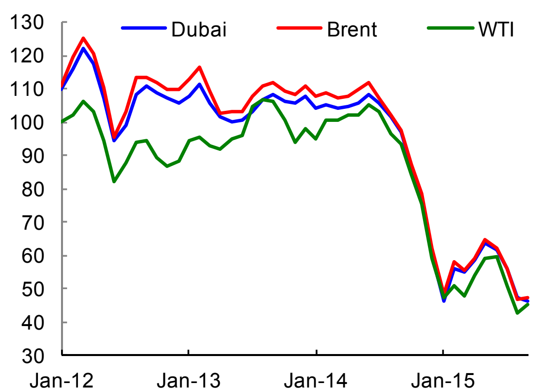
Commodity Market Monthly

Research Department, Commodities Unit

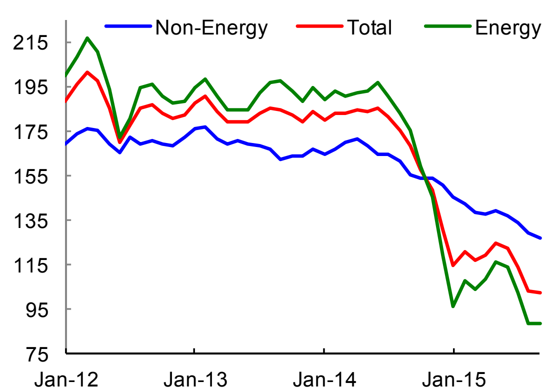
October 7, 2015 **www.imf.org/commodities** **commodities@imf.org**

Commodity prices fell 0.8 percent in September, extending losses to four months, with the decline in agriculture, offsetting gains in energy and metals. For the first nine months in 2015 commodity prices fell 21 percent, led by a 24 drop in crude oil prices, followed by declines in metals and agriculture prices of 19 and 14 percent, respectively.

Crude Oil Prices
($/barrel)



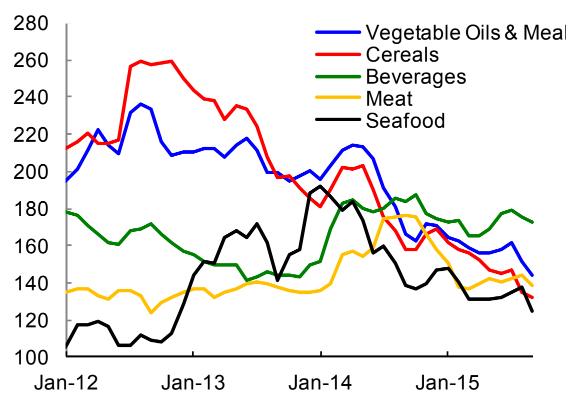
IMF Commodity Price Indices
(2005 = 100)

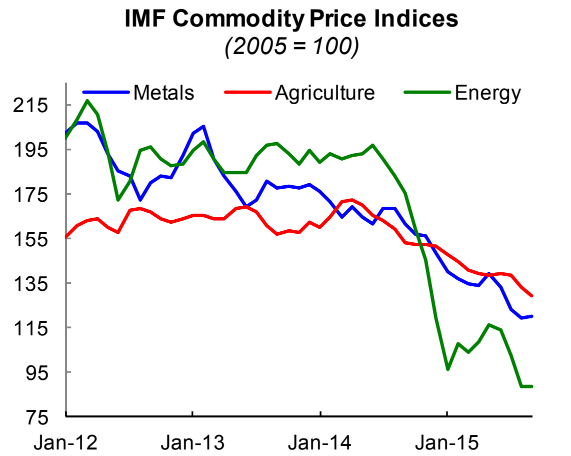


Crude oil prices increased by 1.2 percent in September, averaging $46.3/bbl. This is the first monthly increase in four months, due in part to a sharp drop in investment in the oil sector, including continued falling number of operational oil rigs in the United States. Global growth in oil consumption has been strong, which has also supported oil prices.

Natural gas prices in the U.S. decreased by 4.2 percent in September, averaging $2.65/mmbtu, in response to fast growth in inventories and an oversupplied market. **Coal prices (Australia) fell 7.5 percent** in September, due to persistent oversupply and weak demand.

IMF Commodity Price Indices
(2005 = 100)





Agriculture prices decreased 2.9 percent in September, down for the third consecutive month. Food and beverages prices fell 4 and 1 percent, respectively, while agricultural raw material prices remained broadly unchanged. Wheat and soybeans prices declined 4 and 7 percent, respectively, owing to strong supply, persistent high inventories and concerns regarding future demand from China. Rice prices fell 4 percent mainly due to relatively weaker demand. Coffee prices as a whole decreased 6 percent, reversing gains from the previous month, as favorable weather in Brazil improved production prospects. Cotton prices dropped 4 percent on slower consumption growth, particularly from Asia. Beef and swine prices fell 5 and 8 percent, respectively, due to stronger U.S. supply. Partly offsetting these declines, corn prices increased 2 percent in response to marginal downward revisions to projected production. Cocoa prices rose 4 percent on lower supply from Ghana and concerns an intensifying El Nino event may affect crops across West Africa. Sugar prices increased 14 percent, after hitting a seven year low in August, as a result of lower supply from India and weak exports from Brazil.

Metals prices increased by 1.2 percent in September, up for the first time in four months. The largest increase was for aluminum, up 3 percent, mostly from the beginning of September, partly due to a decline in China's aluminum production. Copper and iron ore also increased around 2 percent mostly during the first half of the month, before picking up the falling trend again on remaining over-supply. Nickel continued to hit fresh record lows in six years, dropping 4 percent in September, following China's weak manufacturing data. Zinc also extended its loss to the fourth month, dropping 5 percent, due to concerns of rising stocks and falling demand in China.

