CASE STUDY #485



CASE STUDY: "MINERALS COMPANY INVESTMENT ANALYSIS"

"The traders now have what they need to make informed decisions." -- Equity Research Analyst



ABOUT THE CLIENT	
Industry	**Asset Management Firm**
Assets Under Management	**$30 billion**
Location	**New York**
BSI Service or Solution	**Strategy Consulting**

Key Challenges

As the US executive branch issued multiple directives aimed at assuring American self-sufficiency in critical ores and rare earth minerals, investors were trying to understand the nature and size of demand, the location and cost of supply, and the economics of processing.

Why Boston Strategies was Selected

- First-hand access to companies at every stage in the value chains of rare earths and critical minerals
- Deep supply chain analysis expertise
- Reliable market forecasting tools
- Prior engagements involving rare earths and critical minerals

Project Scope

- Cerium, Dysprosium, Erbium, Europium, Gadolinium, Holmium, Lanthanum, Lutetium, Neodymium, Praseodymium, Samarium, Scandium, Terbium, Thulium, Ytterbium, Yttrium.

Project Approach

- Characterized the sources and uses, and described the value chains through which they are transformed and sold.
- Identified and prioritized gaps in supply versus demand, over time

Operational Benefits Realized

- Enabled a coherent investment strategy

Financial Benefits Realized

- An analysis was useful, as there was a 40% swing in return on investment between the highly profitable and the losing investments, as some rare earths cost more to excavate, separate or process than they return in sales.