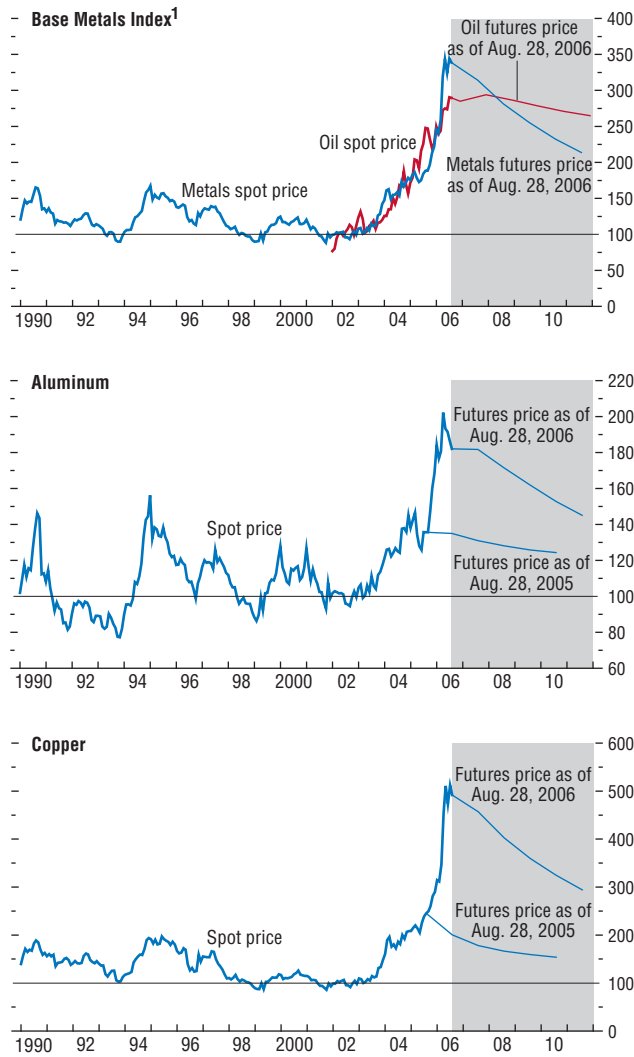


Figure 5.9. Base Metal Prices on Futures Markets

(2002 = 100; monthly data in nominal terms)

At present, futures markets expect the price of metals to fall gradually to the middle of the range between the current prices and the trough of 2002 (in nominal terms). The expected price decline is smaller in the aluminum industry where the gap between market prices and production costs has been narrower than for the other metals.



Sources: Barclays Capital (2006b); Bloomberg Financial Markets, LP; IMF, Commodity Price System database; and IMF staff calculations.

¹Weighted average of aluminum, copper, lead, nickel, tin, and zinc prices.