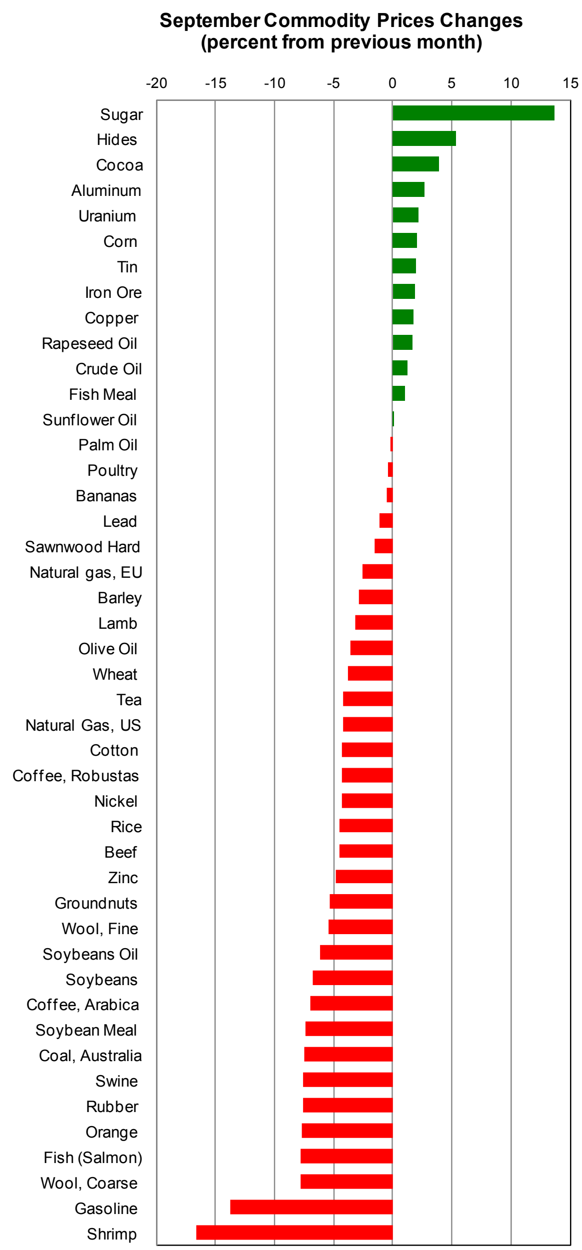


Table 1. Market Prices for Non-Fuel and Fuel Commodities

	Units	2012	2013	2014	2014Q4	2015Q1	2015Q2	2015Q3	Aug-15	Sep-15
Food										
Cereals										
Wheat	$/MT	313.3	312.2	284.9	257.9	238.8	216.1	183.4	179.8	173.1
Maize	$/MT	298.4	259.0	192.9	173.5	174.2	168.4	169.4	162.7	166.0
Rice	$/MT	580.2	518.8	426.5	420.8	406.6	381.8	374.0	375.6	358.8
Barley	$/MT	238.2	206.4	146.1	122.0	132.2	128.1	127.9	126.4	122.7
Vegetable oils and protein meals										
Soybeans	$/MT	537.8	517.2	457.8	370.9	363.9	354.6	347.6	347.0	323.6
Soybean meal	$/MT	473.3	477.3	467.0	406.7	372.7	348.0	369.3	370.4	343.0
Soybean oil	$/MT	1151.8	1011.1	812.7	716.1	696.4	715.4	638.3	628.7	590.3
Palm oil	$/MT	939.8	764.2	739.4	653.3	627.9	599.9	514.6	484.7	483.5
Fish meal	$/MT	1624.3	1710.5	1921.5	2192.7	2031.9	1744.2	1558.9	1552.0	1567.7
Sunflower Oil	$/MT	1489.5	1341.1	1080.3	1054.2	974.0	1062.3	1010.4	980.3	981.7
Olive oil	$/MT	3135.7	3816.7	3911.8	4262.5	4568.3	4865.3	5616.4	5886.2	5673.2
Groundnuts	$/MT	1688.2	2314.5	2148.3	1940.1	2016.8	2023.4	2012.9	2042.5	1932.5
Rapeseed oil	$/MT	1239.1	1081.2	904.4	824.4	755.1	772.6	772.7	754.4	767.2
Meat										
Beef	cts/lb	187.9	183.6	224.1	256.0	216.6	202.9	206.3	212.0	202.4
Lamb	cts/lb	100.9	106.7	130.6	130.2	122.5	112.4	101.3	99.3	96.1
Swine Meat	cts/lb	82.8	86.5	102.8	90.3	65.5	71.9	73.8	75.6	69.8
Poultry	cts/lb	94.3	103.8	110.1	113.9	114.0	115.6	115.5	115.5	115.0
Seafood										
Fish	$/kg	4.8	6.8	6.6	5.8	5.6	5.1	5.3	5.4	5.0
Shrimp	$/kg	10.1	14.0	16.6	14.3	15.7	15.7	15.0	15.9	13.2
Sugar										
Free market	cts/lb	21.4	17.7	17.1	15.8	14.1	12.6	11.6	10.7	12.1
United States	cts/lb	28.9	21.2	24.9	25.3	24.8	24.6	24.5	24.5	24.4
EU	cts/lb	26.4	26.0	27.4	26.3	25.2	25.5	25.8	25.9	25.5
Bananas	$/MT	984.3	926.4	931.9	911.9	974.8	978.4	948.9	956.7	951.8
Oranges	$/MT	868.0	967.3	782.5	739.8	698.5	616.9	652.1	684.3	631.9
Beverages										
Coffee										
Other milds	cts/lb	187.6	141.1	202.8	213.5	177.0	161.0	153.2	158.8	147.7
Robusta	cts/lb	110.6	100.5	105.6	106.6	101.4	96.7	90.9	91.9	88.0
Cocoa Beans	$/MT	2377.1	2439.1	3062.8	2985.6	2918.5	3068.1	3252.8	3154.0	3278.5
Tea	cts/kg	348.9	266.0	237.9	247.6	291.2	320.1	387.2	387.3	371.2
Agricultural raw materials										
Timber										
Hardwood										
Logs 1/	$/M3	360.5	305.4	282.0	260.4	249.9	245.4	243.6	241.7	247.8
Sawnwood 1/	$/M3	876.3	852.8	897.9	862.6	826.2	834.8	844.9	850.0	836.7
Softwood										
Logs 1/	$/M3	148.0	164.5	174.3	181.5	169.8	159.1	153.7	153.7	153.7
Sawnwood 1/	$/M3	284.7	301.4	307.3	302.1	306.8	298.0	307.5	307.5	307.5
Cotton	cts/lb	89.2	90.4	83.1	68.7	68.8	72.3	71.0	71.8	68.7
Wool										
Fine	cts/kg	1345.3	1197.7	1074.4	1029.4	947.8	1079.7	999.7	1022.7	966.7
Coarse	cts/kg	1212.6	1128.1	1030.4	954.3	887.7	962.7	942.0	979.3	902.5
Rubber	cts/lb	153.2	126.8	88.8	73.5	78.6	81.2	66.1	64.4	59.5
Hides	cts/lb	83.2	94.7	110.2	112.7	105.8	96.8	76.1	71.0	74.8

