

GOLD

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

Domestic Production and Use: In 2020, domestic gold mine production was estimated to be about 190 tons, 5% less than that in 2019, and the value was estimated to be about \$11 billion. Gold was produced in 11 States (gold mining in Montana ceased in 2019) 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 7% of domestic gold was recovered as a byproduct of processing domestic base-metal ores, chiefly copper ores. The top 26 operations yielded about 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 global consumption was gold-based exchange-traded funds, 34%; jewelry, 30%; physical bar, 12%; official coins and medals and imitation coins, 9%; central banks and other institutions, 7%; electrical and electronics, 6%; and other, 2%.

Salient Statistics—United States:	2016	2017	2018	2019	2020^e
Production:					
Mine	232	237	226	200	190
Refinery:					
Primary	242	207	205	205	200
Secondary (new and old scrap)	220	119	117	116	120
Imports for consumption ²	374	255	213	199	610
Exports ²	393	461	474	359	270
Consumption, reported ³	210	159	154	151	160
Stocks, Treasury, yearend ⁴	8,140	8,140	8,140	8,140	8,140
Price, dollars per troy ounce ⁵	1,252	1,261	1,272	1,395	1,770
Employment, mine and mill, number ⁶	11,600	11,900	12,200	12,500	12,200
Net import reliance ⁷ as a percentage of apparent consumption	E	E	E	E	52

Recycling: In 2020, an estimated 120 tons of new and old scrap was recycled, equivalent to about 75% of reported consumption. The domestic supply of gold from recycling increased slightly compared with that of 2019.

Import Sources (2016–19):² Ores and concentrates: Greece, 44%; Canada, 30%; Ireland, 26%; and other, <1%. Dore: Mexico, 42%; Peru, 16%; Colombia, 12%; Canada, 6%; and other, 24%. Bullion: Canada, 41%; Switzerland, 20%; Peru, 9%; Brazil and Mexico, 7% each; and other, 16%. Combined total: Mexico, 27%; Canada, 21%; Peru, 13%; Colombia, 8%; and other, 31%.

Tariff:	Item	Number	Normal Trade Relations 12–31–20
	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.
	Gold scrap	7112.91.0000	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 United States was not a net exporter of gold in 2020 for the first time since 2010 owing to a significant increase in imports of high-purity gold bullion. The estimated gold price in 2020 was 26% higher than the price in 2019, and 5% higher than the previous record-high annual price in 2012. The Engelhard daily price of gold in 2020 fluctuated through several cycles. Early in the year the gold price was about of \$1,580 per troy ounce before decreasing in March and increasing to an alltime high of about \$2,060 per troy ounce in August. During this time, several factors were reported to have caused the increase in price: gold demand increased to safe-haven buying as a result of the global COVID-19 pandemic and global investor uncertainty; the U.S. Federal Reserve Board cut interest rates; and trade negotiations halted between the United States and China. The price started a downward trend in October and November.

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The 5% decrease in domestic mine production in 2020 was attributed to the COVID-19 pandemic. In 2020, worldwide gold mine production was estimated to be 3% less than that in 2019. Mine production remained unchanged in Argentina, China, Mali, and Sudan, and was slightly less in Australia, Canada, Ghana, and Russia compared with that of 2019.

In the first 9 months of 2020, global consumption in physical bars decreased by about 16%, in jewelry by 41%, and in industrial applications by 10%; however, gold consumption in official coins and medals and imitation coins increased by 33% compared with that of the first 9 months of 2019. Global investments in gold-based exchange-traded funds increased by almost 168%, while gold holdings in central banks decreased by about 58% during the same period.

World Mine Production and Reserves: Reserves for Canada, Papua New Guinea, Peru, Russia, and South Africa were revised based on Government and (or) industry reports.

	Mine production		Reserves ⁸
	2019	2020 ^e	
United States	200	190	3,000
Argentina	60	60	1,600
Australia	325	320	⁹ 10,000
Brazil	90	80	2,400
Canada	175	170	2,200
China	380	380	2,000
Ghana	142	140	1,000
Indonesia	139	130	2,600
Kazakhstan	107	100	1,000
Mali	61	61	800
Mexico	111	100	1,400
Papua New Guinea	74	70	1,200
Peru	128	120	2,700
Russia	305	300	7,500
South Africa	105	90	2,700
Sudan	90	90	NA
Uzbekistan	93	90	1,800
Other countries	<u>716</u>	<u>750</u>	<u>9,200</u>
World total (rounded)	3,300	3,200	53,000

World Resources:⁸ An assessment of U.S. gold resources indicated 33,000 tons of gold in identified (15,000 tons) and undiscovered (18,000 tons) resources.¹⁰ 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. NA Not available.

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

²Includes refined 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 used in the production of consumer purchased bar, coins, and jewelry. Excludes gold as an investment (except consumer purchased bar and coins). Source: World Gold Council.

⁴Includes gold in Exchange Stabilization Fund. Stocks were valued at the official price of \$42.22 per troy ounce.

⁵Engelhard's average gold price quotation for the year. In 2020, the price was estimated by the U.S. Geological Survey based on data from January through November.

⁶Data from the Mine Safety and Health Administration.

⁷Defined as imports – exports.

⁸See Appendix C for resource and reserve definitions and information concerning data sources.

⁹For Australia, Joint Ore Reserves Committee-compliant reserves were 4,000 tons.

¹⁰U.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.