

GOLD

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

Domestic Production and Use: In 2018, domestic gold mine production was estimated to be about 210 tons, 11% less than that in 2017, and the value was estimated to be about \$8.6 billion. Gold was produced in 12 States at more than 40 lode mines, at several large placer mines in Alaska, and numerous smaller placer mines (mostly in Alaska and in the Western States). About 6% of domestic gold was recovered as a byproduct of processing domestic base-metal ores, chiefly copper ores. The top 28 operations yielded more than 99% of the mined gold produced in the United States. Commercial-grade gold was produced at about 15 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 (excluding gold bullion bar) were jewelry, 46%; electrical and electronics, 40%; official coins, 9%; and other, 5%.

Salient Statistics—United States:	2014	2015	2016	2017	2018^e
Production:					
Mine	210	214	228	237	210
Refinery:					
Primary	253	248	248	212	200
Secondary (new and old scrap)	135	124	123	96	95
Imports for consumption ²	308	265	374	255	220
Exports ²	492	478	393	461	480
Consumption, reported	152	165	169	146	145
Stocks, yearend, Treasury ³	8,140	8,140	8,140	8,140	8,140
Price, dollars per troy ounce ⁴	1,269	1,163	1,252	1,261	1,270
Employment, mine and mill, number ⁵	12,000	11,900	11,900	12,000	12,000
Net import reliance ⁶ as a percentage of apparent consumption	E	E	E	E	E

Recycling: In 2018, an estimated 95 tons of new and old scrap was recycled, about 66% of reported consumption. The domestic supply of gold from recycling decreased slightly compared with 2017.

Import Sources (2014–17):² Canada, 24%; Mexico, 23%; Colombia, 11%; Peru, 10%; and other, 32%.

Tariff: Item	Number	Normal Trade Relations 12–31–18
Precious metal ore and concentrates:		
Gold content of silver ores	2616.10.0080	0.8¢/kg on lead content
Gold content of other ores	2616.90.0040	1.7¢/kg on lead content.
Gold bullion	7108.12.1013	Free.
Gold dore	7108.12.1020	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 2018 was slightly more than the price in 2017 but was 24% lower than the record-high annual price in 2012. The Engelhard daily price of gold in 2018 fluctuated through several cycles. Early in the year, the gold price reached a projected annual high of \$1,363.96 per troy ounce on January 25. During this time, the weak U.S. dollar spurred investors to purchase more gold. Starting in late April, the price began a downward trend and reached \$1,179.65 per troy ounce on August 16 as investors reportedly were investing in the strong U.S. dollar rather than in gold. The price was relatively flat for the rest of August and September but started to increase in October and into November. The price fell to the year-to-date low (and projected annual low) of \$1,130.57 per troy ounce on October 19. The price quickly recovered and continued to trend upward to mid-November.

GOLD

The 11% decrease in domestic mine production in 2018 was attributed to decreases in production from the Cortez Mine in Nevada, the Cresson Mine in Colorado, the Fort Knox Mine in Alaska, and Newmont mines in Nevada, and to the shutdown of the Kettle River-Buckhorn Mine in Washington in 2017. In 2018, worldwide gold mine production was estimated to have increased slightly from that in 2017. New mine production in Canada and Russia and increased production from the Grasberg Mine in Indonesia more than offset decreased gold mine production in China, owing to increased environmental regulations, and in the United States.

In the first 9 months of 2018, domestic consumption of gold used in the production of coins and bars decreased by more than 19%; however, gold consumption for jewelry increased by 5% because of increased purchases by consumers, owing to the continually improved U.S. economic conditions in the first 9 months, evident by the 2.2%, 4.2%, and 3.5% increases in Gross Domestic Product in the first three quarters of 2018. Globally, gold consumption by the jewelry industry increased slightly and for gold coins and bars decreased slightly compared with that in the first 9 months of 2017. Investments in gold-based exchange-traded funds were significantly lower in the United States and slightly lower in the world during the same period.

World Mine Production and Reserves: Reserves for Canada, Peru, and Russia were revised based on Government or industry reports.

	Mine production		Reserves ⁷
	2017	2018 ^e	
United States	237	210	3,000
Australia	301	310	⁸ 9,800
Brazil	80	81	2,400
Canada	164	185	2,000
China	426	400	2,000
Ghana	128	130	1,000
Indonesia	75	85	2,500
Kazakhstan	85	85	1,000
Mexico	126	125	1,400
Papua New Guinea	64	65	1,300
Peru	151	145	2,600
Russia	270	295	5,300
South Africa	137	120	6,000
Uzbekistan	104	105	1,800
Other countries	883	920	12,000
World total (rounded)	3,230	3,260	54,000

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. E Net exporter.

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

²Refined bullion, dore, 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 2018, the price was estimated by the U.S. Geological Survey based on data from January through October.

⁵Data from Mine Safety and Health Administration.

⁶Defined as imports – exports.

⁷See Appendix C for resource and reserve definitions and information concerning data sources.

⁸For Australia, Joint Ore Reserves Committee-compliant reserves were about 3,800 tons.

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.