1/ Provisional.

2/ Average Petroleum Spot Price (APSP). Average of U.K. Brent, Dubai, and West Texas Intermediate, equally weighted.

Table 1. Market Prices for Non-Fuel and Fuel Commodities (Continued)

	Units	2012	2013	2014	2014Q4	2015Q1	2015Q2	2015Q3	Aug-15	Sep-15
Metals										
Copper	$/MT	7958.9	7331.5	6863.4	6632.3	5833.2	6056.6	5267.1	5127.3	5217.3
Aluminum	$/MT	2022.8	1846.7	1867.4	1970.4	1802.1	1770.3	1592.4	1548.1	1589.6
Iron Ore	$/MT	128.5	135.4	96.8	74.0	62.3	57.9	54.4	55.4	56.4
Tin	$/MT	21109.4	22281.6	21898.9	19897.9	18370.0	15589.8	15229.5	15163.8	15453.3
Nickel	$/MT	17541.7	15030.0	16893.4	15860.5	14392.8	13055.8	10578.9	10386.0	9937.5
Zinc	$/MT	1950.0	1910.2	2161.0	2235.3	2079.8	2192.2	1842.8	1807.6	1720.2
Lead	$/MT	2063.6	2139.7	2095.5	2000.9	1810.4	1942.2	1717.0	1703.6	1684.3
Uranium	$/lb	48.9	38.6	33.5	37.8	37.9	36.8	36.4	36.1	36.9
Energy										
Spot Crude 2/	$/bbl	105.0	104.1	96.2	74.5	51.7	60.4	48.8	45.7	46.3
U.K. Brent	$/bbl	112.0	108.8	98.9	76.0	54.0	62.1	50.0	47.0	47.2
Dubai	$/bbl	108.9	105.4	96.7	74.6	52.5	61.4	49.9	47.3	46.1
West Texas Intermediate	$/bbl	94.1	97.9	93.1	73.1	48.7	57.8	46.5	42.9	45.5
Natural Gas										
Russian in Germany	$/mmbtu	12.0	11.2	10.5	10.3	9.4	7.4	6.6	6.7	6.5
Indonesian in Japan (LNG)	$/mmbtu	18.1	17.3	17.0	16.1	14.4	9.6	8.9	8.8	8.5
US, domestic market	$/mmbtu	2.8	3.7	4.4	3.8	2.9	2.7	2.7	2.8	2.6
Coal										
Australian, export markets	$/MT	103.2	90.6	75.1	67.4	65.6	63.2	61.4	62.8	58.0

1/ Provisional.
2/ Average Petroleum Spot Price (APSP). Average of U.K. Brent, Dubai, and West Texas Intermediate, equally weighted.

