

The Critical Minerals Report (7.11.2025): A Rare Earth Reboot, Tariff Tremors, and Geopolitical Jitters

written by Tracy Hughes | July 11, 2025

It has been the sort of week that reminds investors why the critical minerals desk keeps both a Bloomberg terminal and an interactive map within reach. Markets opened Monday to a slow summer hum and by Thursday were digesting a ‘wowzah’ U.S. government equity grab in California, a surprise tariff that rerouted copper tankers mid-voyage, and a clutch of geopolitical volleys ricocheting from Brussels to northern Myanmar. Each move, taken alone, would merit a footnote in a quarterly letter; taken together they sketch the outline of a supply chain that is being redrawn in real time, often at gunpoint or under tariff.

The jolt came first from Washington, where the Pentagon disclosed a multi-billion-dollar partnership with MP Materials (NYSE: MP) that instantly made the Department of Defense the company’s largest shareholder. The cash injection will bankroll a “10X” magnet plant designed to spin out ten thousand tonnes of NdFeB magnets a year by 2028—a volume big enough to serve roughly half of America’s projected demand for electric-vehicle drive motors and precision-guided munitions. More startling than the headline number was the fine print: a decade-long offtake agreement at a floor price of \$110 per kilogram for neodymium (Nd) and praseodymium (Pr), roughly double the Chinese spot.

For MP investors it was the ultimate price-support mechanism, sending the share price up nearly 50% in two sessions; for rival producers it was a signal that U.S. industrial policy has

crossed the Rubicon from grants to equity. Defense officials framed the transaction as a national-security hedge against Beijing's 90% share of global rare earth processing, but in practise it also hands Washington a direct lever over downstream magnet supply—something lobbyists have chased for a decade without success.

Not twenty-four hours later the administration followed with a tariff broadside aimed at a different corner of the periodic table. President Donald Trump decreed a 50% duty on all copper imports beginning August 1, ostensibly to spur domestic mining. The market reaction was a study in arbitrage: traders holding South American cathodes for U.S. ports scrambled to divert them eastward, flooding Shanghai with offers and knocking the Yangshan premium 5% cent lower overnight. Shanghai futures sagged to a three-week low even as New York futures spiked 12%—an ocean's-width divergence that rewarded nimble shipping desks and left U.S. manufacturers staring at a worst-case landed cost of \$15,000 a tonne. Whether the tariff catalyses new American copper projects is another matter; **lobbyists note that a single mine can take a decade to permit**, and environmental opposition in places like Arizona and Minnesota is only growing fiercer. In the near term the duty looks set to enrich Chinese smelters, which are now bidding for the very metal Washington seeks to hoard.

Europe, meanwhile, spent the week discovering its own dependency the hard way. **Beijing's tightening of rare earth export licences—first announced in April but sharpened last week—landed like a thunderclap in Brussels, where officials are preparing for an EU-China summit that suddenly feels less ceremonial and more existential.** The bloc buys every gram of its refined rare earths and nearly all of its magnesium from China; a fresh parliamentary resolution condemned the curbs as coercive and called for emergency stockpiles of critical minerals and even

submarine-cable repair kits. Brussels is also drafting civil-defence guidance that urges households to keep 72 hours of supplies on hand—a wartime mentality creeping into peacetime bureaucracy.

Diversification is the buzzword, yet progress remains glacial: **France's first rare earth recycling plant will open in 2026** with an output equal to about one-eighteenth of last year's Chinese imports, and Belgian chemicals giant Solvay still ships semi-processed material back to China for final refining. Europe's predicament is the mirror image of America's: Washington lacks processing, Brussels lacks ore, and both now compete for the same finite pool of non-Chinese supply.

China, for its part, is wielding leverage abroad even as it tolerates pain at home. A Reuters scoop revealed that Beijing has threatened to cut off purchases of heavy rare earths from Myanmar's Kachin Independence Army unless the rebels halt an offensive near the border. Nearly half of global dysprosium and terbium originates in those jungle pits, and fighting has already halved shipments to Chinese refineries this year, **sending terbium prices briefly 50% higher**. Inside China, however, the export controls on rare earth technology have backfired: **magnet exports collapsed 75% in two months**, inventories ballooned in Baotou warehouses, and some magnet makers have trimmed output just as domestic EV sales lose momentum. The same policy that reminds Washington of China's chokehold is threatening Beijing's own mid-stream champions—a self-inflicted wound that may hasten consolidation but could also erode China's reputation as a reliable supplier.

