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The Chinese Ministry of Finance has announced the export quota for rare earth metals for the second half of 2010. Exports of Rare Earths are capped at 7976 tonnes, and is limited to only 32 companies. The largest quota was for Shandong Pengyu Industrial Co., Ltd. at 738 tonnes, followed by Baotou Huamei Rare Earth Hi-Tech Co., Ltd. with 658 tonnes and Inner Mongolia Baotou Steel Rare Earth (Group) Hi-tech Co., Ltd. with 634 tonnes. According to a Bloomberg report, this figure is down from 28,417 for the same period a year ago - a reduction of 72%.

In related news, People's Daily Online reported that the central government is planning a unified rare earth pricing mechanism to help keep prices high. The policy will affect Jiangxi, Fujian, Guangdong and Hunan provinces, as well as the Guangxi Zhuang autonomous region, which are rich in the resource. The government run newspaper reported that "A unitary price based on negotiation will be published once a month to protect the natural resources from being depleted and to avoid cut-throat competition among the five affected areas, sources said."

Pricing is volatile. The report stated that some of the major rare earth oxides such as neodymium have rallied to 190,000 yuan (\$28,000) a ton from the bottom low of up to 80,000 yuan a ton in 2008, driven by a crackdown on illegal mining as well as lower production and exports.

Export quotas here: <http://wms.mofcom.gov.cn/accessory/201007/1278557408138.xls> and <http://www.mofcom.gov.cn/aarticle/b/e/201007/20100707011768.html>

Price fixing here: <http://english.peopledaily.com.cn/90001/90776/90882/7056931.html>