

TEST Message [click here to view in browser](#)**TEHCET Group**

a Techcet CA, LLC. Company  
 Rancho Santa Fe, CA 92067  
 Ph: 480-382-8336 Fax: 480-275-3101  
[info@techcet.com](mailto:info@techcet.com)

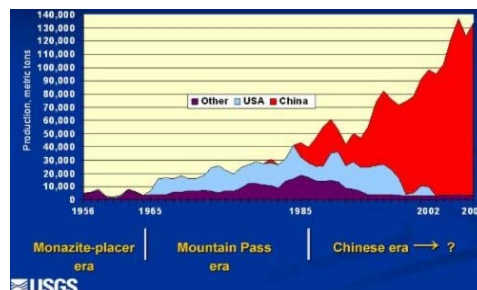
[Buy Reports](#) | [Presentations](#) | [News & Events](#) | [About Us](#)

August, 27 2014

**Critical Materials Market / Supply Chain Information****CMP Consumables Report****Effects of WTO Intervention on China's Near-Monopoly over the Global Rare Earth Materials Market**

The concentration of production of rare earth elements (REE) in China raises the important issue of supply vulnerability for semiconductor industry, as well as for the US defense industry and many high-tech industries. They are central to numerous technologies in the computer, electronics, transportation, energy, and defense industries. Driven by an enormous number of applications, the global market for purified rare-earth starting materials is in the billion-dollar range. Even more valuable are the products made from these compounds. For example, the rare earth magnet market is estimated to be worth \$9 billion. Yet the world's supplies of neodymium and other rare-earth materials are provided almost exclusively by manufacturers in China.

Over the last two decades, China has strategically and effectively maneuvered to put global competitors out of business, and gained greater control over the global REE industry by using price manipulation and supply distortion at strategic moments. As a result, China established a worldwide monopoly over the global REE market today. Figure 1, Global Rare-Earth-Oxide Production by the US Geological Survey, shows from 2002 China has completely dominated the global rare-earth-oxide market.



In reaction to the WTO's ruling, China's internal REE business structure and policy has changed, including the following,

- Reduction of the number of REE producers: Consolidated the REE manufacturers from nearly 200 producers in 2005 to 5 major producers in 2014.
- Establishment of more stringent environmental regulations. Many small to medium producers have unable to continue manufacturing due to "environmental violations".
- Establishment of across-the-board natural resource tax and environment impact tax, resulting in a net increase in REEs prices.

For more details on these **Rare Earth issues** as well as other supply problems relating to **Precious Metals and Minerals**, please see Techcet's Critical Materials Briefings, or contact Techcet at [info@techcet.com](mailto:info@techcet.com), +1-480-382-8336.

**About TECHCET**

**Electronics Materials Information.** Techcet group aims to provide our customers with the most comprehensive information that can be applied and used easily and effectively. We specialize in Electronic Materials Market Research and Strategy, including Market and Technical Trend analysis for Semiconductor, Flat Panel Display (TFT/LED), Solar/PV, and LED process materials.

Our customers most frequently use our information for business strategy and supply chain management - to source suppliers, anticipate problems in the market, and to circumvent potential issues in ordering and purchasing materials. Due to the accuracy called for in our line of work, we create our reports around the needs of our clients. Our flexibility and due diligence make us a popular choice for many companies, and we are prepared to entertain your specific needs at any time. We would be delighted to learn more about your company and how we can help you, and we hope to hear from you soon.

Best regards,  
Lita Shon-Roy  
President / CEO  
Techcet Group



Techcet LLC | | [lshonroy@techcet.com](mailto:lshonroy@techcet.com) | PO Box 3056  
Rancho Santa Fe, CA 92067

Text | [Optional Link](#)

Copyright © 20XX. All Rights Reserved.

[Forward this email](#)



This email was sent to lshonroy@techcet.com by [info@techcet.com](mailto:info@techcet.com) |  
[Update Profile/Email Address](#) | Rapid removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).



Techcet LLC | PO Box 3056 | Rancho Santa Fe | CA | 92067