



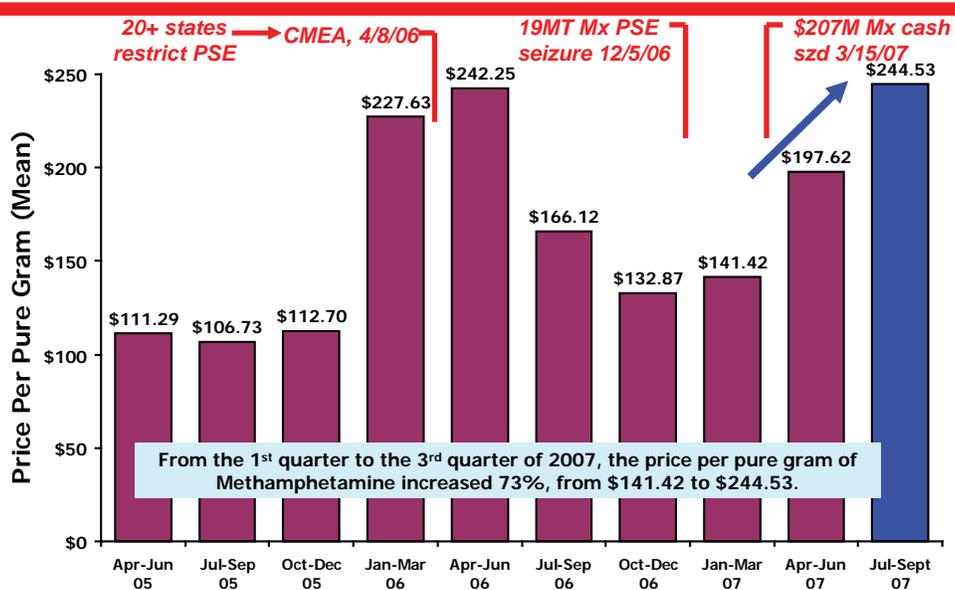
fact sheet:

methamphetamine market disruptions

Office of National Drug Control Policy 2007

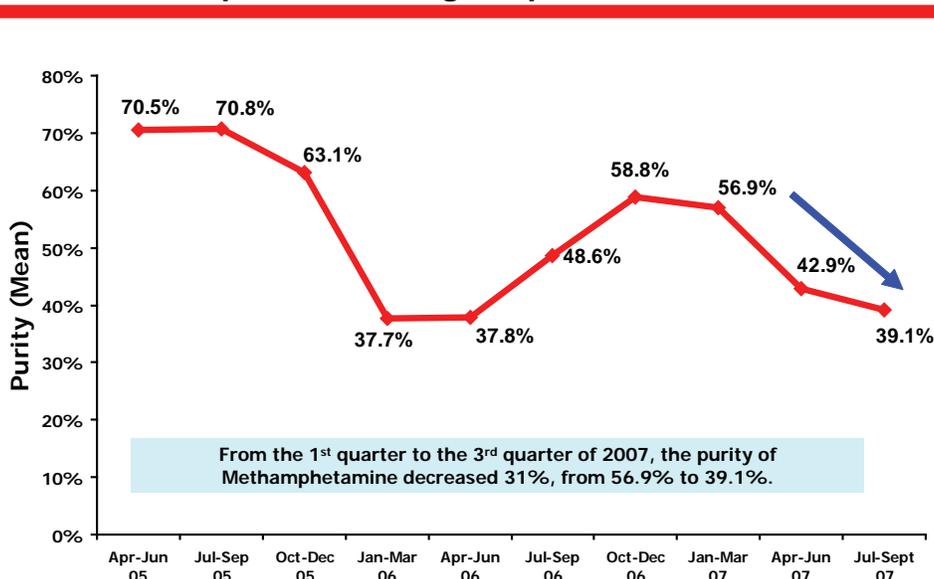
New data indicate a significant disruption in the U.S. market for methamphetamine, driven by increases in price and decreases in purity. According to the Drug Enforcement Administration's (DEA) System to Retrieve Information on Drug Evidence (STRIDE) database, the average price per pure gram of methamphetamine increased 84 percent from 2006 through 2007, from \$152.39 to \$280.06. During that same period, the purity of methamphetamine dropped 26 percent.

