

# White House News: Trumps test positive for COVID-19 and critical materials national emergency declared

As Americans wake up today they will learn that their President and First Lady have both tested positive for COVID-19 (coronavirus). This follows the other big news from the White House just two days earlier that an Executive Order has been issued declaring “**a national emergency**” to deal with the threat of a lack of critical minerals supply chain for the US. If we add in the debate earlier this week, it certainly has been a busy and bruising week for the White House.

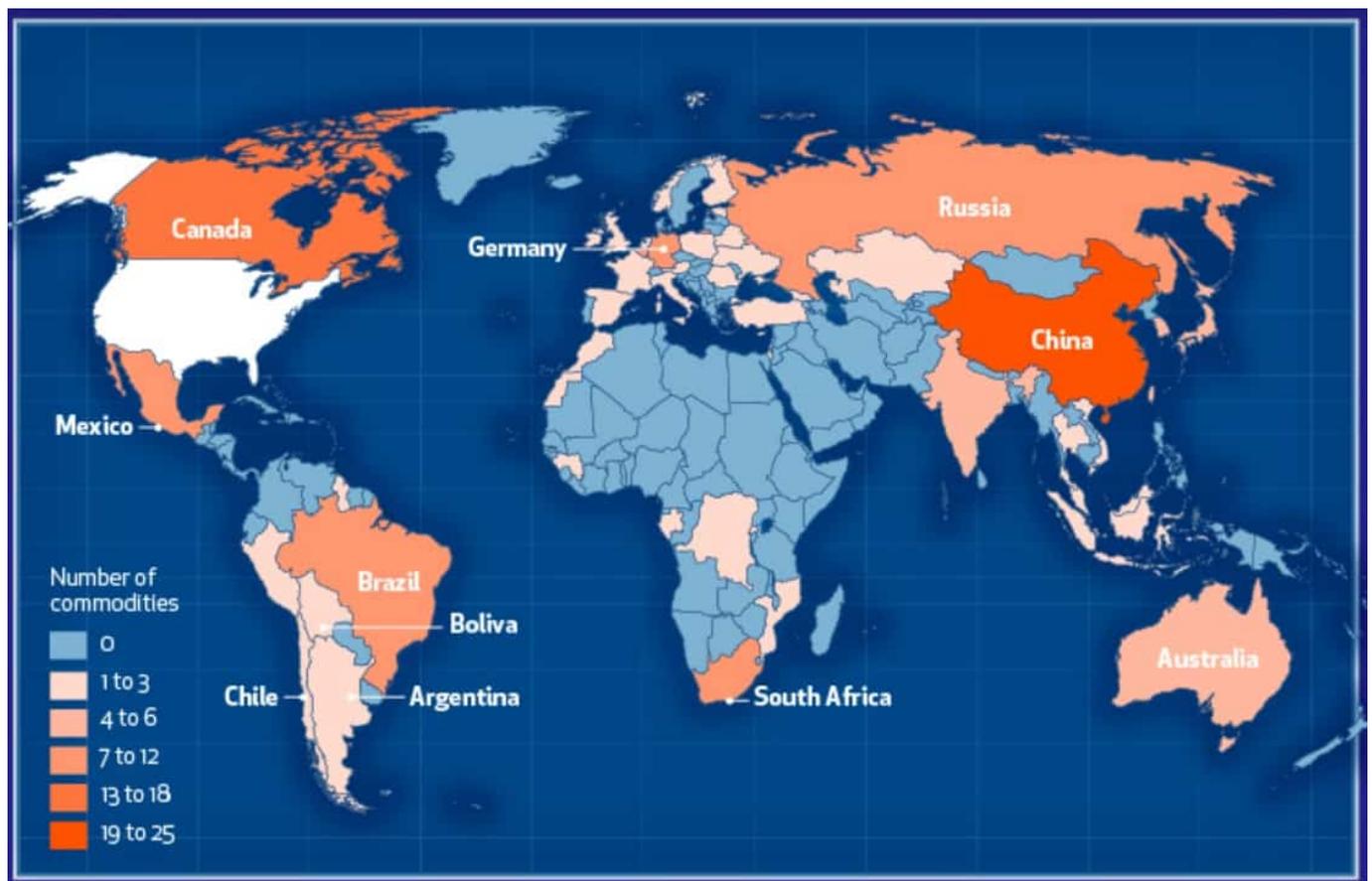
With just one month to go to the US election on November 3, the White House has been thrown into chaos. US futures have reacted negatively and are down. President Trump has been criticized for his poor handling of the COVID-19 crisis that has now infected almost 7.5m Americans and killed 212,694. Now he is one of them. There is no doubt as many Americans still await a long delayed stimulus package many will have mixed feelings about today’s news. For investors they will be watching the fallout as markets open.