Table 2. Indices of Market Prices for Non-Fuel and Fuel Commodities, 2012-2015

(2005=100, in terms of U.S. dollars) 1/

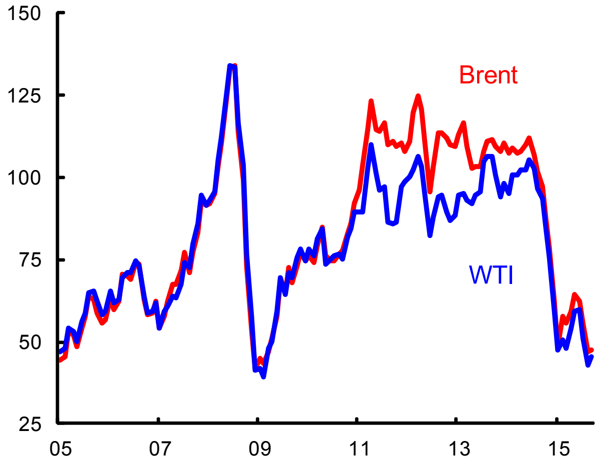
	(weights) 1/	2012	2013	2014	2014Q4	2015Q1	2015Q2	2015Q3	Aug-15	Sep-15
All Primary Commodities 2/	100.0	186.3	183.3	171.8	145.6	117.6	122.3	106.9	103.6	102.8
Non-Fuel Commodities	36.9	171.0	169.0	162.3	152.7	142.3	138.2	130.2	129.4	127.0
Agriculture	26.2	162.8	163.3	161.5	152.2	144.4	139.3	134.0	133.6	129.6
Food	16.7	175.6	177.6	170.2	157.5	148.3	142.0	138.8	139.3	133.3
Cereals	3.6	236.4	218.3	180.3	164.3	158.6	148.2	138.1	135.0	132.6
Vegetable oils and protein meals	4.4	215.9	206.4	190.7	168.5	161.9	156.9	152.4	151.1	144.1
Meat	3.7	133.3	136.8	160.5	166.4	142.1	140.5	141.9	144.5	138.5
Seafood	3.2	113.3	160.1	162.0	141.0	139.8	131.6	132.5	138.0	124.5
Beverages	1.8	167.4	147.4	178.0	180.0	170.4	170.4	175.9	175.3	172.9
Agricultural raw materials 3/	7.7	134.0	136.2	138.8	134.2	129.6	125.9	113.6	111.3	111.5
Timber	3.4	107.4	107.3	109.3	106.4	104.6	102.6	104.1	104.1	104.0
Metals	10.7	191.0	182.9	164.1	154.0	137.4	135.5	121.0	119.2	120.6
Edibles 4/	18.5	174.8	174.6	171.0	159.7	150.5	144.8	142.5	142.8	137.2
Industrial Inputs 5/	18.4	167.1	163.3	153.5	145.7	134.1	131.5	117.9	115.9	116.8
Energy 6/	63.1	195.2	191.7	177.4	141.4	103.1	113.0	93.3	88.5	88.6
Petroleum 7/	53.6	197.9	195.9	181.1	140.2	97.4	113.7	91.9	86.1	87.0
Natural Gas	6.9	171.2	164.9	159.9	153.6	136.9	102.4	93.8	93.8	91.2
Coal	2.6	202.1	176.8	149.1	134.2	129.7	125.4	119.8	121.9	113.3

1/ Weights based on 2002-2004 average world export earnings.
2/ Non-Fuel Primary Commodities and Energy Index.
3/ Includes Forestry Products.
4/ Edibles comprised of Food and Beverages
5/ Industrial (Non-Fuel) Inputs comprised of Agriculture and Metals
6/ Includes Petroleum, Natural Gas and Coal
7/ Average Petroleum Spot Price (APSP). Average of U.K. Brent, Dubai, and West Texas Intermediate, equally weighted.

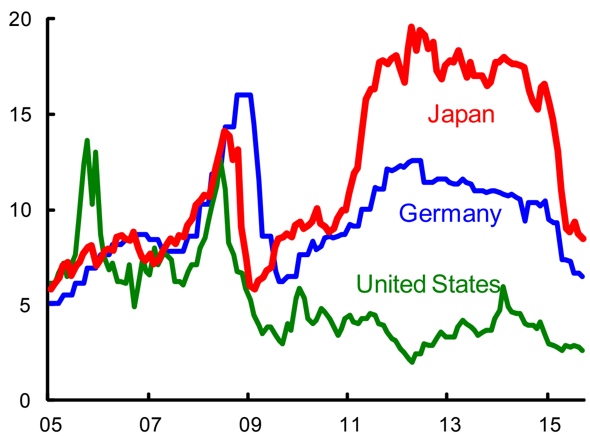
Commodity Prices Movements

Monthly (from 2005)

Crude oil ($/bbl)

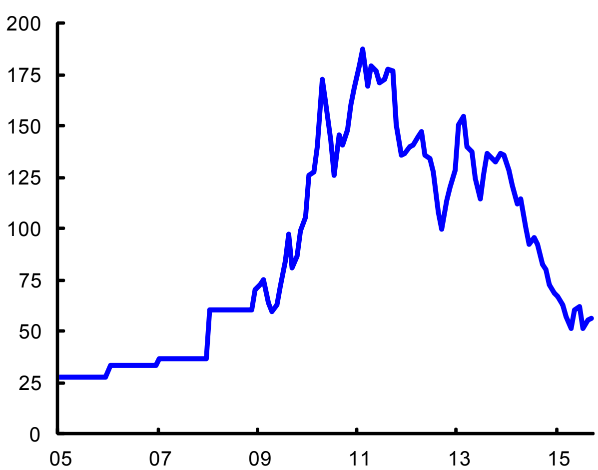


Natural Gas ($/mmbtu)



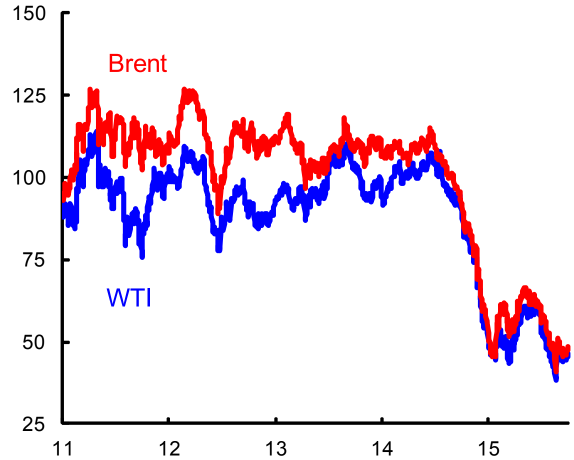
Sources: Energy Intelligence; Bloomberg, L.P.