U.S Methamphetamine Purchase Prices: April 2005 through September 2007



Source: Drug Enforcement Administration, Methamphetamine Price/Purity Analysis of STRIDE Data (Nov 2007).

U.S Methamphetamine Purchase Purity: April 2005 through September 2007



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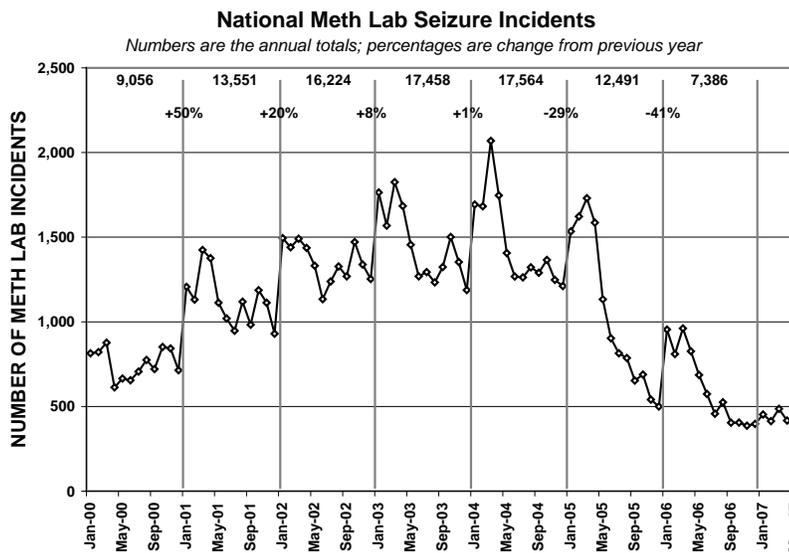
Several factors may be responsible for spurring the market disruption, from domestic controls on precursor chemicals, to enhanced international cooperation.

Domestically

Since the State of Oklahoma passed the first methamphetamine precursor regulation in 2004, more than 40 States have enacted legal restrictions on the retail sale and distribution of products containing methamphetamine's precursor chemicals - pseudoephedrine and ephedrine.

In 2006, President George W. Bush signed the Combat Methamphetamine Epidemic Act into law. Combat Methamphetamine supplements and supports State efforts against methamphetamine precursor chemicals, and creates a national standard for the retail distribution of products containing methamphetamine precursor chemicals.

These local, State and national efforts have proven successful, as domestic methamphetamine lab incidents have decreased 57 percent throughout the U.S. from 2004 - 2006 (17,170 to 7,347). DEA's El Paso Intelligence Center (EPIC) data shows a distinct downward trend in the total number of clandestine lab incidents for the illicit manufacture of methamphetamine from a high of 17,564 in 2004 to the historic low of 7,347 in 2006. (A 58 percent decrease since 2004.)



Source: National Seizure System (NSS), El Paso Intelligence Center, extracted Sept 2007

Internationally

As domestic pressure ramped up, and the number of small toxic labs decreased, Mexican drug trafficking organizations soon sought to fill the supply void created by domestic U.S. controls on precursor chemicals, and began exporting finished meth into the United States.

Mexico has been a key partner of the United States in our joint fight against methamphetamine. For the last three years, Mexico has dramatically reduced the availability of essential precursor chemicals for the manufacture of methamphetamine. The importation of pseudoephedrine and ephedrine into Mexico will be banned by January of 2008. All use of the precursor chemicals will be banned throughout Mexico by January of 2009 – further reducing the ability of methamphetamine manufacturers to produce and traffic the methamphetamine into the United States. President Calderon also has overseen an aggressive crackdown on drug traffickers and drug-related violence, particularly along the U.S. – Mexico border.

The Way Forward

Far too many communities still suffer the consequences of meth production, trafficking, and use. It is not clear how long these positive trends in price and purity will last, nor how broadly they will be observed across the country. But they do present an important opportunity to shore up both supply and demand reduction efforts to sustain and extend this important progress.

