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Mineral Industry Surveys

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TIN IN MAY 2002

Domestic consumption of primary tin in May was estimated by the U.S. Geological Survey to be about 9% higher than that in April and 2% higher than that in May 2001. The Platts Metals Week average composite price for tin in May was $2.97 per pound, an increase of 3% from that in April and a decrease of 13% from that in May 2001.

Further developments have been reported from three continents on the various charges lodged against the principal owners of Allied Deals Inc. (NJ) and RBG Resources (London). Allied Deals and RBG share the same ownership. Both are active in several metals businesses, primarily tin production and trade (Platts Metals Week, 2002). Developments concerning the two companies are as follows:

a) In New York, a grand jury has indicted three principal officials of Allied Deals Inc., a tin trading organization, on 28 additional counts of alleged bank fraud amounting to $600 million.
b) In London, the High Court accepted a petition from one of RBG Resources' major creditors, the German bank, West LB, to have RBG placed into compulsory liquidation. West LB previously stated it had an exposure of up to $200 million to RBG. RBG's provisional liquidator stated that the company was proceeding with the sale of RBG's various worldwide metal-related assets.
c) In La Paz, Bolivia, it was reported that RBG's liquidators were close to signing an agreement to sell RBG's Bolivian tin operations soon. Reportedly, Compania Minera del Sur will pay $24 million for those assets, which include the Vinto tin smelter in Oruro and a 50% share in the Huanuni tin mine (a joint venture with the Government-owned mining organization (COMIBOL). The sale of the Bolivian tin assets has been urgently needed in order to recover some of the $500 million owed by RBG to its creditor banks.

Silver Standard Resources, Inc. (Vancouver) announced that it agreed to acquire a 43% stake in the Pirquitas silver project in Argentina from Stonehill Capital Management. Pirquitas was estimated to contain 30 million metric tons of proven and probable reserves at a grade of 128 grams per ton of silver, 0.17% tin, and 0.81% zinc. The property has all relevant permits necessary for the commencement of production. Studies indicated a capital cost of $133 million, with a construction time of 24 months, for an operation producing 11 million ounces of silver, 3,200 metric tons (t) of tin, and 16,0000 t of zinc annually over a 9-year mine life (Mining Journal, 2002).

In China, an official of Liuzhou China Tin Group announced a plan to raise production over the next 5 years at its works in Guangxi Province. The Liuzhou Tin Smelter is China's second largest, and the plan is to raise output there to 35,000 metric tons per year (t/yr). Liuzhou also plans to boost antimony output to 30,000 t/yr in the same period. The firm is planning for a stock exchange listing. Established in 1962 and formerly known as Duchang Mining Bureau, the firm produced a combined 71,000 t of tin, lead, antimony, and zinc in 2001, more than three times the 23,000 t produced in 1996. Overall, concentrate output was 125,000 t, up 80% from 1996 levels (Metal Bulletin, 2002a).

In Australia, Sirocco Resources announced that it planned to complete the purchase of the Renison Bell tin mine (Tasmania) from Murchison United in July. The purchase now only awaits regulatory approval. The Brisbane-based firm will change its name to Renison Consolidated Mines to better reflect its core operations. Renison Bell Mine produces 9,000 t/yr of tin in concentrate, about 4% of the world's tin output. Murchison decided to sell Renison Bell so that it could focus on the Neves Corvo copper/tin mine in Portugal, a 49% stake that it is buying from Rio Tinto (Metal Bulletin, 2002b).

Update

On July 12, 2002, the Platts Metals Week composite price for tin was $3.14 per pound.

References Cited

Metal Bulletin, 2002a, Liuzhou China Tin targets production rise over next five years: Metal Bulletin, no. 8676, May 23, p. 6.

Metal Bulletin, 2002b, Renison Bell sale set for July: Metal Bulletin, no. 8684, June 20, p. 5

Mining Journal, 2002, Pirquitas stake acquired: Mining Journal, v. 338, no. 8687, May 31, p. 394.

Platts Metals Week, 2002, RBG liquidators selling Bolivian assets: Platts Metals Week, v. 73, no. 22, June 3, p. 12.