Beyond rare earths, graphite elbowed its way into the spotlight after an industry briefing singled out five Western developers—from Syrah's Louisiana anode plant to Graphite One's Pentagon-backed Alaskan deposit—as the next line of defence

against China's near-total dominance of the anode market. Little wonder: graphite appears on eleven of twelve national critical mineral lists and is indispensable to everything from hypersonic-missile nosecones to the stealth coatings on F-35s. Yet the United States still imports every tonne it consumes, nearly half of it from China, and Beijing's December export-permit regime has already created six-month backlogs for aerospace customers. Investors tempted by lithium or cobalt hype would do well to remember that the bulk-tonnage materials—graphite, manganese, even copper—may prove the harder bottlenecks in a net-zero economy.

Where laws close doors, back channels open windows. U.S. customs data show antimony imports from Thailand and Mexico topping 3,800 tonnes since December, more than the previous three years combined, even though neither country mines significant antimony. The likely explanation is trans-shipment of Chinese cargo re-labelled en route; one Thai affiliate of a Chinese producer shipped twenty-seven times its prior volume to American buyers in five months. Beijing has vowed a crackdown, but enforcement is Sisyphean when price spreads are wide, and the grey market lectures investors on a timeless truth: embargoes raise margins for smugglers faster than they reshape supply chains.

If smuggling is the bottom of the supply chain, mergers and acquisitions sit at the top, and **China is buying assets with renewed urgency**. Outbound mining deals above 100 million dollars hit a ten-year high in 2024 and are on track to repeat the feat this year, from Zijin's billion-dollar play in Kazakhstan to Baiyin's copper gambit in Brazil. Chinese executives speak privately of a "closing window" before Western governments tighten investment screens further; until then they are writing cheques in jurisdictions their Western rivals deem too risky. For Beijing the strategy is straightforward: if your exports can

be weaponised, own more imports.

Washington's own stance grows murkier. This month's budget proposal would scrap the Inflation Reduction Act's ten-per-cent production credit for battery-metal mining even as a new memorandum orders agencies to fast-track permits. The mixed signals extend overseas: the administration hailed a U.S.-brokered pact between Congo and Rwanda that promises American companies access to Congolese minerals—resources often developed with Chinese capital—while simultaneously celebrating a détente with Beijing on rare earth trade. At home, the White House moved to reopen Minnesota's Boundary Waters to copper-nickel mining, inviting lawsuits from environmentalists but applause from nickel advocates. **Caught in the crossfire, industry chiefs pleaded on Capitol Hill for consistent incentives, warning that without them domestic producers risk another boom-bust cycle and, ultimately, bankruptcy.**

Layer onto that the decision by Congress to let federal electric-vehicle tax credits expire on September 30. Dealerships now anticipate a summer rush for battery cars followed by a potential slump, and analysts have trimmed U.S. EV adoption forecasts by 6% through 2030—a small percentage that nonetheless translates into millions of cars and, by extension, millions of tonnes of future lithium, nickel, cobalt and graphite demand. The short-term scramble to qualify vehicles before the deadline could spur a brief pop in battery-metal orders, but the longer-term signal is unmistakable: Washington is easing off the accelerator just as Brussels and Beijing double down.

Taken together, the week's cascade of announcements sketches a market governed as much by cabinet meetings and coup rumours as by drill-hole assays and processing margins. Governments intervened to build new supply chains and, within days, walled off old ones; allies awakened to their vulnerabilities while

adversaries flexed their leverage; and traders, ever adaptive, carved back-channels through the cracks. Investors are left navigating a sector where the price of dysprosium may hinge on a jungle skirmish and the cost of copper on a late-night tweet. **The new industrial revolution will not be a smooth glide from resource to refinery to showroom. It will be a jolting, tariff-ridden ride—and every mile of it will be paved, quite literally, with critical minerals.**

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The Rare Earth Reboot: How a DoD Buy-In Sparked a 50 % Rally (July 10, 2025, [Source](#)) – On July 10, 2025, the U.S. Department of Defense became the largest shareholder of [MP Materials Corp.](#) (NYSE: MP), committing billions to boost domestic rare earth magnet production. The agreement includes funding for a new “10X” factory expected to produce 10,000 metric tons of magnets annually by 2028, and a 10-year price guarantee of \$110/kg for key rare earths—double China's rate. This marks a significant shift in U.S. industrial policy, aiming to reduce dependence on China's 90% global processing share. MP Materials' stock surged nearly 50% following the announcement, signaling strong market support for the move.

