

Enter the age of the multi-screen living room



Yes it's that time of year again when all consumer electronics geeks head over to Las Vegas for the Consumer Electronics Show. Everyone who's anyone except Microsoft, will be there, demonstrating their very latest in new products from super-duper smart phones and tablets, to oversized 3D High Definition TVs. Microsoft has abandoned the

show from last year. From the pre-CES 2013 publicity pictures I've seen, 3D TV still requires wearing special eyeglasses, which I'm not convinced is ever really going to catch on. OLED HDTVs and super power-efficient ultra HDTVs, seem more likely to succeed to me, even if they lack the extra bells and whistles of a 3D TV.

We're about to enter the age of the multi-screen living room, apparently according to the experts, with a growing wired and wireless interactivity between our smart phones and tablets and the latest TVs. The worldwide electronics industry's sales are expected to grow by 4 percent in 2013, according to market research firm GfK, after a drop of 1 percent in 2012. All eyes at this year's show are on the offerings from loss making Japanese firms Panasonic, Sony and Sharp. Can they compete in 2013 with Apple, Samsung and China's Huawei? After racking up combined losses of 19 billion US dollars last year, will all three manage to survive in 2013? Weakest by far is Sharp, whose bonds have now been rated as junk. But Japan's new Prime Minister has made weakening the Yen his top priority, in an effort to rescue Japan's leading exporters.

2013 is supposed to be the year of the big comeback against Chinese and South Korean competitors. A whole lot is riding on interactive ultra HD TV in 2013.

Last year's show ushered in basic voice control, but the industry is expected to show a big advance on the range of commands that can be now executed by voice control in a more natural language form. Other things to look for, include the arrival of graphene in new products, perhaps a contender to eventually replace or enhance Corning's Gorilla Glass. Will this be the last hurrah of the silicon chip or has the graphene chip still to make it out of the lab?

From our parochial Rare Earth Elements perspective, the commercial success of the very latest in consumer electronics, will probably determine if 2012 was the bottom of the market in the rare earth sector. If 2013 marks the turning point in our western struggle to get back to sustainable recovery. If it does, 2013 becomes an entry point year for value investors. There will be a whole lot riding on the next few days announcements and demonstrations and their commercial success.