

Mineral Industry Surveys

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ALUMINUM IN MAY 2018

Domestic primary aluminum production in May 2018 was 73,000 metric tons (t). The average daily production in May was 2,360 t, unchanged from that in April 2018, and 14% more than that in both May 2017 and May 2016 (fig. 1, table 1).

Total aluminum recovered from scrap in May 2018 was 301,000 t, unchanged from the revised amount in April 2018, 4% less than that in May 2017, and slightly less than that in May 2016. Of this, 171,000 t of aluminum was recovered from new scrap and 131,000 t was recovered from old scrap (fig. 1, table 1).

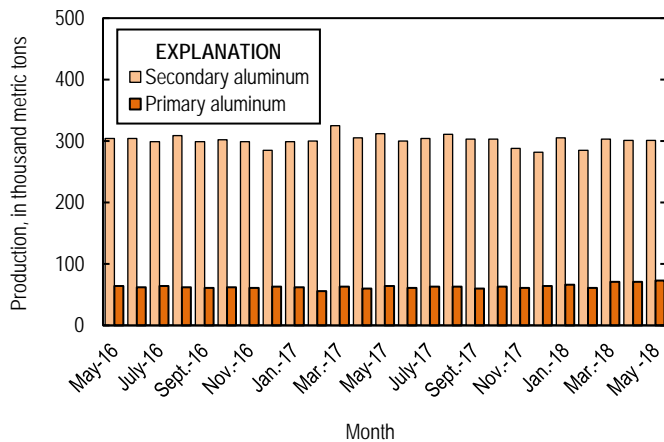


Figure 1. Monthly domestic primary and secondary aluminum production from May 2016 through May 2018.

Prices and Stocks

The May 2018 average U.S. market price of primary aluminum ingot and the average cash price on the London Metal Exchange (LME) increased by 3% and slightly, respectively, from those in April 2018 to \$1.265 per pound and \$1.039 per pound, respectively (fig. 2, table 6).

Inventories of primary aluminum in LME-approved warehouses in the United States increased to 74,575 t at the end of May 2018 from 65,650 t at the end of April 2018. Inventories of secondary aluminum (North American Secondary Aluminum

Alloy Contract) in LME-approved warehouses in the United States decreased to 167,840 t at the end of May 2018 from 173,200 t at the end of April 2018 (London Metal Exchange Ltd., 2018a, b).

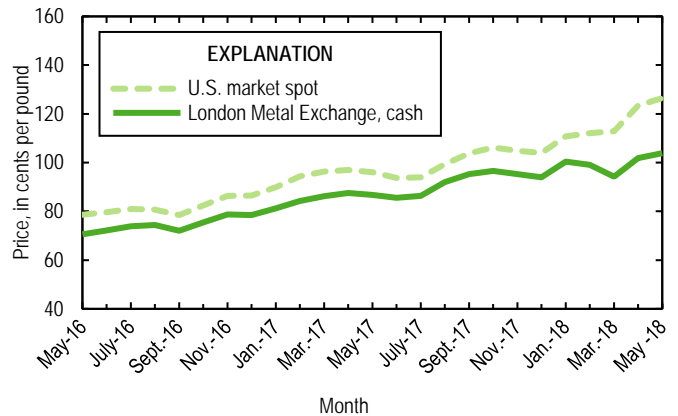


Figure 2. Average monthly prices for primary aluminum from May 2016 through May 2018. Source: Platts Metals Week.

Update

In June, Magnitude 7 Metals LLC restarted production from one potline at its primary aluminum smelter in New Madrid, MO. More than 20 smelting pots were producing aluminum by the end of June, and a total of 170 were expected to be restarted by yearend. Approximately 100,000 metric tons per year (t/yr) of capacity was being restarted at the 263,000-t/yr smelter. (See Aluminum in April 2018.) The smelter, formerly owned by Noranda Aluminum Holding Corp., was shut down in early 2016 following the bankruptcy of Noranda and a power failure that forced the shutdown of two of the smelter’s three potlines (Matyi, 2018c).

In June, Century Aluminum Co. restarted production from one 50,000-t/yr potline at the primary aluminum smelter in Hawesville, KY. Only two of the five potlines at the 252,000-t/yr smelter had been producing since 2015, when three potlines were shut down because of low aluminum prices. When the

restart of the potline was completed, Century planned to restart the other two potlines, each with 50,000 t/yr of capacity, by early 2019 (Matyi, 2018a).