Copper traders look to Chinese buyers in post Trump-tariff world (July 10, 2025, [Source](#)) – Global copper traders are redirecting shipments to China after U.S. President Donald Trump announced a 50% tariff on copper imports starting August 1. With uncertainty around the specific copper products affected, sellers are

rushing to offload cargoes previously bound for the U.S. China, the world's largest copper consumer, has seen a surge in offers, reaching the highest level in months. Traders are offering thousands of tons, including a 1,500-ton South American cargo. The Yangshan Copper Premium dropped 5% to \$62, while Shanghai copper futures declined for the fifth day, hitting their lowest since June 23.

China's rare earth export curbs spark EU concerns ahead of Beijing summit (July 10, 2025, [Source](#)) – The European Union is grappling with concerns over its heavy reliance on China for rare earths, especially after Beijing imposed export controls ahead of the upcoming EU-China summit. EU imports 100% of its rare earths and 97% of its magnesium from China. Lawmakers are calling for diversification through recycling and new trade deals, though analysts warn these strategies may take 10–15 years to yield results. Europe's first rare earth recycling plant, opening in France in 2026, will produce just 700 tonnes annually versus 12,900 tonnes imported in 2024. Meanwhile, companies like Solvay still depend on Chinese facilities for processing.

Top 5 Graphite Companies—Licence to Drill: A 00-Element Briefing on the James-Bond-Worthy Metal Behind Tomorrow's Arsenal (July 9, 2025, [Source](#)) – Graphite, though often overlooked, is critical to energy and defense technologies and appears on 11 of 12 national critical mineral lists. The U.S. imports 100% of its graphite—nearly half from China—sparking urgency to diversify supply. Five Western-listed companies lead efforts: [Syrah Resources Limited](#) (ASX: SYR) with U.S. anode production; [Nouveau Monde Graphite Inc.](#) (NYSE: NMG | TSX: NOU) with a green Quebec-based operation; [Talga Group Ltd.](#) (ASX: TLG) in Sweden with high-grade ore; [Renascor Resources Limited](#) (ASX: RNU) in Australia with government support; and [Graphite One Inc.](#) (TSXV: GPH | OTCQX: GPHOF) in Alaska, backed by the Pentagon. Military

uses range from aircraft frames to hypersonic shields, submarine parts, and stealth technologies.

How US buyers of critical minerals bypass China's export ban (July 9, 2025, [Source](#)) – Since China's ban on U.S. exports of antimony, gallium, and germanium, U.S. imports from Thailand and Mexico have surged, suggesting transshipment through third countries. Antimony imports from these two countries reached 3,834 metric tons from December to April, exceeding almost the previous three years combined. Notably, Thai Unipet, a subsidiary of China's Youngsun Chemicals, shipped 3,366 tons of antimony to the U.S. between December and May, significantly higher than previous levels. Although U.S. imports of these minerals have rebounded to near pre-ban levels, trade data indicates continued reliance on Chinese-origin materials through creative bypass methods.

Trump says 50% tariff on copper imports will begin Aug. 1 (July 9, 2025, [Source](#)) – U.S. President Donald Trump announced a 50% tariff on copper imports, effective August 1, 2025, citing national security concerns. The move aims to reduce reliance on foreign copper, which is critical for defense and tech applications. The U.S. currently imports nearly half of its copper, mainly from Chile. Copper prices surged following the announcement, with U.S. consumers potentially paying up to \$15,000 per ton versus \$10,000 globally. Commerce Secretary Lutnick emphasized the goal to boost domestic production, though experts caution this may take years. Analysts project global copper mine output to grow steadily, driven by increases in Chile, Mongolia, Peru, Russia, and Zambia.

