

Mineral Industry Surveys

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MAGNESIUM IN THE THIRD QUARTER 2018

Magnesium imports for consumption in the third quarter of 2018 were 4% less than imports in the second quarter of 2018 and 13% more than those in the third quarter of 2017. Compared with those in the second quarter of 2018, imports of metal, alloys, and semifabricated products decreased by 14%, 20%, and 31%, respectively, but imports of scrap increased by 15%. Compared with those in the third quarter of 2017, imports of metal decreased by 23% but imports of alloys, semifabricated products, and scrap increased by 98%, 10%, and 35%, respectively. In the third quarter of 2018, magnesium metal accounted for 30% of the imports with Israel (63%), Russia (15%), Turkey (9%), and Canada (9%) being the leading sources (fig. 1). Scrap accounted for 51% of the imports in the third quarter of 2018, with Canada (36%), China (21%), and the Mexico (19%) as the leading sources (table 1).

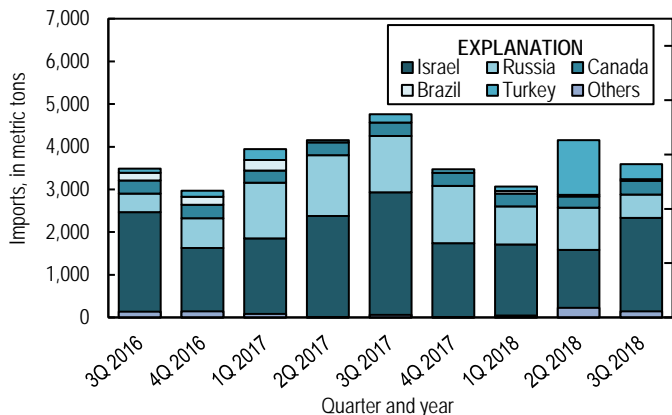


Figure 1. Quarterly imports of magnesium metal from the third quarter 2016 through the third quarter 2018. Source: U.S. Census Bureau.

U.S. magnesium exports in the third quarter of 2018 were 14% less than exports in the second quarter of 2018 and 11% less than those in the third quarter of 2017. Canada (36%), Mexico (31%), and Brazil (22%) were the principal destinations. Exports of metal, alloys, semifabricated products, and scrap decreased by 29%, 4%, 18%, and 65%, respectively, compared with exports in the second quarter of 2018. Compared

with those in the third quarter of 2017, alloys exports decreased by 11%, and exports of metal, semifabricated products, and scrap decreased by 53%, 14%, and 76%, respectively, (table 1).

The U.S. spot Western average price for magnesium was unchanged in the third quarter 2018. The average U.S. spot dealer price for imported magnesium increased slightly during the third quarter 2018. Outside of the United States, average magnesium prices in China and Europe increased by 5% and 8%, respectively, during the quarter (table 2).

Update

On November 15, the U.S. Department of Commerce initiated antidumping and countervailing duty investigations to determine if magnesium imported from Israel was sold at less than fair value or unfairly subsidized. US Magnesium LLC filed a complaint alleging dumping and subsidies of magnesium from Israel. If the investigation determines that dumping occurred or that unfair subsidies were provided to Dead Sea Magnesium Ltd., and if the U.S. International Trade Commission determines that the industry in the United States was harmed by the imports, duties will be imposed. A preliminary countervailing duty determination was expected by January 17, 2019, and the preliminary antidumping determination was expected by April 2, 2019 (McBeth, 2018; U.S. Department of Commerce, 2018).

References Cited

- McBeth, Karen, 2018, Commerce initiates magnesium trade cases against Israel: Platts Metals Daily, v. 7, no. 226, November 15, p. 8.
 U.S. Department of Commerce, 2018, U.S. Department of Commerce initiates antidumping duty and countervailing duty investigations of imports of magnesium from Israel: Washington, DC, U.S. Department of Commerce press release, November 15. (Accessed November 30, 2018, <https://www.commerce.gov/news/press-releases/2018/11/us-department-commerce-initiates-antidumping-duty-and-countervailing-0>.)

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

(Metric tons)

	2017	2018				
		January– June	July	August	September	January– September
Imports for consumption:						
Metal	16,500	7,430	1,290	1,090	1,330	11,100
Waste and scrap	16,900	10,500	2,420	2,090	1,860	16,900
Alloys (magnesium content)	5,290	3,520	749	680	227	5,180
Sheet, tubing, ribbons, wire, powder, and other (magnesium content)	3,270	1,740	254	274	208	2,480
Total	41,900	23,200	4,710	4,130	3,630	35,700
Exports:						
Metal	1,890	903	84	86	93	1,170
Waste and scrap	1,200	398	19	40	19	476
Alloys (gross weight)	8,900	3,440	1,060	469	364	5,340
Sheet, tubing, ribbons, wire, powder, and other (gross weight)	1,660	1,030	148	194	136	1,510
Total	13,700	5,770	1,310	790	612	8,480

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 2018

		Beginning of quarter	End of quarter
U.S. spot dealer import	dollars per pound	1.49–1.55	1.52–1.57
U.S. spot Western	do.	2.10–2.20	2.10–2.20
China	dollars per metric ton	2,480–2,500	2,600–2,630
European free market	do.	2,475–2,525	2,650–2,750
do. Ditto.			

Source: Platts Metals Week.