Century was working to restart one potline at the primary aluminum smelter in Sebree, KY, that was shut down on May 30, after a power failure. (See Aluminum in April 2018.) The capacity of the potline accounted for approximately 73,000 t/yr of the smelter's total capacity of 218,000 t/yr. Sources at the smelter stated that repairs were expected to be completed in August and production would resume after repairs were completed (Matyi, 2018b).

Alcoa Corp. was working to restart a potline that was shut down after a power failure on May 28 at its primary aluminum smelter in Evansville, IN. (See Aluminum in March 2018.) The 54,000 t/yr potline was scheduled to be producing at capacity by yearend. When the restart was completed, 161,000 t/yr of capacity at the 269,000-t/yr smelter would be producing. The restart of two other potlines was completed in the second quarter of the year. The smelter was shut down in March 2016 because of low aluminum prices (Alcoa Corp., 2018).

Novelis Inc. (Atlanta, GA) (a subsidiary of Hindalco Industries Ltd. [India]) agreed to acquire Aleris Corp. (Cleveland, OH). Both companies specialized in aluminum rolling and recycling wrought aluminum scrap. Aleris had 13 production facilities in Europe, China, and the United States. Novelis had 24 production facilities in Europe, Brazil, Canada, China, the Republic of Korea, Vietnam, and the United States. The deal was expected to be completed by yearend 2019,

pending regulatory approval (Aleris Corp., 2018; Novelis Inc., 2018).

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TABLE 1
COMPONENTS OF ALUMINUM SUPPLY¹

(Thousand metric tons)

Period	Primary production	Secondary recovery ²			Imports for consumption			Total new supply ³	Stocks, end of period ⁴
		New	Old	Total	Metals and alloys, crude	Plates, sheets, bars, etc.	Total		
2017 ^P	741	2,050	1,590	3,630	4,830	1,380	6,200	10,600	1,470
2017:									
May	64	175	137	312	411	133	544	920	1,340
June	61	170	130	300	409	119	528	890	1,330
July	63	170	133	303	411	130	541	908	1,360
August	63	174	138	311	379	121	500	874	1,390
September	60	170	134	303	338	102	440	804	1,420
October	63	172	131	303	358	122	480	846	1,430
November	61	166	122	288	358	116	474	822	1,420
December	64	165	117	282	400	118	518	864	1,470
January–May	306	859	683	1,540	2,170	547	2,720	4,570	1,470
2018:									
January	66	177 ^r	128 ^r	305 ^r	333	167	500	871 ^r	1,460
February	61	161 ^r	124 ^r	285 ^r	374	99	473	819 ^r	1,450
March	71	174 ^r	129 ^r	303 ^r	555	126	681	1,060	1,430
April	71	169 ^r	132 ^r	301 ^r	381	122	503	875 ^r	1,460
May	73	171	131	301	349	120	469	844	NA
January–May	342	852	644	1,500	1,990	634	2,630	4,460	NA

^PPreliminary. ^rRevised. NA Not available.

¹Data are rounded to no more than three significant digits, except "Primary production"; may not add to totals shown.

²Metallic recovery from purchased, tolled, or imported scrap, expanded for full coverage of industry.

³Primary production, secondary recovery, and imports for consumption.

⁴Inventory levels reflect total for both U.S. and Canadian producers; data from the Aluminum Association Inc.

TABLE 2
ESTIMATED FULL COVERAGE CONSUMPTION OF AND METALLIC RECOVERY FROM
PURCHASED NEW AND OLD ALUMINUM SCRAP¹

(Thousand metric tons)

Period	Secondary smelters		Independent mill fabricators		Foundries		Other consumers		Total	
	Con-sump-tion	Metal recovery	Con-sump-tion	Metal recovery	Con-sump-tion	Metal recovery	Con-sump-tion	Metal recovery	Con-sump-tion	Metal recovery
	2017 ^P	2,200	1,650	2,060	1,880	101	93	4	4	4,360
2017:										
May	187	141	179	164	8	8	(2)	(2)	375	312
June	176	131	176	161	8	8	(2)	(2)	361	300
July	183	138	172	158	8	8	(2)	(2)	364	303
August	185	140	179	163	8	8	(2)	(2)	373	311
September	180	136	173	159	8	8	(2)	(2)	362	303
October	188	141	169	154	8	8	(2)	(2)	365	303
November	183	138	154	141	8	8	(2)	(2)	347	288
December	182	138	148	136	8	8	(2)	(2)	339	282
January–May	920	691	887	810	42	39	2	2	1,850	1,540
2018:										
January	179	136	175 ^r	161 ^r	8	8	(2)	(2)	363 ^r	305 ^r
February	173	130	160 ^r	147 ^r	8	8	(2)	(2)	342 ^r	285 ^r
March	164	130	180 ^r	166 ^r	8	8	(2)	(2)	353 ^r	303 ^r
April	165	131	177 ^r	162 ^r	8	8	(2)	(2)	351 ^r	301 ^r
May	168	134	175	160	8	8	(2)	(2)	352	301
January–May	849	660	868	795	42	39	2	2	1,760	1,500

^PPreliminary. ^rRevised.