Iron Ore ($/ton)

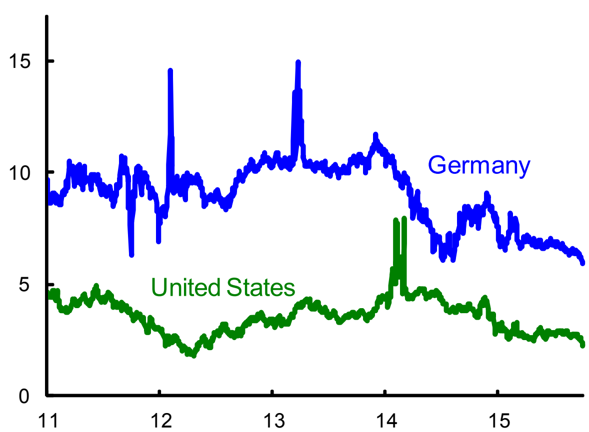


Daily (from 2011)

Crude oil ($/bbl)



Natural Gas ($/mmbtu)



Source: Bloomberg, L.P.

Iron Ore ($/ton)

Commodity Prices Movements (Continued)

Monthly (from 2005)

Copper ($/ton)

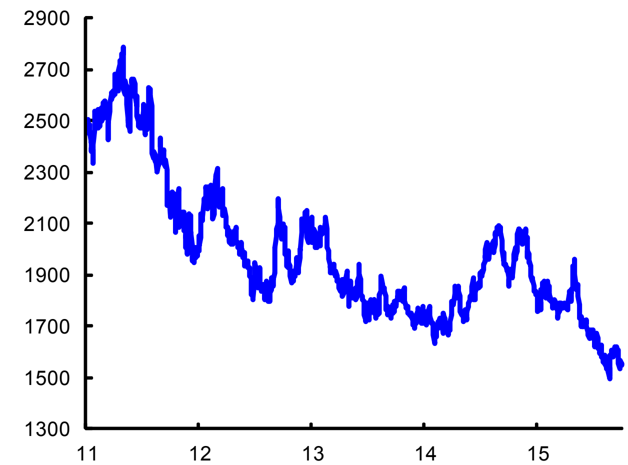
Aluminium ($/ton)

Nickel ($/ton)

Daily (from 2011)

Copper ($/ton)

Aluminium ($/ton)



Nickel ($/ton)

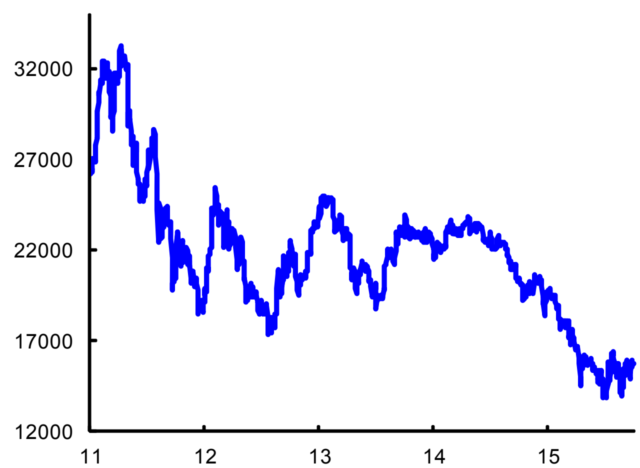
Commodity Prices Movements (Continued)

Monthly (from 2005)

Tin ($/ton)

Daily (from 2011)

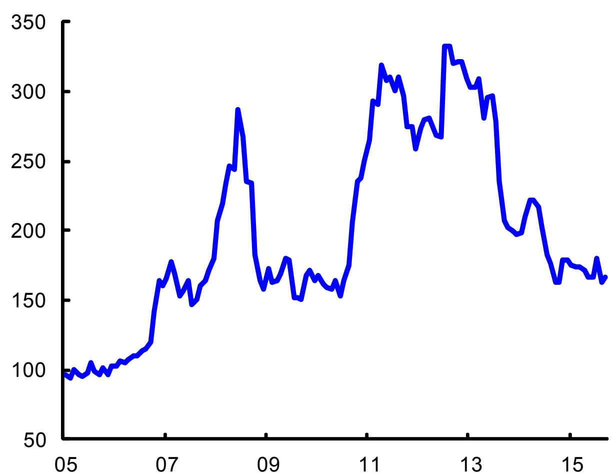
Tin ($/ton)



Wheat ($/ton)

Wheat ($/ton)

Corn ($/ton)



Corn ($/ton)

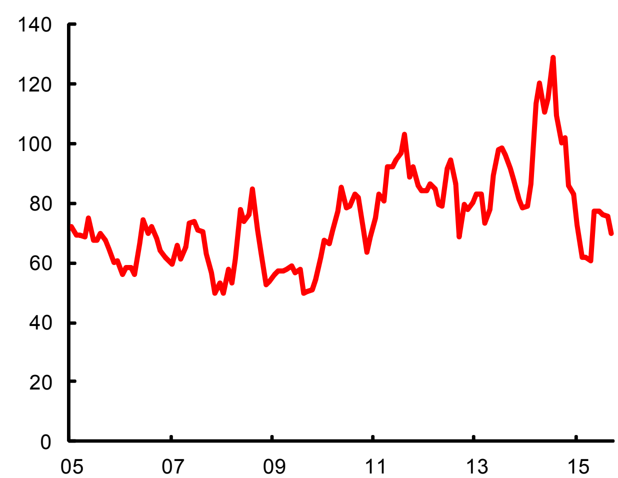
Commodity Prices Movements (Continued)

Monthly (from 2005)

Cocoa ($/ton)

Coffee (cents/lb)

Swine (cents/lb)