But there is a ray of sunshine for investors in critical materials companies. On September 30 The White House announced: “Executive Order on addressing the threat to the domestic supply chain from reliance on **critical minerals** from foreign adversaries.”

The U.S. List of 35 critical minerals include the following:  
(1) Aluminum (bauxite); (2) Antimony; (3) Arsenic; (4) Barite;  
(5) Beryllium; (6) Bismuth; (7) Cesium; (8) Chromium; (9) Cobalt; (10) Fluorspar; (11) Gallium; (12) Germanium; (13)

Graphite (natural); (14) Hafnium; (15) Helium; (16) Indium; (17) Lithium; (18) Magnesium; (19) Manganese; (20) Niobium; (21) Platinum Group of Metals; (22) Potash; (23) The Rare Earth Elements Group: (Cerium, Dysprosium, Erbium, Europium, Gadolinium, Holmium, Lanthanum, Lutetium, Neodymium, Praseodymium, Promethium, Samarium, Terbium, Thulium, Ytterbium and Yttrium); (24) Rhenium; (25) Rubidium; (26) Scandium; (27) Strontium; (28) Tantalum; (29) Tellurium; (30) Tin; (31) Titanium; (32) Tungsten; (33) Uranium; (34) Vanadium and (35) Zirconium. The six underlined are those included in the ORE Act, which also seeks to secure US supply or these 6 critical materials.

Major US import sources of non-fuel mineral commodities – China dominates



Source: Courtesy US Geological Survey

The key points of the September 30 President Trump critical minerals Executive Order are:

- The US's undue reliance on critical minerals, in processed or unprocessed form, from foreign adversaries constitutes an unusual and extraordinary threat. "I (President Trump) hereby declare a national emergency to deal with that threat."
- "By expanding and strengthening domestic mining and processing capacity today, we guard against the possibility of supply chain disruptions and future attempts by our adversaries or strategic competitors to harm our economy and military readiness."

In response to the threat President Trump proposes several measures to be taken with different time frames ranging from 30 to 60 days from September 30, 2020.

The Executive Order says the US Gov. will look into giving "grants to procure or install production equipment for the production and processing of critical minerals in the United States", "loan guarantees" and for projects that support domestic supply chains "funding awards and loans pursuant to the Advanced Technology Vehicles Manufacturing incentive program."

For investors in the critical minerals mining sector this is good news and very welcome. The main winners so far have been the US or Canadian based critical minerals companies or those that can help supply the USA with critical minerals. Some examples have been Lithium Americas (lithium), Westwater Resources (graphite), most of the rare earths companies, and most of the electric vehicle (EV) metal miners.

**InvestorIntel Rare Earths Watchlist Top 5 from October 1, 2020**



## Source

The Tesla Battery Day revelations now mean that the EV revolution will rapidly accelerate. Tesla plans to have 3TWh of battery capacity by 2030, which will be enough for Tesla to make 20 million (m) EVs per year plus energy storage products. To get a feel for the demand shock wave to hit EV metal miners, if Tesla produces 20m EVs in 2030 that will require 2.7m tonnes of lithium carbonate equivalent (LCE), which is 9x total 2019 global supply. Wow!

Investing in the critical materials miners and other parts of the supply chain to support the US this decade, as the world rapidly moves to renewable energy and EVs, just got a HUGE boost.

Now we wait and see what happens next with President and Lady Trump, the US election, and the COVID-19 pandemic. No-one can say that 2020 has been a boring year!