Why China's ultimatum to Myanmar rebels threatens global supply of heavy rare earths (July 8, 2025, [Source](#)) – China issued an ultimatum to Myanmar's Kachin Independence Army (KIA), demanding they cease efforts to capture the strategic town of Bhamo,

threatening to halt imports of heavy rare earths mined in KIA-controlled areas. Nearly half the global supply of heavy rare earths, crucial for electric vehicles and wind turbines, originates from Kachin state and is processed in China. The KIA, undeterred by China's demands, intensified its offensive. Fighting has severely disrupted mineral exports, halving Myanmar's rare-earth shipments to China. Continued disruption risks causing significant shortages and price spikes in global heavy rare-earth markets.

China's rare earth export controls are good for Beijing, bad for business (July 7, 2025, [Source](#)) – China's export controls on rare earths have significantly impacted domestic magnet producers, exacerbating challenges from a sluggish economy and weakened EV market. Restrictions implemented in April caused magnet exports to plunge by 75% over two months, forcing automakers globally to halt production temporarily. Although a U.S.-China deal aims to restore supply chains, recovery will be slow due to licensing delays and logistical issues. Magnet manufacturers face dual pressures from disrupted exports and declining domestic demand, potentially triggering industry consolidation. Exports accounted for up to half the revenue of major magnet producers, making the ongoing restrictions particularly damaging.

Critical Minerals of Peril and Power: The Five-Element Spine of the Modern Arsenal (July 7, 2025, [Source](#)) – Critical minerals—rare earths, tungsten, titanium, gallium, and beryllium—form the backbone of modern defense technology. Rare earths enable precise controls and resilience against electromagnetic attacks; tungsten penetrates armor due to its density; titanium offers unmatched strength and heat resistance for aviation and submarine applications; gallium supports advanced radar and electronic warfare; and beryllium provides critical precision in navigation and optics. The global supply

chains of these minerals, largely dominated by China, face significant vulnerabilities. Western nations seek to secure alternative supplies, recognizing that any disruption could severely compromise military capabilities and geopolitical power.

China snaps up mines around the world in rush to secure resources (July 6, 2025, [Source](#)) – Chinese mining acquisitions abroad reached their highest level since 2013, with ten deals over \$100 million recorded in 2023. The surge is driven by China's efforts to secure raw materials critical to its industrial and high-tech ambitions amid rising geopolitical tensions. Companies like Zijin Mining and Baiyin Nonferrous have made billion-dollar deals in Kazakhstan and Brazil, respectively. Analysts note China's increasing sophistication in outbound M&A and willingness to invest in riskier jurisdictions. Western nations are becoming more cautious about Chinese investments due to the strategic importance of critical minerals used in sectors like EVs and renewable energy.

EU to stockpile critical minerals amid geopolitical risks, FT says (July 5, 2025, [Source](#)) – The European Union plans to stockpile critical minerals to safeguard against supply disruptions amid escalating geopolitical risks, according to a draft European Commission document cited by the Financial Times. The draft highlights a deteriorating risk environment, including cyber threats, armed conflict, and climate-related disruptions. It warns of limited clarity on essential goods required for crisis preparedness. The initiative builds on the EU Preparedness Union Strategy introduced in March, which called on member states to bolster reserves of critical equipment and advised citizens to maintain emergency supplies for at least 72 hours.

Trump Turns Critical Minerals Policy Into a Game of Dodge Ball

(July 3, 2025, [Source](#)) – The Trump administration's recent critical minerals policy reflects contradictory moves. Trump's July budget proposes removing the Inflation Reduction Act's 10% production credit for lithium, nickel, cobalt, and magnesium, potentially deterring investment in domestic mining. Simultaneously, a June presidential memorandum aims to streamline permitting and funding processes. Internationally, despite advocating self-reliance, Trump brokered agreements enhancing U.S. reliance on Congolese and Chinese resources. Domestically, reopening Minnesota's Boundary Waters region to mining sparked controversy and potential legal challenges. Amid these contradictions, industry leaders warn of financial instability and increasing vulnerability to foreign oversupply, urging policymakers to clarify their approach quickly.

