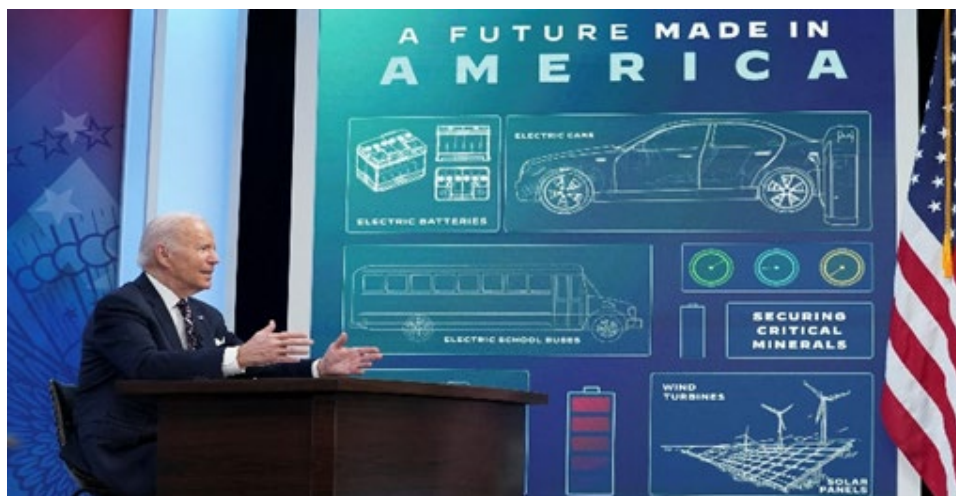


Last week, President Biden announced that there would be actions taken by both the federal government and private companies to strengthen the supply chain for various rare earth metals. These metals are critical in producing products such as electric vehicles, cell phones, and computers. As tensions rise in Ukraine, commodities, specifically the price of oil, have been the topic of discussion. Even with the S&P 500 Energy Sector Index (TR) and Bloomberg Commodity Index (TR) up more than 21% and 15% YTD respectively at the time of this writing, many believe that energy and commodity prices will continue to rise and serve as an effective hedge towards market volatility.

- Rare earths are 17 minerals that are difficult and costly to mine and process cleanly. Minerals such as lithium, graphite, and cerium are critical in producing products such as electric vehicles, wind turbines, computers, and batteries.
- According to VOA news, China controls 87% of the global permanent magnet market, as well as 55% of rare earths mining capacity and 85% of its refining.
- Russian incursion into Ukraine has sent European countries into a panic over natural gas shortages and U.S. consumers are bracing for higher gasoline prices as oil surpassed \$100/barrel last week.



Source: Reuters