CLAIMS:

1. A water-soluble fluid for use in machining of rare earth magnet, in the form of an aqueous solution comprising an organic acid, a basic compound, and a polymeric flocculant, wherein the organic acid is present in a concentration of 1 to 5 g/L.

2. A water-soluble fluid when used in machining of rare earth magnet, in the form of an aqueous solution comprising an organic acid, a basic compound, and a polymeric flocculant, wherein the organic acid is present in a concentration of 1 to 5 g/L.

3. The fluid of claim 1 or 2 wherein the polymeric flocculant is a nonionic polymeric flocculant.

~~3~~4. The fluid of claim ~~2~~—3 wherein the nonionic polymeric flocculant is a polyacrylamide polymeric flocculant.

~~4~~5. The fluid of any one of claims 1 to ~~3~~—4 wherein the polymeric flocculant is present in a concentration of 5 to 1,000 ppm.

6. The fluid of any one of the preceding claims wherein the organic acid is a carboxylic acid.

7. The fluid of claim 6 wherein the organic acid is selected from the group consisting of octanoic acid, nonanoic acid, decanoic acid, and dodecanedioic acid.

8. The fluid of any one of the preceding claims wherein the basic compound is present in a concentration of 1.0 to 3.0 times the neutralization equivalent of the organic acid.

9. The fluid of any one of the preceding claims wherein the basic compound is alkanolamines.

~~5~~10. Use of t~~T~~he fluid of any one of claims 1 to ~~4~~9, ~~which is used~~ in machining of neodymium-iron-boron magnet.