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

²Less than ½ unit.

TABLE 3
 CONSUMPTION OF AND RECOVERY FROM PURCHASED
 NEW AND OLD ALUMINUM SCRAP IN MAY 2018¹

(Metric tons)

	Consumption		Calculated metallic recovery	
	Tabulated reports	Estimated full coverage	Tabulated reports	Estimated full coverage
Secondary smelters	140,000	168,000	111,000	134,000
Independent mill fabricators	160,000	175,000	146,000	160,000
Foundries	7,040	8,450	6,440	7,730
Other consumers	266	320	266	320
Total	307,000	352,000	264,000	301,000

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

TABLE 4
PURCHASED AND TOLL-TREATED ALUMINUM-BASE SCRAP AND SWEATED
PIG IN MAY 2018¹

(Metric tons)

	May			January–May ²		
	Stocks, opening ²	Net receipts ³	Melted or consumed	Stocks, closing	Net receipts ³	Melted or consumed
New scrap:						
Extrusion	15,300	66,700	66,600	15,400	346,000	346,000
Can stock clippings	4,800	22,700	22,600	4,890	109,000	109,000
Other wrought sheet/clippings	9,230	45,900	46,700	8,440	213,000	214,000
Casting	2,870	4,900	4,840	2,940	24,700	24,900
Borings and turnings	3,100	8,770	8,730	3,140	47,000	48,300
Dross and skimmings	10,300	28,500	28,500	10,300	161,000	161,000
Total new scrap	45,600	177,000	178,000	45,100	901,000	904,000
Old scrap:						
Used castings	8,110	25,100	25,100	8,140	125,000	125,000
Used extrusion	7,830	10,800	10,800	7,830	59,500	60,100
Used cans (shredded, loose, baled)	9,290	53,100	53,100	9,360	253,000	253,000
Other wrought products	10,800	30,800	30,000	11,600	145,000	150,000
Fragmentized shredder (auto shredder)	1,450	10,600	10,200	1,830	46,200	46,800
Total old scrap	37,500	130,000	129,000	38,700	629,000	636,000
Sweated pig	--	--	--	--	--	--
Total all classes	83,100	308,000	307,000	83,800	1,530,000	1,540,000

-- Zero.

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

²May include revisions to previously published data.

³Includes data on imported aluminum-base scrap.

TABLE 5
ALUMINUM ALLOYS PRODUCED AT SECONDARY SMELTERS IN THE UNITED
STATES IN MAY 2018^{1,2}

(Metric tons)

	May			January–May		
	Stocks, opening ³	Production	Net shipments	Stocks, closing	Production	Net shipments
Die-cast alloys:						
13% Si, 360, etc. (0.6% Cu, max.)	3,480	1,730	1,970	3,240	10,600	9,000
380 and variations	6,190	14,700	14,700	6,190	73,500	73,500
Sand and permanent mold:						
95/5 Al-Si, 356, etc. (0.6% Cu, max.)	1,160	2,370	2,370	1,160	11,800	11,800
No. 319 and variations	2,730	3,670	3,690	2,700	18,500	18,400
F-132 alloy and variations	162	196	196	162	979	979
Al-Zn alloys	243	94	94	243	469	469
Al-Si alloys (0.6% to 2.0% Cu)	103	92	92	103	459	459
Al-Cu alloys (1.5% Si, max.)	178	67	67	178	337	337
Other ⁴	4,850	10,800	9,810	5,810	51,600	50,400
Wrought alloys, extrusion billets	10,100	54,700	54,700	10,100	274,000	274,000
Total all alloys	29,200	88,400	87,700	29,900	442,000	439,000
Less:						
Primary aluminum consumed	XX	15,800	XX	XX	79,600	XX
Primary silicon consumed	XX	2,020	XX	XX	9,910	XX
Other alloying ingredients consumed	XX	937	XX	XX	5,140	XX
Net metallic recovery from aluminum scrap and sweated pig consumed in production of secondary aluminum ingot ⁵	XX	69,600	XX	XX	348,000	XX

XX Not applicable.

¹Excludes integrated aluminum companies.

