

GOLD

(Data in metric tons¹ of gold content unless otherwise noted)

Domestic Production and Use: In 2015, domestic gold mine production was estimated to be about 200 tons, 5% less than that in 2014, and the value was estimated to be about \$7.6 billion. Gold was produced at fewer than 45 lode mines, at several large placer mines in Alaska, and numerous smaller placer mines (mostly in Alaska and in the Western States). About 7% of domestic gold was recovered as a byproduct of processing domestic base-metal ores, chiefly copper. The top 29 operations yielded more than 99% of the mined gold produced in the United States. Commercial-grade gold was produced at about 25 refineries. A few dozen companies, out of several thousand companies and artisans, dominated the fabrication of gold into commercial products. U.S. jewelry manufacturing was heavily concentrated in the New York, NY, and Providence, RI, areas, with lesser concentrations in California, Florida, and Texas. Estimated domestic uses were jewelry; 43%; electrical and electronics, 37%; official coins, 15%; and other, 5%.

Salient Statistics—United States:	2011	2012	2013	2014	2015^e
Production:					
Mine	234	235	230	210	200
Refinery:					
Primary	220	222	223	203	200
Secondary (new and old scrap)	263	215	210	161	140
Imports for consumption ²	550	326	315	308	265
Exports ²	664	695	691	500	500
Consumption, reported	168	147	160	150	150
Stocks, yearend, Treasury ³	8,140	8,140	8,140	8,140	8,140
Price, dollars per troy ounce ⁴	1,572	1,673	1,415	1,269	1,170
Employment, mine and mill, number ⁵	11,100	12,700	13,000	11,800	11,000
Net import reliance ⁶ as a percentage of apparent consumption	(̄)	(̄)	(̄)	(̄)	(̄)

Recycling: In 2015, 140 tons of new and old scrap was recycled, slightly less than the reported consumption. Following the decline in price, the domestic and global supply of gold from recycling continued to decline from the high level in 2011.

Import Sources (2011–14):² Mexico, 41%; Canada, 19%; Colombia, 13%; Peru, 8%; and other, 19%.

Tariff: Most imports of unwrought gold, including bullion and doré, enter the United States duty free.

Depletion Allowance: 15% (Domestic), 14% (Foreign).

Government Stockpile: The U.S. Department of the Treasury maintains stocks of gold (see salient statistics above), and the U.S. Department of Defense administers a Governmentwide secondary precious-metals recovery program.

Events, Trends, and Issues: The estimated gold price in 2015 was 8% less than the price in 2014 and was down by 30% from the record-high annual price in 2012. The Engelhard daily price of gold in 2015 fluctuated through several cycles. The gold price began the year at \$1,174.24 per troy ounce and increased to \$1,304.66 per troy ounce on January 22, the highest level of the year. The price trended downward to \$1,084.49 per troy ounce on July 24, the lowest daily price since February 5, 2010, and ended October at \$1,146.59 per troy ounce. Many attributed the decrease of the average gold price to the uncertainty over the timing of anticipated interest rate increases by the U.S. Federal Reserve System.

The decrease in domestic mine production was attributed to lower ore grades at the two leading gold mines, Cortez and Goldstrike, and closure of some smaller scale mines in Nevada as a result of lower gold prices. Gold production from the Bingham Canyon Mine in Utah declined owing to lower mill throughput during continued cleanup of the east pit wall landslide that took place in 2013.

In 2015, worldwide gold production was slightly more than that in 2014, principally owing to increased production in China and Australia, the leading and second-ranked gold-producing countries, respectively.

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In 2015, domestic consumption of gold used in the production of coins, bars, and jewelry increased because of greater demand owing to the lower price of gold and improved economic environment. The global consumption of gold, however, decreased with China's stock market decline in the first half of 2015, which reportedly discouraged investment in gold bars, coins, and jewelry. Gold stored by physical exchange-traded funds also decreased during the last 3 years, although central banks, taking advantage of lower prices, increased their purchase of gold bullion.

Artisanal and small-scale gold mining has been identified as a potential source of funding for armed groups engaged in civil unrest in Congo (Kinshasa) and surrounding countries. The United States, through the enactment of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) in 2010, made it a statutory obligation for all companies registered with the U.S. Securities and Exchange Commission (SEC) to perform due diligence to determine whether the products they manufacture, or the components of the products they manufacture, contain tantalum, tin, tungsten, and (or) gold (3TG) minerals and, if so, to determine whether these minerals were sourced from Congo (Kinshasa) and (or) its bordering countries. Under rules issued by the SEC, publicly traded companies were required to report the sources of 3TG materials used by May 2014. The Federal courts issued a decision that the SEC must have the final resource extraction rule ready for congressional decision by June 27, 2016.

World Mine Production and Reserves: Reserves for Australia, Chile, Ghana, Peru, and Russia were revised based on information from the respective country Governments or corporate reports.

	Mine production		Reserves ⁸
	2014	2015 ^e	
United States	210	200	3,000
Australia	274	300	9,100
Brazil	80	80	2,400
Canada	152	150	2,000
China	450	490	1,900
Ghana	91	85	1,200
Indonesia	69	75	3,000
Mexico	118	120	1,400
Papua New Guinea	53	50	1,200
Peru	140	150	2,800
Russia	247	242	8,000
South Africa	152	140	6,000
Uzbekistan	100	103	1,700
Other countries	<u>858</u>	<u>855</u>	<u>13,000</u>
World total (rounded)	2,990	3,000	56,000

World Resources: An assessment of U.S. gold resources indicated 33,000 tons of gold in identified (15,000 tons) and undiscovered (18,000 tons) resources.⁹ Nearly one-quarter of the gold in undiscovered resources was estimated to be contained in porphyry copper deposits. The gold resources in the United States, however, are only a small portion of global gold resources.

Substitutes: Base metals clad with gold alloys are widely used in electrical and electronic products, and in jewelry to economize on gold; many of these products are continually redesigned to maintain high-utility standards with lower gold content. Generally, palladium, platinum, and silver may substitute for gold.

^eEstimated.

¹One metric ton (1,000 kilograms) = 32,150.7 troy ounces.

²Refined bullion, doré, ores, concentrates, and precipitates. Excludes: Waste and scrap, official monetary gold, gold in fabricated items, gold in coins, and net bullion flow (in tons) to market from foreign stocks at the New York Federal Reserve Bank.

³Includes gold in Exchange Stabilization Fund. Stocks were valued at the official price of \$42.22 per troy ounce.

⁴Engelhard's average gold price quotation for the year. In 2014, the price was estimated by the U.S. Geological Survey based on monthly data from January through October.

⁵Data from Mine Safety and Health Administration.

⁶Defined as imports – exports + adjustments for Government and industry stock changes.

⁷In recent years, the United States has been a net exporter; however, large unreported investor stock changes preclude calculation of a meaningful net import reliance.

⁸See [Appendix C](#) for resource/reserve definitions and information concerning data sources.

⁹U.S. Geological Survey National Mineral Resource Assessment Team, 2000, 1998 assessment of undiscovered deposits of gold, silver, copper, lead, and zinc in the United States: U.S. Geological Survey Circular 1178, 21 p.