US electric vehicle tax breaks will expire on Sept. 30 (July 3, 2025, [Source](#)) – U.S. electric vehicle (EV) tax credits of \$7,500 for new and \$4,000 for used EVs will expire on September 30 under new tax and budget legislation passed by Congress. Originally introduced in 2008 and expanded in 2022, these incentives have driven EV sales in recent years. Analysts expect a surge in EV purchases before the deadline, followed by a slowdown. The bill also removes penalties for automakers not meeting fuel economy standards and drops proposed EV-related fees. A Harvard study projects EV adoption will decline 6% by 2030, saving the government \$169 billion over ten years.

InvestorNews.com Media Highlights

- July 10, 2025 – The Rare Earth Reboot: How a DoD Buy-In Sparked a 50 % Rally <https://bit.ly/40aYY9k>
- July 10, 2025 – Critical Minerals Institute (CMI) Announces the Appointment of Brendon Grunewald to its Board of Directors, Expanding its Depth in Corporate

Finance and Technology-Driven Resource Strategies
<https://bit.ly/46lADBN>

- July 09, 2025 – Top 5 Graphite Companies–Licence to Drill: A 00-Element Briefing on the James-Bond-Worthy Metal Behind Tomorrow’s Arsenal <https://bit.ly/4lkx2sh>
- July 07, 2025 – Critical Minerals of Peril and Power: The Five-Element Spine of the Modern Arsenal <https://bit.ly/440wvJ2>
- July 03, 2025 – Trump Turns Critical Minerals Policy Into a Game of Dodge Ball <https://bit.ly/4eDE8F0>

InvestorNews.com Video Highlights

- July 09, 2025 – Silver on the Brink of “Going Ballistic”, Claims Nord Precious Metals’ Frank Basa <https://youtu.be/0Q5iFKJXMak>
- July 08, 2025 – Ucore’s Pat Ryan Leads a Gulf Coast Gambit to Rebuild America’s Rare Earth Supply Chain <https://youtu.be/FQZVB2IeEAc>
- July 03, 2025 – American Tungsten’s Idaho Revival Powers the U.S. Critical Minerals Offensive <https://youtu.be/ZIh8tQWRweY>

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- July 11, 2025 – Heap Leach Option delivers major cost reductions for Dubbo Project <https://bit.ly/4lSQWKN>
- July 10, 2025 – Homerun Resources Inc. Announces New Homerun Energy Website and “The Hub” AI-Powered Platform for Energy Management <https://bit.ly/3Tt3bS9>
- July 10, 2025 – Appia Earns Further 5.89% Legal and Beneficial Interest in the PCH Project

<https://bit.ly/4ksgxc7>

- July 10, 2025 – Power Metallic Provides an Update on Summer 2025 Exploration Programs at Nisk Project
<https://bit.ly/44Exb2C>
- July 9, 2025 – Rockland Resources Announces Appointment of Beryllium Expert Phil Sabey to Advisory Board
<https://bit.ly/3U164JV>
- July 9, 2025 – Strong Leach Recoveries and Low Impurities Drive Halleck Creek Closer to Unlocking Its Rare Earth Potential <https://bit.ly/3Gpb1cx>
- July 9, 2025 – Homerun Resources Inc. Announces Receipt of a Competitive Budgetary Offer for Latin America's First Dedicated Solar Glass Manufacturing Facility
<https://bit.ly/3GBQmSr>
- July 9, 2025 – Neo Wins Another Traction Motor Award with an Additional Tier 1 and OEM Customer in Europe
<https://bit.ly/3IhRA5S>
- July 8, 2025 – Homerun Resources Inc. Achieves Breakthrough in Silicon Carbide Synthesis with UC Davis, Leveraging Brazilian High-Purity Silica & Graphite Resources <https://bit.ly/3Tt0BM0>
- July 8, 2025 – Nano One Positioned for Rising LFP Demand, Aligned with Energy Strategies & Supporting Critical Mineral Localization Efforts Worldwide
<https://bit.ly/3GgaTfs>
- July 7, 2025 – Panther Metals PLC: Investor Update – Strategic Bitcoin Treasury Development
<https://bit.ly/4lggy4p>