

PERLITE

(Data in thousand metric tons, unless otherwise noted)

Domestic Production and Use: The estimated value (f.o.b. mine) of processed perlite produced in 2003 was \$19.2 million. Crude ore production came from 10 mines operated by 8 companies in 7 Western States. New Mexico continued to be the major producing State. Processed ore was expanded at 63 plants in 30 States. The principal end uses were building construction products, 64%; horticultural aggregate, 13%; fillers, 9%; filter aid, 9%; and other, 5%.

<u>Salient Statistics—United States:</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003^e</u>
Production ¹	711	672	588	521	512
Imports for consumption ^e	144	180	175	224	240
Exports ^e	47	43	43	42	40
Consumption, apparent	808	809	720	703	712
Price, average value, dollars per ton, f.o.b. mine	33.40	33.78	36.31	36.45	37.36
Stocks, producer, yearend	NA	NA	NA	NA	NA
Employment, mine and mill	150	150	145	145	140
Net import reliance ² as a percentage of apparent consumption	12	17	18	26	28

Recycling: Not available.

Import Sources (1999-2002): Greece, 100%.

<u>Tariff: Item</u>	<u>Number</u>	<u>Normal Trade Relations</u> <u>12/31/03</u>
Mineral substances, not specifically provided for	2530.10.0000	Free.

Depletion Allowance: 10% (Domestic and foreign).

Government Stockpile: None.

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Events, Trends, and Issues: Production¹ of domestic perlite decreased about 2% compared with that of 2002. Domestic production decreased for the fourth year in a row and has dropped nearly 28% since 1999. Imports increased about 7% compared with 2002, setting a record for a second consecutive year.

The cost of rail transportation from the mines in the Western United States to some areas of the Eastern United States continued to burden domestic perlite with strong cost disadvantages compared with Greek imports. However, U.S. perlite exports to Canada partially offset losses from competition with imports in Eastern U.S. markets.

Perlite mining generally takes place in remote areas, and its environmental impact is not severe. The overburden, reject ore, and mineral fines produced during ore mining and processing are used to reclaim the mined-out areas, and, therefore, little waste remains. Airborne dust is captured by baghouses, and there is practically no runoff that contributes to water pollution.

World Processed Perlite Production, Crude Ore Reserves, and Reserve Base:

	Production		Reserves ³	Reserve base ³
	2002	2003 ^e		
United States	521	512	50,000	200,000
Greece	360	360	50,000	300,000
Hungary	150	175	3,000	(⁴)
Japan	250	250	(⁴)	(⁴)
Turkey	150	150	(⁴)	5,700,000
Other countries	150	160	600,000	1,500,000
World total (rounded)	1,600	1,600	700,000	7,700,000

World Resources: Insufficient information is available to estimate resources in perlite-producing countries with any reliability.

Substitutes: Alternative materials can be substituted for all uses of perlite, if necessary. Long-established competitive commodities include diatomite, expanded clay and shale, pumice, slag, and vermiculite.

^eEstimated. NA Not available.

¹Processed perlite sold and used by producers.

²Defined as imports – exports + adjustments for Government and industry stock changes; changes in stocks not available and assumed to be zero for apparent consumption and net import reliance calculations.

³See Appendix C for definitions.

⁴Included with "Other countries."