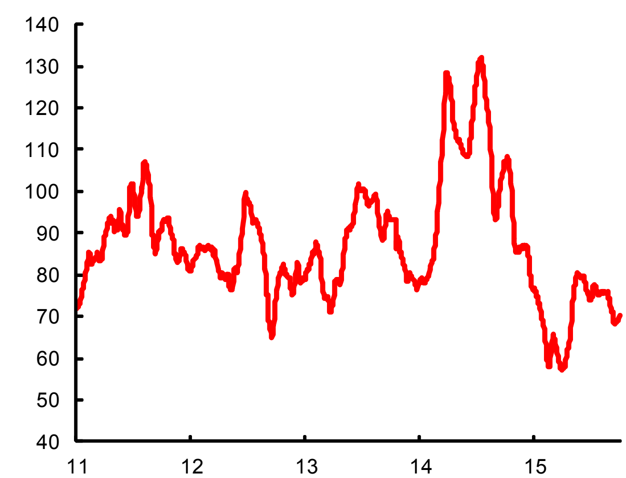


Daily (from 2011)

Cocoa ($/ton)

Coffee (cents/lb)

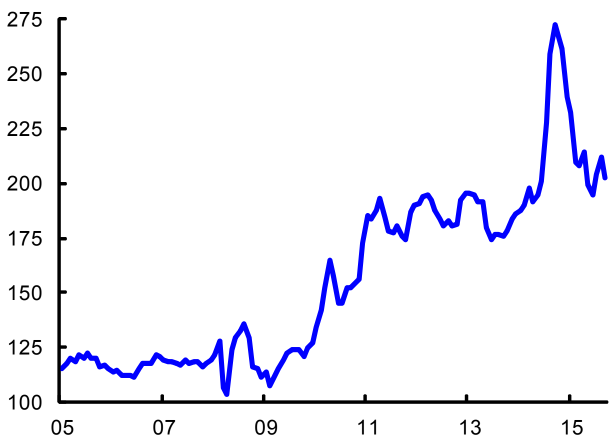
Swine (cents/lb)



Commodity Prices Movements (Continued)

Monthly (from 2005)

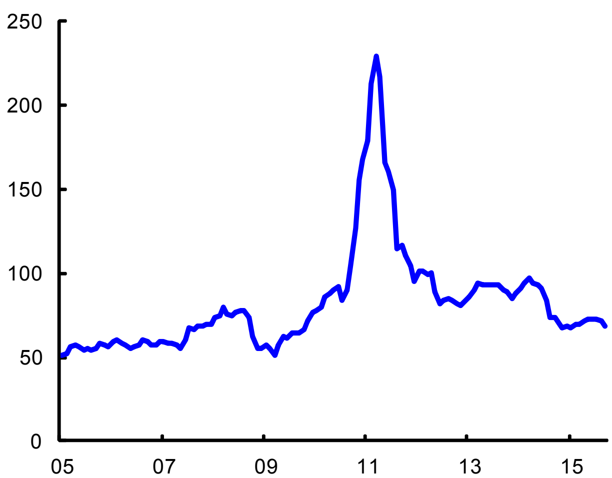
Beef (cents/pound)



Source: Meat & Livestock Australia.

Soybeans ($/ton)

Cotton (cents/pound)

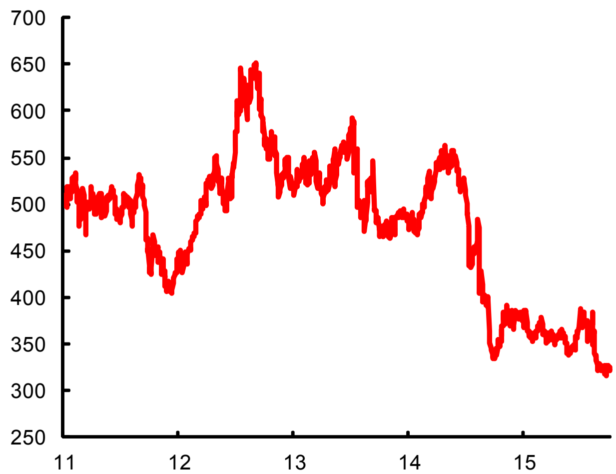


Daily (from 2011)

Beef (cents/lb)

Source: Bloomberg, L.P.

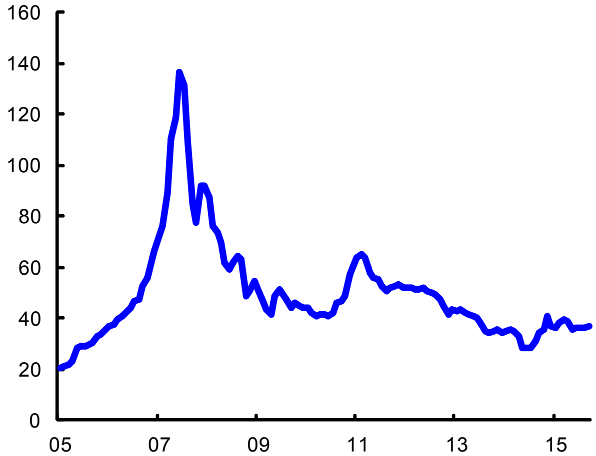
Soybeans ($/ton)



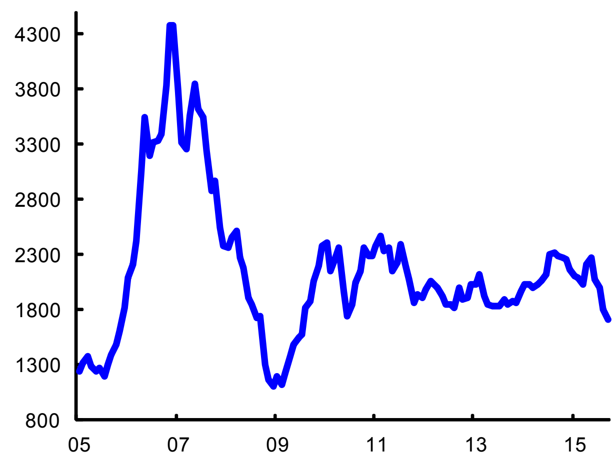
Cotton (cents/lb)