²Data are rounded to no more than three significant digits; may not add to totals shown.

³May include revisions to previously published data.

⁴Includes alloys No. 12, Al-Mg, Al-Si-Cu-Ni, aluminum-base hardeners, variations of these alloys, plus other aluminum alloys.

⁵No allowance made for melt-loss of primary aluminum and alloying ingredients.

TABLE 6
 AVERAGE PRICE OF ALUMINUM IN THE UNITED STATES
 AND ON THE LONDON METAL EXCHANGE

(Cents per pound)

Period	Midwest U.S. market price	LME cash price Grade A
2017:		
May	96.071	86.803
June	93.761	85.559
July	93.964	86.329
August	99.330	92.062
September	103.810	95.261
October	106.198	96.616
November	104.852	95.280
December	103.908	93.911
January–December	98.298	89.254
2018:		
January	110.830	100.429
February	112.050	99.091
March	112.929	94.173
April	123.388	101.866
May	126.488	103.875
January–May	117.137	99.887

Source: Platts Metals Week.

TABLE 7
AVERAGE BUYING PRICES FOR ALUMINUM SCRAP

(Cents per pound)

Month	Used beverage cans	Mixed low copper clips	Old sheet	Old cast	Turnings (clean and dry)
2017:					
May	68.27	64.50	60.05	61.05	60.36
June	67.23	63.14	58.77	59.77	59.68
July	67.05	62.00	57.85	59.00	59.00
August	70.98	62.91	57.30	58.35	59.00
September	73.12	65.00	58.40	58.95	58.90
October	74.09	65.00	58.00	58.77	58.00
November	72.88	64.08	57.65	59.00	56.60
December	69.95	62.55	56.50	57.95	54.70
January–December	70.93	63.62	58.44	59.63	58.62
2018:					
January	75.57	63.48	58.90	59.90	56.36
February	75.66	65.29	61.21	62.21	58.45
March	75.59	66.00	61.91	63.00	58.95
April	81.81	66.29	60.83	62.76	57.71
May	84.41	68.00	62.00	63.50	63.50
January–May	78.61	65.81	60.97	62.27	58.99

Source: American Metal Market.

TABLE 8
U.S. IMPORTS FOR CONSUMPTION OF ALUMINUM IN MAY 2018¹

(Metric tons)

Country or locality	Metals and alloys, crude		Plates, sheets, bars, etc.		Scrap		Total	
	May	January--	May	January--	May	January--	May	January--
		May		May		May		May
Argentina	9,860	73,500	--	2	--	--	9,860	73,500
Australia	3,480	28,100	94	227	86	680	3,660	29,000
Austria	64	64	2,610	12,600	--	--	2,670	12,700
Bahrain	13,400	58,100	8,430	28,600	--	--	21,900	86,800
Belgium	--	383	609	3,580	--	--	609	3,960
Brazil	9,150	10,400	1,550	9,130	1,060	1,310	11,800	20,900
Canada	202,000	995,000	21,300	115,000	36,500	164,000	259,000	1,270,000
Chile	--	--	--	--	540	2,670	540	2,670
China	42	2,540	22,000	195,000	14	366	22,100	198,000
Colombia	--	--	986	3,720	160	614	1,150	4,340
Costa Rica	--	--	--	14	376	1,660	376	1,670
El Salvador	--	--	181	486	223	1,420	404	1,910
France	815	8,360	3,100	15,100	126	827	4,040	24,200
Germany	63	341	4,860	16,600	597	2,270	5,520	19,200
Greece	--	--	2,340	8,850	14	39	2,360	8,890
Guatemala	--	--	--	--	1,370	5,590	1,370	5,590
Honduras	--	--	4	4	203	911	207	915
Hong Kong	--	--	825	3,900	--	201	825	4,100
India	18,300	84,400	4,660	19,300	55	55	23,100	104,000
Indonesia	--	--	7,350	34,300	--	--	7,350	34,300
Italy	584	706	1,100	5,200	--	--	1,690	5,910
Japan	--	--	2,800	15,300	35	123	2,840	15,400
Korea, Republic of	--	5	1,510	8,200	37	9,580	1,540	17,800
Malaysia	400	644	822	3,870	--	--	1,220	4,510
Mexico	2,230	11,300	5,530	22,500	16,900	68,100	24,700	102,000
Netherlands	199	831	569	1,870	59	110	827	2,810
New Zealand	819	4,360	--	1	--	--	819	4,360
Norway	44	10,700	28	116	--	--	72	10,800
Oman	9,070	19,800	4,420	19,800	--	--	13,500	39,700
Qatar	15,400	47,800	2	3	--	--	15,400	47,800
Romania	--	--	519	1,590	--	--	519	1,590
Russia	5,560	232,000	1,690	8,460	--	--	7,250	240,000
Saudi Arabia	2,440	23,800	365	6,510	--	1,050	2,810	31,400
South Africa	--	65,400	5,300	22,100	--	--	5,300	87,500
Spain	747	1,900	771	2,140	735	2,860	2,250	6,900
Sweden	--	--	816	3,100	--	--	816	3,100
Switzerland	--	--	426	1,610	--	--	426	1,610
Taiwan	2	62	3,120	9,400	234	944	3,360	10,400
Thailand	34	311	872	3,460	150	801	1,060	4,570
Turkey	--	--	1,740	7,020	890	2,150	2,630	9,180
United Arab Emirates	49,800	281,000	223	627	93	970	50,100	282,000
United Kingdom	62	190	253	997	283	1,430	598	2,620
Venezuela	5,010	29,000	151	994	57	4,050	5,220	34,100
Vietnam	--	253	2,000	11,000	230	249	2,230	11,500
Other	--	716	4,320	12,400	2,240	9,430	6,560	22,500
Total	349,000	1,990,000	120,000	635,000	63,200	284,000	533,000	2,910,000

