

ALUMINUM¹

(Data in thousand metric tons unless otherwise noted)

Domestic Production and Use: In 2018, three companies operated seven primary aluminum smelters in six States. During 2018, two smelters that were idle at yearend 2017 were restarted and capacity at one other smelter was restarted. Two smelters operated at reduced capacity throughout the year. One other smelter remained on standby throughout the year. Production increased for the first year since 2012. Domestic smelters were operating at about 55% of capacity of 1.79 million tons per year in October. Based on published prices, the value of primary aluminum production was about \$2.3 billion, 41% more than the value in 2017. Transportation applications accounted for 40% of domestic consumption; in descending order of consumption, the remainder was used in packaging, 19%; building, 14%; electrical, 9%; consumer durables, 8%; machinery, 7%; and other, 3%.

Salient Statistics—United States:	2014	2015	2016	2017	2018^e
Production:					
Primary	1,710	1,587	818	741	890
Secondary (from old scrap)	1,690	1,560	1,570	1,590	1,600
Secondary (from new scrap)	1,870	2,000	2,010	2,050	2,100
Imports for consumption:					
Crude and semimanufactures	4,290	4,560	5,410	6,200	5,500
Scrap	559	521	609	700	730
Exports:					
Crude and semimanufactures	1,520	1,460	1,470	1,330	1,400
Scrap	1,720	1,550	1,350	1,570	1,700
Consumption, apparent ²	5,070	5,300	5,090	5,670	4,900
Supply, apparent ³	6,940	7,310	7,100	7,720	7,000
Price, ingot, average U.S. market (spot), cents per pound	104.5	88.2	80.4	98.3	115.0
Stocks, yearend:					
Aluminum industry	1,280	1,350	1,400	1,470	1,500
London Metal Exchange (LME), U.S. warehouses ⁴	1,190	507	362	254	200
Employment, number ⁵	30,900	31,000	31,900	31,700	32,000
Net import reliance ⁶ as a percentage of apparent consumption	33	41	53	59	50

Recycling: In 2018, aluminum recovered from purchased scrap in the United States was about 3.70 million tons, of which about 58% came from new (manufacturing) scrap and 42% from old scrap (discarded aluminum products). Aluminum recovered from old scrap was equivalent to about 28% of apparent consumption.

Import Sources (2014–17): Canada, 51%; Russia 9%; United Arab Emirates, 8%; China, 7%; and other, 25%.

Tariff:	Item	Number	Normal Trade Relations 12–31–18
	Aluminum, not alloyed:		
	Unwrought (in coils)	7601.10.3000	2.6% ad val.
	Unwrought (other than aluminum alloys)	7601.10.6000	Free.
	Aluminum alloys:		
	Unwrought (billet)	7601.20.9045	Free.
	Aluminum waste and scrap:		
	Used beverage container scrap	7602.00.0030	Free.
	Other	7602.00.0090	Free.

Depletion Allowance: Not applicable.¹

Government Stockpile: None.

Events, Trends, and Issues: Citing Government actions, three primary aluminum smelters restarted capacity. In January, a smelter in Evansville, IN, restarted 161,000 tons per year of its 269,000 tons per year of capacity. In June, a 263,000-ton-per-year smelter in New Madrid, MO, restarted 100,000 tons per year of its capacity, and a 252,000-ton-per-year smelter in Hawesville, KY, restarted 150,000 tons per year of its capacity. In May, power failures forced the shutdown of one potline at each of the smelters in Evansville, IN, and Sebree, KY, with capacities of 54,000 tons per year and 73,000 tons per year, respectively. Both potlines were restarted by yearend. In June, 38,000 tons per year of capacity at a smelter in Wenatchee, WA, that had not produced since 2001 was permanently shut down.

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On March 8, 2018, the President of the United States signed an order imposing a 10% tariff on aluminum imports under authority of Section 232 of the Trade Expansion Act of 1962. In May, the Governments of Argentina and Australia agreed to quotas at the average annual volume imported in 2015–17 and were exempted from the tariff. Effective April 2, the Government of China imposed a 25% tariff on aluminum scrap imports from the United States in response to the 10% tariff placed on aluminum imports by the United States.

In February 2018, the U.S. Department of Commerce issued the final determinations in the antidumping and countervailing duty investigations of imports of aluminum foil from China. The investigation, which was initiated in November 2017, concluded that foil produced in China was sold in the United States at less than fair value and that the Government of China provided subsidies to foil producers. Antidumping margins were set at 48.64% to 106.09% and countervailing margins were set at 17.14% to 80.97% on foil from China. In June, the U.S. Trade Representative imposed a 25% tariff on aluminum alloys, semifabricated aluminum products, and unwrought aluminum produced in China following its Section 301 investigation initiated in August 2017. In November, the U.S. Department of Commerce announced its determination of the antidumping and countervailing duty investigations of common aluminum alloy sheet, initiated in November 2017. Countervailing margins were set at 32.2% to 113.3% and the preliminary antidumping rate was set at 167.16% for all material produced in China covered by the investigation.

On April 6, 2018, the U.S. Department of the Treasury designated the sole primary aluminum producer in Russia for sanctions in response to activities of owners and the Government of the Russian Federation. After the primary owner of the company resigned operational control, the U.S. Department of the Treasury announced in September that in 2019, companies may import aluminum produced by that company in amounts similar to those imported in 2018.

In May 2018, the U.S. Department of the Interior, in coordination with other executive branch agencies, published a list of 35 critical minerals (83 FR 23295), including aluminum (bauxite). This list was developed to serve as an initial focus, pursuant to Executive Order 13817, “A Federal Strategy to Ensure Secure and Reliable Supplies of Critical Minerals” (82 FR 60835).

World Smelter Production and Capacity:

	Production		Yearend capacity	
	2017	2018 ^e	2017	2018 ^e
United States	741	890	1,830	1,790
Australia	1,450	1,600	1,720	1,720
Bahrain	981	1,000	1,050	1,050
Brazil	801	660	1,400	1,400
Canada	3,210	2,900	3,270	3,270
China	32,300	33,000	45,200	47,800
Iceland	870	870	870	870
India	3,270	3,700	4,060	4,060
Norway	1,230	1,300	1,350	1,430
Russia	3,580	3,700	3,900	3,900
United Arab Emirates	2,600	2,600	2,600	2,600
Other countries	8,380	7,800	10,600	10,400
World total (rounded)	59,400	60,000	77,800	80,300

World Resources: Global resources of bauxite are estimated to be between 55 billion to 75 billion tons and are sufficient to meet world demand for metal well into the future.¹

Substitutes: Composites can substitute for aluminum in aircraft fuselages and wings. Glass, paper, plastics, and steel can substitute for aluminum in packaging. Composites, magnesium, steel, and titanium can substitute for aluminum in ground transportation uses. Composites, steel, vinyl, and wood can substitute for aluminum in construction. Copper can replace aluminum in electrical and heat-exchange applications.

^eEstimated.

¹See also Bauxite and Alumina.

²Defined as domestic primary metal production + recovery from old aluminum scrap + net import reliance; excludes imported scrap.

³Defined as domestic primary metal production + recovery from all aluminum scrap + net import reliance; excludes imported scrap.

⁴Includes aluminum alloy.

⁵Alumina and aluminum production workers (North American Industry Classification System—3313). Source: U.S. Department of Labor, Bureau of Labor Statistics.

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