TABLE 1
SALIENT TIN STATISTICS 1/

(Metric tons, unless otherwise noted)

		2002		
	2001 p/	April	May	January-May
Production, secondary e/ 2/	10,800	900	900	4,500
Consumption:				
Primary	39,300	3,020	3,290	15,500
Secondary	10,500	799	797	4,050
Imports for consumption, metal	37,500	3,230	NA	NA
Exports, metal	4,350	273	NA	NA
Stocks at end of period	7,700	6,870	6,600	XX
Prices (average cents per pound): 3/				
Metals Week composite 4/	314.88	288.55	296.72	XX
Metals Week New York dealer	211.48	191.47	198.78	XX
London, standard grade, cash	200.00	182.00	188.00	XX
Kuala Lumpur	200.77	180.62	187.57	XX

e/ Estimated. p/ Preliminary. 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
2001:			
May	348.21	336.94	342.78
June	344.36	325.63	332.74
July	321.14	291.50	306.98
August	285.47	270.73	280.33
September	278.39	262.81	268.50
October	275.81	264.30	270.42
November	301.03	272.87	287.17
December	297.98	283.04	289.64
Year	359.89	262.81	314.88
2002:			
January	287.97	277.20	280.68
February	280.03	267.12	273.15
March	283.34	276.69	278.81
April	291.33	283.90	288.55
May	299.15	290.78	296.72

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/
2001p/	77,500	1,710,000	8,130	4.8	2,010,000
2001:					
December	3,880	136,000	668	4.9	130,000
2002:					
January	W	187,000	683	3.6	191,000
February	5,330	191,000	640	3.3	152,000
March	4,440	188,000	588	3.1	163,000
April	5,080	183,000	530	2.9	173,000
May	5,110	197,000	746	3.8	178,000

p/ Preliminary. 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	2001	2002 March	2002 April	2002 January-April
Imports:				
Metal (unwrought tin):				
Bolivia	6,040	894	442	2,410
Brazil	5,510	521	360	1,580
Chile	122	--	--	--
China	6,360	698	430	1,740
Hong Kong	20	--	--	--
Indonesia	3,880	100	20	520
Malaysia	674	40	--	41
Peru	14,000	1,300	1,960	6,160
Russia	143	--	--	1
Singapore	145	--	--	--
United Kingdom	118	--	--	--
Other	434	24	25	93
Total	37,500	3,580	3,230	12,500
Other (gross weight):				
Alloys	3,830	176	577	1,410
Bars and rods	539	18	21	54
Foil, tubes, pipes	1	--	--	(2/)
Plates, sheets, strip	529	2	--	6
Waste and scrap	3,700	57	52	179
Miscellaneous	13,900	128	944	5,350
Total	22,500	381	1,590	7,000
Exports (metal)	4,350	164	273	986

-- 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	2001 p/	2002						January-May
		April			May			
		Primary	Secondary	Total	Primary	Secondary	Total	
Alloys (miscellaneous) 2/	1,500	137	W	137	133	W	133	672
Babbitt	316	20	22	42	20	22	42	252
Bar tin and anodes	248	14	W	14	43	W	43	102
Bronze and brass	2,640	102	123	225	95	121	216	1,060
Chemicals	8,020	630	W	630	630	W	630	3,170
Collapsible tubes and foil	W	W	W	W	W	W	W	W
Solder	15,700	868	341	1,210	932	341	1,270	5,970
Tinning	906	34	--	34	36	--	36	171
Tinplate 3/	8,130	530	--	530	746	--	746	3,190
Tin powder	W	W	W	W	W	W	W	W
White metal 4/	W	W	W	W	W	W	W	W
Other	1,530	81	13	94	51	13	64	514
Total reported	38,900	2,420	499	2,920	2,690	497	3,180	15,100
Estimated undistributed consumption 5/	10,800	600	300	900	600	300	900	4,500
Grand total	49,700	3,020	799	3,820	3,290	797	4,080	19,600

p/ Preliminary. 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.