-- Zero.

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

Source: U.S. Census Bureau.

TABLE 9
U.S. EXPORTS OF ALUMINUM IN MAY 2018¹

(Metric tons)

Country or locality	Metals and alloys, crude		Plates, sheets, bars, etc.		Scrap		Total	
	May	January–	May	January–	May	January–	May	January–
		May		May		May		May
Australia	91	232	145	798	--	3	236	1,030
Belgium	29	54	99	337	566	1,350	694	1,740
Bolivia	--	--	--	638	--	--	--	638
Brazil	--	85	305	1,450	2,100	5,030	2,400	6,570
Canada	11,000	53,800	34,200	176,000	9,550	44,000	54,700	274,000
China	93	790	2,270	12,600	40,100	278,000	42,400	291,000
Colombia	--	82	229	840	--	15	229	937
Dominican Republic	217	802	95	527	--	--	312	1,330
France	783	3,080	1,050	4,990	235	1,220	2,070	9,290
Germany	139	915	720	2,900	822	3,970	1,680	7,790
Guatemala	--	3	1,120	3,510	--	--	1,120	3,510
Hong Kong	6	6	99	557	2,660	12,200	2,770	12,700
India	6	72	628	1,470	17,500	56,000	18,200	57,600
Indonesia	6	10	122	461	6,380	20,700	6,500	21,200
Ireland	--	33	29	187	--	--	29	220
Israel	--	2	960	3,870	1	48	961	3,920
Italy	47	87	109	568	--	--	156	655
Jamaica	9	26	5	53	--	--	14	79
Japan	141	629	1,540	5,650	2,130	8,030	3,810	14,300
Korea, Republic of	66	317	2,370	13,400	19,100	88,100	21,500	102,000
Malaysia	1	20	689	2,420	16,000	46,900	16,700	49,300
Mexico	12,300	63,100	44,000	205,000	18,400	73,300	74,700	341,000
Netherlands	22	80	49	158	258	1,470	329	1,710
New Zealand	--	6	70	384	--	--	70	390
Norway	--	3	7	54	--	--	7	57
Pakistan	--	--	22	90	1,140	3,600	1,160	3,690
Panama	--	9	9	31	--	--	9	40
Philippines	2	42	13	168	177	946	192	1,160
Poland	10	45	134	393	--	171	144	609
Romania	11	96	59	201	--	--	70	297
Russia	1	17	10	66	1,340	7,400	1,350	7,480
Saudi Arabia	--	--	157	866	--	20	157	886
Singapore	81	491	456	2,280	--	177	537	2,950
Spain	39	90	62	364	22	735	123	1,190
Taiwan	42	2,450	1,380	5,230	5,130	17,500	6,550	25,200
Thailand	--	45	536	2,010	1,920	5,050	2,460	7,110
Turkey	--	106	296	1,460	21	258	317	1,830
United Arab Emirates	50	378	38	478	259	727	347	1,580
United Kingdom	72	238	839	4,670	175	934	1,090	5,850
Vietnam	--	--	6	40	658	1,960	664	2,000
Other	61	215	484	2,280	1,080	3,660	1,620	6,150
Total	25,300	128,000	95,400	459,000	148,000	683,000	268,000	1,270,000

-- Zero.

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

Source: U.S. Census Bureau.