

Mineral Industry Surveys

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MAGNESIUM METAL IN THE THIRD QUARTER 2023

Total magnesium metal imports for consumption in the third quarter of 2023 were 21,800 metric tons (t), 20% less than imports in the second quarter of 2023, 18% less than those in the third quarter of 2022, but 83% more than those in the third quarter of 2021 (table 1).

Compared with imports in the second quarter of 2023, imports of magnesium metal, alloys, and scrap decreased by 4%, 51%, and 12%, respectively, but imports of semifabricated products increased by 33% in the third quarter of 2023. In the third quarter of 2023, magnesium metal accounted for 47% of the total imports, with Israel (48%) and Turkey (42%) being the leading sources. Alloys accounted for 21% of total imports, with Czechia (40%), the Republic of Korea (20%), and Taiwan (13%) as the leading sources. Scrap accounted for 26% of the magnesium imports in the third quarter of 2023, with Canada (45%), Mexico (18%), and China (13%) as the leading sources (fig. 1, table 1).

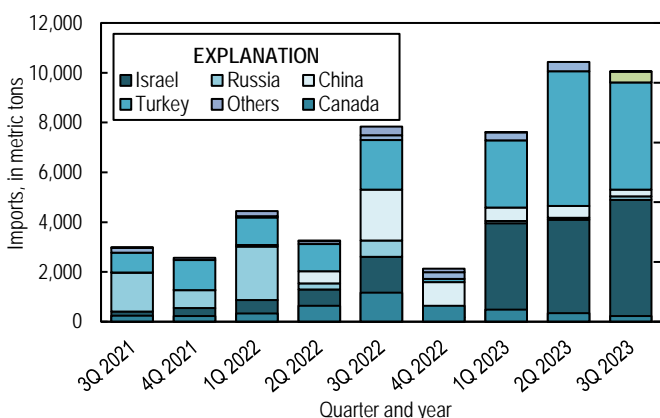


Figure 1. Quarterly imports of magnesium metal from the third quarter of 2021 through the third quarter of 2023. Source: U.S. Census Bureau, adjusted by USGS.

Total magnesium metal exports in the third quarter of 2023 were 933 t, 3% less than the exports in the second quarter of 2023, unchanged from those in the third quarter of 2022, and 49% less than those in the third quarter of 2021. Exports of scrap and semifabricated product decreased by 4% and 40%,

respectively, but exports of metal and alloys increased by 42% and 28%, respectively, compared with exports in the second quarter of 2023 (table 1).

Canada (68%), China (7%), and the Netherlands (6%) were the leading destinations for total magnesium exports in the third quarter of 2023. Canada received 85% of alloy, 16% of semifabricated product, and 75% of scrap exports. Other leading destinations for semifabricated product exports were the United Arab Emirates (19%), Mexico (16%), Israel (9%), and Romania (9%). China received 13% of alloy exports, the Republic of Korea received 98% of the metal exports, and the Netherlands received 16% of scrap exports in the third quarter of 2023.

The average U.S. spot dealer import price for magnesium decreased by 10% in the third quarter of 2023. In Europe, the average price was 14% more at the end of the quarter compared with that of the beginning of the quarter (table 2).

Update

Contract negotiations for 2024 were proceeding and prices were reported to be in the range of \$3 per pound to \$4 per pound for contracts signed in November. But many consumers reported ample inventories for the first quarter of 2024 from 2023 contracted deliveries and were hesitant to commit to signing contracts until later, with some even deciding to purchase most of the magnesium they will need in 2024 on the spot market. Historically, annual contracts dominated the magnesium market but expectations of increased supplies leading to lower prices later in 2024 were cited for decreased volumes sold in contract agreements. Some aluminum consumers reported that they planned to use more secondary magnesium purchased on the spot market or aluminum scrap with high magnesium content, also decreasing demand for annual contracts (Jonson, 2023a, b).

References Cited

- Jonson, Nick, 2023a, US magnesium prices flat, but pressure builds on prime from reported Chinese offers: S&P Global Platts Metals Daily, v. 12, no. 240, December 6, p. 1, 10.
- Jonson, Nick, 2023b, US magnesium prices unchanged as 2024 contract talks near completion: S&P Global Platts Metals Daily, v. 12, no. 235, November 29, p. 5.

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TABLE 1
U.S. IMPORTS FOR CONSUMPTION AND EXPORTS OF MAGNESIUM¹
(Metric tons)

	2023				
	2022	July	August	September	January– September
Imports for consumption:					
Metal	19,900	3,660	3,300	3,300	29,000
Waste and scrap	31,700	1,880	2,170	1,730	20,500
Alloys (magnesium content)	29,300	1,600	1,450	1,440	21,900
Sheet, tubing, ribbons, wire, powder, and other (magnesium content)	4,860	394	469	451	3,010
Total	85,800	7,530	7,390	6,920	74,400
Exports:					
Metal	252	--	(2)	8	33
Waste and scrap	1,940	43	125	119	818
Alloys (gross weight)	1,190	346	72	44	1,260
Sheet, tubing, ribbons, wire, powder, and other (gross weight)	2,200	80	67	28	756
Total	5,580	470	264	199	2,870

--Zero.

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

²Less than ½ unit.

Source: U.S. Census Bureau; data adjusted by the U.S. Geological Survey.

TABLE 2
MAGNESIUM PRICES, THIRD QUARTER 2023

		Beginning of quarter	End of quarter
U.S. spot dealer import	dollars per pound	4.50–5.50	4.00–5.00
European free market	dollar per metric ton	2,920–3,100	3,350–3,500
do. Ditto.			

Source: S&P Global Platts Metals Week.