.46	370.16
2001:			
January	359.90	350.60	355.86
February	355.03	349.76	352.96
March	352.74	341.70	348.45

1/ The Metals Week composite price is a calculated formula, not a market price, that includes fixed and finance charges, and a risk factor. It is normally substantially higher than other tin prices.

Source: Platts Metals Week.

TABLE 3
TINPLATE PRODUCTION AND SHIPMENTS IN THE UNITED STATES 1/

(Metric tons, unless otherwise noted)

Period	Tinplate waste (waste, strips, cobbles, etc.) (gross weight)	Tinplate (all forms) Gross weight	Tin content	Tin per metric ton of plate (kilograms)	Shipments 2/
2000 p/	W	1,720,000	8,990	5.2	2,290,000
2000:					
December	W	107,000	646	6.0	162,000
2001:					
January	W	W	710	7.3	179,000
February	W	92,800	679	7.3	160,000
March	W	102,000	663	6.5	NA

p/Preliminary. NA Not available. W Withheld to avoid disclosing company proprietary data.
1/ Data are rounded to no more than three significant digits.
2/ Source: American Iron and Steel Institute monthly publication.

TABLE 4
U.S. TIN IMPORTS FOR CONSUMPTION AND EXPORTS 1/

(Metric tons)

Country or product	2000	2001 January	2001 February	2001 January-February
Imports:				
Metal (unwrought tin):				
Bolivia	6,330	1,080	100	1,180
Brazil	5,860	421	532	953
Chile	2,630	42	60	102
China	10,200	1,580	1,320	2,890
Hong Kong	397	--	--	--
Indonesia	5,320	459	320	779
Malaysia	214	--	6	6
Peru	12,800	1,910	210	2,120
Russia	145	--	140	140
Singapore	20	--	--	--
United Kingdom	514	2	105	107
Other	434	43	27	69
Total	44,900	5,520	2,820	8,340
Other (gross weight):				
Alloys	4,370	409	333	742
Bars and rods	993	82	52	134
Foil, tubes, pipes	(2/)	(2/)	(2/)	(2/)
Plates, sheets, strip	588	6	(2/)	6
Waste and scrap	2,340	128	1,060	1,190
Miscellaneous	8,510	3,000	235	3,240
Total	16,800	3,630	1,680	5,310
Exports (metal)	6,640	650	544	1,190

-- Zero.
1/ Data are rounded to no more than three significant digits; may not add to totals shown.
2/ Less than 1/2 unit.

Source: U.S. Census Bureau.

TABLE 5
CONSUMPTION OF TIN IN THE UNITED STATES, BY FINISHED PRODUCT 1/

(Metric tons of contained tin)

Product	2000 p/	2001						
		February			March			January-March
		Primary	Secondary	Total	Primary	Secondary	Total	
Alloys (miscellaneous) 2/	1,430	125	W	125	121	W	121	377
Babbitt	249	21	7	28	17	11	28	83
Bar tin and anodes	294	21	W	21	21	W	21	66
Bronze and brass	2,800	82 r/	133 r/	215 r/	95	129	224	653
Chemicals	8,180	669	W	669	669	W	669	2,010
Collapsible tubes and foil	W	W	W	W	W	W	W	W
Solder	16,900	966	404	1,370	892	417	1,310	4,100
Tinning	666	77	--	77	83	--	83	235
Tinplate 3/	9,020	679	--	679	663	--	663	2,050
Tin powder	195	W	W	W	W	W	W	W
White metal 4/	10	W	W	W	W	W	W	W
Other	2,240	78	21	99	66	20	86	267
Total reported	41,900	2,720 r/	565 r/	3,280 r/	2,630	577	3,200	9,840
Estimated undistributed consumption 5/	10,800	600	300	900	600	300	900	2,700
Grand total	52,700	3,320 r/	865 r/	4,180 r/	3,230	877	4,100	12,500

p/ Preliminary. r/ Revised. W Withheld to avoid disclosing company proprietary data; included with "Other." -- Zero.

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

2/ Includes terne metal.

3/ Includes secondary pig tin and tin components of tinplating chemical solutions.

4/ Includes pewter, britannia metal, and jewelers' metal.

5/ Estimated consumption of plants reporting on an annual basis.