Commodity Prices Movements (Continued)
Monthly (from 2005)

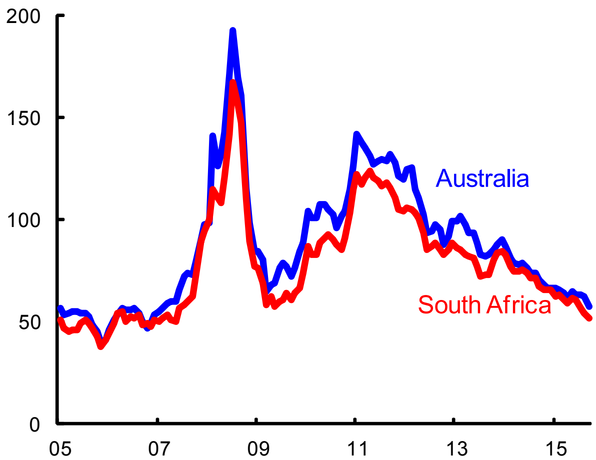
Uranium($/lb)



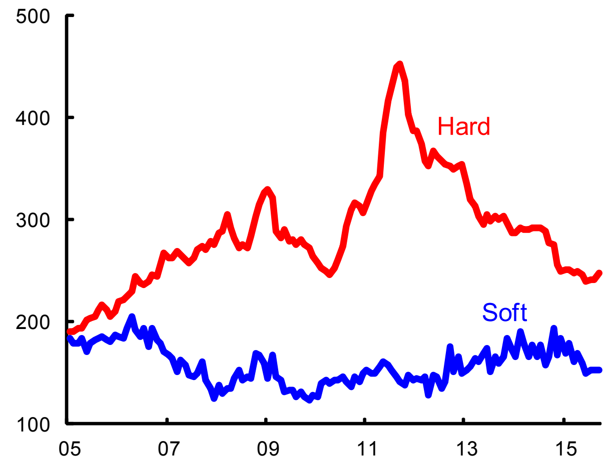
Zinc ($/ton)



Coal ($/ton)

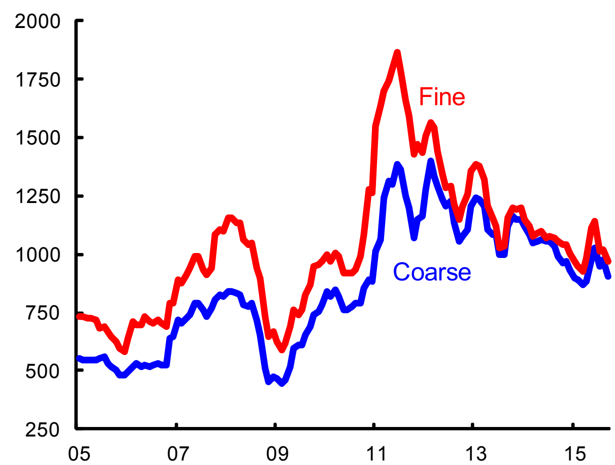


Logs ($/cubic meter)



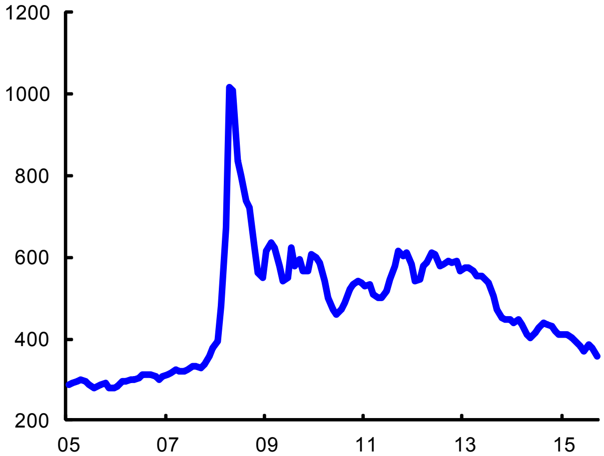
Rubber ($/lb)

Wool (cents/kg)

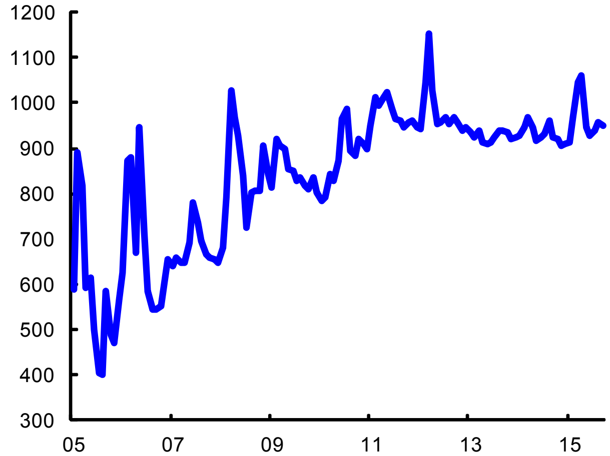


Commodity Prices Movements (Continued)
Monthly (from 2005)

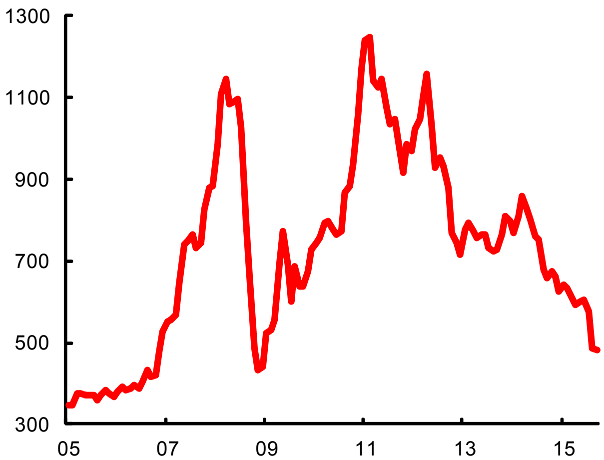
Rice ($/ton)



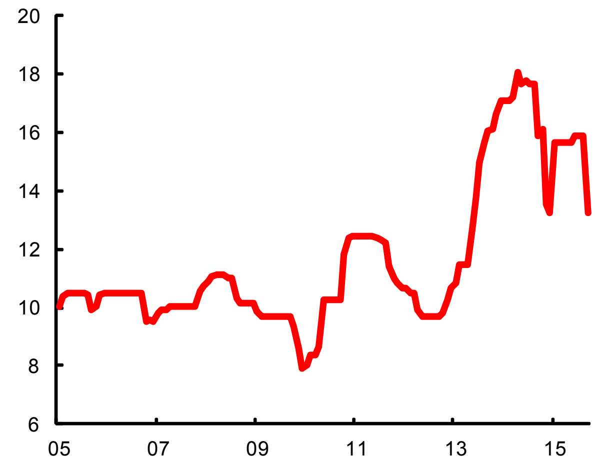
Bananas ($/ton)



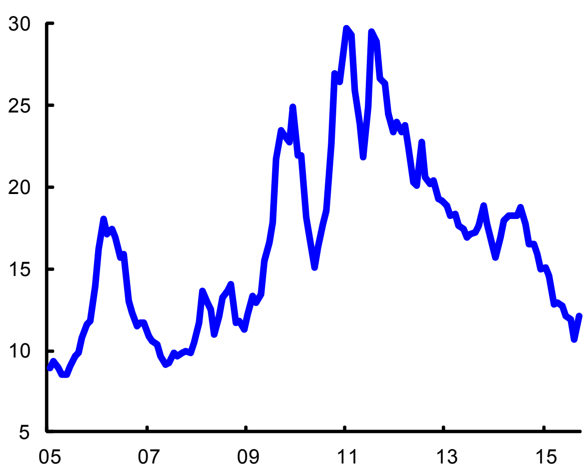
Palm Oil ($/ton)



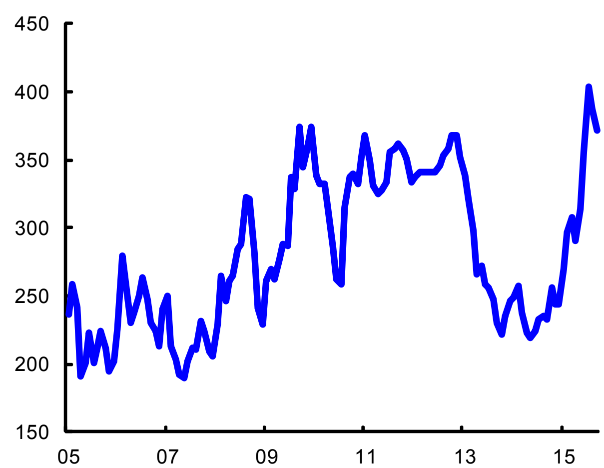
Shrimp ($/kg)



Sugar (cents/pound)



Tea (cents/kg)

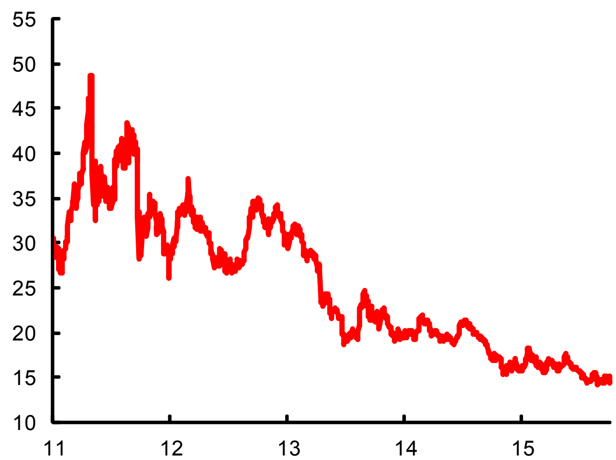


Commodity Prices Movements (Continued)

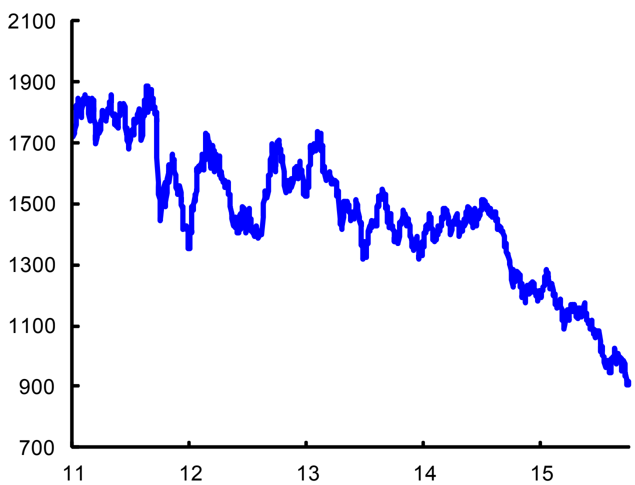
Daily (from 2011)

Gold ($/troy ounce)

Silver ($/troy ounce)



Platinum ($/ounce)



Palladium ($/ounce)